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European Union

Brussels, 10 February 2021  
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**Interinstitutional File:  
2018/0063A (COD)**

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**COVER NOTE**

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From: General Secretariat of the Council  
To: Delegations

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Subject: NPLs: Proposal for a Directive of the European Parliament and of the  
Council on credit services and credit purchasers  
- Three-column table to commence trilogues

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Delegations will find attached the three-column table on the above-mentioned draft Directive.

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Encl.

## Credit servicers and credit purchasers 2018/0063A(COD)

	Commission Proposal	Council Mandate	EP Mandate
Formula			
1	2018/0063 (COD)	2018/0063 (COD)	2018/0063 (COD)
Proposal Title			
2	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on credit servicers, credit purchasers and the recovery of collateral (Text with EEA relevance)	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on credit servicers; <u>and</u> credit purchasers <del>and the recovery of collateral</del> (Text with EEA relevance)	Proposal for a DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on credit servicers; <u>and</u> credit purchasers <del>and the recovery of collateral</del> (Text with EEA relevance)
Formula			
3	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,
Citation 1			
4	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 53 and Article 114 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular <u>Article 53</u> and Article 114 thereof <del>,</del>	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 53 and Article 114 thereof,
Citation 2			
5	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,

	Commission Proposal	Council Mandate	EP Mandate
Citation 3			
6	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,
Citation 4			
7	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , <u>1. O J C , , p . .</u>	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , <u>1. O J C , , p . .</u>	Having regard to the opinion of the European Economic and Social Committee <sup>1</sup> , <u>1. O J C , , p . .</u>
Citation 5			
8	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,	Acting in accordance with the ordinary legislative procedure,
Formula			
9	Whereas:	Whereas:	Whereas:
Recital 1			
10	(1) The establishment of a comprehensive strategy to address the issue of non-performing loans (NPLs) is a priority for the Union <sup>1</sup> . While addressing NPLs is primarily the responsibility of credit institutions and Member States, there is also a clear Union dimension to reduce current stocks of NPLs, as well as to prevent any excessive build-up of NPLs in the future. Given	(1) The establishment of a comprehensive strategy to address the issue of non-performing loans (NPLs) is a priority for the Union <sup>1</sup> . While addressing NPLs is primarily the responsibility of credit institutions and Member States, there is also a clear Union dimension to reduce current stocks of NPLs, as well as to prevent any excessive build-up of NPLs in the future. Given	(1) The establishment of a comprehensive strategy to address the issue of non-performing loans (NPLs) is a priority for the Union <sup>1</sup> . While addressing NPLs is primarily the responsibility of credit institutions and Member States, there is also a clear Union dimension to reduce current stocks of NPLs, as well as to prevent any excessive build-up of NPLs in the future. Given

	Commission Proposal	Council Mandate	EP Mandate
	<p>the interconnectedness of the banking and financial systems across the Union where credit institutions operate in multiple jurisdictions and Member States, there is significant potential for spill-over effects between Member States and the Union at large, both in terms of economic growth and financial stability.</p> <p>1. See the Reflection Paper on Deepening the Economic and Monetary Union at:  <a href="https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf">https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf</a>, 31.5.2017</p>	<p>the interconnectedness of the banking and financial systems across the Union where credit institutions operate in multiple jurisdictions and Member States, there is significant potential for spill-over effects between Member States and the Union at large, both in terms of economic growth and financial stability.</p> <p>1. See the Reflection Paper on Deepening the Economic and Monetary Union at:  <a href="https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf">https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf</a>, 31.5.2017</p>	<p>the interconnectedness of the banking and financial systems across the Union where credit institutions operate in multiple jurisdictions and Member States, there is significant potential for spill-over effects between Member States and the Union at large, both in terms of economic growth and financial stability.</p> <p>1. See the Reflection Paper on Deepening the Economic and Monetary Union at:  <a href="https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf">https://ec.europa.eu/commission/sites/beta-political/files/reflection-paper-emu_en.pdf</a>, 31.5.2017</p>
Recital 2			
11	<p>(2) An integrated financial system will enhance the resilience of the Economic and Monetary Union to adverse shocks by facilitating private cross-border risk-sharing, while at the same time reducing the need for public risk-sharing. In order to achieve these objectives, the Union should complete the Banking Union and further develop a Capital Markets Union (CMU). Addressing high stocks of NPLs and their possible future accumulation is essential to completing the Banking Union as it is essential for ensuring competition in the banking sector, preserving financial stability and encouraging lending so as to create jobs and growth within the Union.</p>	<p>(2) An integrated financial system will enhance the resilience of the Economic and Monetary Union to adverse shocks by facilitating private cross-border risk-sharing, while at the same time reducing the need for public risk-sharing. In order to achieve these objectives, the Union should complete the Banking Union and further develop a Capital Markets Union (CMU). Addressing high stocks of NPLs and their possible future accumulation is essential to <del>completing</del> <u>strengthening</u> the Banking Union as it is essential for ensuring competition in the banking sector, preserving financial stability and encouraging lending so as to create jobs and growth within the Union.</p>	<p>(2) An integrated financial system will enhance the resilience of the Economic and Monetary Union to adverse shocks by facilitating private cross-border risk-sharing, while at the same time reducing the need for public risk-sharing. In order to achieve these objectives, the Union should complete the Banking Union and further develop a Capital Markets Union (CMU). Addressing high stocks of NPLs and their possible future accumulation is essential to <del>completing</del> <u>strengthening</u> the Banking Union as it is essential for ensuring competition in the banking sector, preserving financial stability and encouraging lending so as to create jobs and growth within the Union.</p>
Recital 3			
12	<p>(3) In July 2017 the Council in its "Action Plan to Tackle Non-Performing Loans in Europe"<sup>1</sup> called upon various institutions to take</p>	<p>(3) In July 2017 the Council in its "Action Plan to Tackle Non-Performing Loans in Europe"<sup>1</sup> called upon various institutions to take</p>	<p>(3) In July 2017 the Council in its "Action Plan to Tackle Non-Performing Loans in Europe"<sup>1</sup> called upon various institutions to take</p>

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	<p>appropriate measures to further address the high number of NPLs in the Union. The Action Plan sets out a comprehensive approach that focuses on a mix of complementary policy actions in four areas: (i) bank supervision and regulation (ii) reform of restructuring, insolvency and debt recovery frameworks, (iii) developing secondary markets for distressed assets, and (iv) fostering restructuring of the banking system. Actions in these areas are to be taken at national level and at Union level where appropriate. The Commission announced a similar intention in its "Communication on completing the Banking Union" of 11 October 2017<sup>2</sup>, which called for a comprehensive package on tackling NPLs within the Union.</p> <p>1. 11/07/2017, <a href="http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf">http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf</a>. 2. Communication to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions on completing the Banking Union, COM(2017) 592 final, 11.10.2017.</p>	<p>appropriate measures to further address the high number of NPLs in the Union <u>and prevent their possible future accumulation</u>. The Action Plan sets out a comprehensive approach that focuses on a mix of complementary policy actions in four areas: (i) bank supervision and regulation (ii) reform of restructuring, insolvency and debt recovery frameworks, (iii) developing secondary markets for distressed assets, and (iv) fostering restructuring of the banking system. Actions in these areas are to be taken at national level and at Union level where appropriate. The Commission announced a similar intention in its "Communication on completing the Banking Union" of 11 October 2017<sup>2</sup>, which called for a comprehensive package on tackling NPLs within the Union.</p> <p>1. 11/07/2017, <a href="http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf">http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf</a>. 2. Communication to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions on completing the Banking Union, COM(2017) 592 final, 11.10.2017.</p>	<p>appropriate measures to further address the high number of NPLs in the Union <u>and prevent their possible future accumulation</u>. The Action Plan sets out a comprehensive approach that focuses on a mix of complementary policy actions in four areas: (i) bank supervision and regulation (ii) reform of restructuring, insolvency and debt recovery frameworks, (iii) developing secondary markets for distressed assets, and (iv) fostering restructuring of the banking system. Actions in these areas are to be taken at national level and at Union level where appropriate. The Commission announced a similar intention in its "Communication on completing the Banking Union" of 11 October 2017<sup>2</sup>, which called for a comprehensive package on tackling NPLs within the Union.</p> <p>1. 11/07/2017, <a href="http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf">http://www.consilium.europa.eu/en/press/press-releases/2017/07/11/conclusions-non-performing-loans/pdf</a>. 2. Communication to the European Parliament, the Council, the European Central Bank, the European Economic and Social Committee and the Committee of the Regions on completing the Banking Union, COM(2017) 592 final, 11.10.2017.</p>
Recital 4			
13	<p>(4) This Directive, together with other measures which the Commission is putting forward, as well as the action taken by the ECB in the context of banking supervision under the Single Supervisory Mechanism (SSM) and by the European Banking Authority will create the appropriate environment for credit institutions to deal with NPLs on their balance sheets, and will reduce the risk of future</p>	<p>(4) This Directive, together with other measures which the Commission is putting forward, as well as the action taken by the ECB in the context of banking supervision under the Single Supervisory Mechanism (SSM) and by the European Banking Authority will create the appropriate environment for credit institutions to deal with NPLs on their balance sheets, and will reduce the risk of future</p>	<p>(4) This Directive, together with other measures which the Commission is putting forward, as well as the action taken by the ECB in the context of banking supervision under the Single Supervisory Mechanism (SSM) and by the European Banking Authority will create the appropriate environment for credit institutions to deal with NPLs on their balance sheets, and will reduce the risk of future</p>

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	NPL accumulation.	NPL accumulation.	NPL accumulation.
Recital 4a			
13a			<p><u><a href="#">(4a) In the process of developing macro-prudential approaches to prevent the emergence of system-wide risks associated with NPLs, the European Systemic Risk Board, established by Regulation (EU) No 1092/2010 of the European Parliament and of the Council<sup>1</sup>, should develop appropriate macro-prudential standards and supervision for financial institutions involved in the secondary market for NPLs.</a></u></p> <p><u><a href="#">1. Regulation (EU) No 1092/2010 of the European Parliament and of the Council of 24 November 2010 on European Union macro-prudential oversight of the financial system and establishing a European Systemic Risk Board (OJ L 331, 15.12.2010, p. 1).</a></u></p>
Recital 5			
14	<p>(5) Credit institutions will be required to put aside sufficient resources when new loans become non- performing, which should create appropriate incentives to address NPLs at an early stage and should prevent an excessive accumulation of them. Where loans become non-performing, more efficient enforcement mechanisms for secured loans would allow credit institutions to enforce NPLs, subject to appropriate safeguards for borrowers. Nevertheless, should NPL stocks become too high – as it is currently the case for some credit institutions and some Member States – credit institutions should be able to sell them in efficient, competitive and transparent secondary</p>	<p>(5) Credit institutions will be required to put aside sufficient resources when new loans become non- performing, which should create appropriate incentives to address NPLs at an early stage and should prevent an excessive accumulation of them. <del>Where loans become non-performing, more efficient enforcement mechanisms for secured loans would allow credit institutions to enforce NPLs, subject to appropriate safeguards for borrowers.</del> Nevertheless, should NPL stocks become too high <del>— as it is currently the case for some credit institutions and some Member States</del> — credit institutions should be able to sell them in efficient, competitive and transparent secondary</p>	<p>(5) Credit institutions will be required to put aside sufficient resources when new loans become non- performing, which should create appropriate incentives to address NPLs at an early stage and should prevent an excessive accumulation of them. Where loans become non-performing, more efficient enforcement mechanisms for secured loans would allow credit institutions to <u>implement a holistic strategy to</u> enforce NPLs, subject to <u>appropriate strong and effective</u> safeguards for borrowers. Nevertheless, should NPL stocks become too high, <u>1</u> <del>— as it is currently the case for some credit institutions and some Member States</del> — credit institutions should be able to sell</p>

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	<p>markets to other operators. Competent authorities of credit institutions will guide them in this, based on their existing bank-specific, so-called Pillar 2, powers under Regulation (EU) No 575/2013 of the European Parliament and of the Council<sup>1</sup> (CRR). Where NPLs become a significant and broad-based problem, Member States can set up national asset management companies or other alternative measures within the framework of current state aid and banks resolution rules.</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>	<p>markets to other operators. Competent authorities of credit institutions will guide them in this, based on their existing bank-specific, so-called Pillar 2, powers under Regulation (EU) No 575/2013 of the European Parliament and of the Council<sup>1</sup> (CRR). Where NPLs become a significant and broad-based problem, Member States can set up national asset management companies or other alternative measures within the framework of current state aid and banks resolution rules.</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>	<p>them in efficient, competitive and transparent secondary markets to other operators. Competent authorities of credit institutions will guide them in this, based on their existing bank-specific, so-called Pillar 2, powers under Regulation (EU) No 575/2013 of the European Parliament and of the Council<sup>1</sup> (CRR). Where NPLs become a significant and broad-based problem, Member States can set up national asset management companies or other alternative measures within the framework of current state aid and banks resolution rules.</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>
Recital 6			
15	<p>(6) This Directive should enable credit institutions to better deal with loans once these become non-performing by improving conditions to either enforce the collateral used to secure the credit or to sell the credit to third parties. The introduction of accelerated collateral enforcement as a swift mechanism for the recovery of collateral value would reduce the costs for resolving NPLs and would hence support both credit institutions and purchasers of NPLs in recovering value. Moreover, when credit institutions face a large build-up of NPLs and lack the staff or expertise to properly service them, one viable solution would be to either outsource the servicing of these loans to a specialised credit servicer or to transfer the credit agreement to a</p>	<p>(6) This Directive should enable credit institutions to better deal with loans once these become non-performing by improving conditions <del>to either enforce the collateral used to secure the credit or to</del> sell the credit to third parties. <del>The introduction of accelerated collateral enforcement as a swift mechanism for the recovery of collateral value would reduce the costs for resolving NPLs and would hence support both credit institutions and purchasers of NPLs in recovering value. Moreover,</del> When credit institutions face a large build-up of NPLs and lack the staff or expertise to properly service them, one viable solution would be to either outsource the servicing of these loans to a specialised credit servicer or to transfer the credit agreement to a</p>	<p>(6) This Directive should enable credit institutions to better deal with loans once these become non-performing by improving conditions to <del>either enforce the collateral used to secure the credit or to</del> sell the credit to third parties. <del>The introduction of accelerated collateral enforcement as a swift mechanism for the recovery of collateral value would reduce the costs for resolving NPLs and would hence support both credit institutions and purchasers of NPLs in recovering value.</del> Moreover, when credit institutions face a large build-up of NPLs and lack the staff or expertise to properly service them, one viable solution would be to either outsource the servicing of these loans to a specialised credit servicer or to transfer the credit agreement to a</p>

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	credit purchaser that has the necessary risk appetite and expertise to manage it.	credit purchaser that has the necessary risk appetite and expertise to manage it.	credit purchaser that has the necessary risk appetite and expertise to manage it.
Recital 6a			
15a			<p><u><i>(6a) Creditors should, where possible, make an effort to avoid transferring to third parties NPLs and exposures secured by immovable residential property which is the primary residence of a borrower. Member States should adopt measures to encourage creditors to exercise reasonable forbearance before foreclosure proceedings in respect of distressed borrowers are initiated, in accordance with Article 28 of Directive 2014/17/EU of the European Parliament and of the Council<sup>1</sup> and the EBA Guidelines on arrears and foreclosure of 19 August 2015 (EBA/GL/2015/12). In particular, when deciding on which steps or forbearance measures to take, creditors should take into account the individual circumstances of the borrower, the borrower's interests and rights and the borrower's ability to repay. Forbearance measures could include certain concessions to the borrower, such as a total or partial refinancing of a credit agreement and a modification of the previous terms and conditions of a credit agreement, such as an extension of the term of the mortgage, a change of the type of mortgage, a deferral of payment of all or part of the instalment repayment for a period, the change of the interest rate, and the offer of a payment holiday. Where there remains outstanding debt after foreclosure proceedings, Member States should ensure the protection of minimum living conditions and put in place measures to facilitate repayment while avoiding</i></u></p>



	Commission Proposal	Council Mandate	EP Mandate
			<p><u><i>long-term over-indebtedness. At least where the price obtained for the immovable property affects the amount owed by the consumer, Member States should encourage creditors to take reasonable steps to obtain the best efforts price for the foreclosed immovable property in the context of market conditions. Member States should not prevent the parties to a credit agreement from expressly agreeing that the transfer of the security to the creditor is sufficient in order to repay the credit, in particular when the credit is secured by the borrower's primary residence.</i></u></p> <p><u><i>1. Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2014, p. 34).</i></u></p>
Recital 7			
16	<p>(7) The two solutions for credit institutions to deal with NPLs provided for by this Directive are mutually reinforcing. The shorter time for enforcement and the increased recovery rates, as expected with accelerated extrajudicial collateral enforcement increases the value of an NPL. In turn, this would raise bid prices in NPL transactions. A further effect is that selling NPLs will be less complicated if the loan is collateralised. The reason for this is that price determination is simpler for a collateralised NPL than an unsecured one in a secondary market transaction because the value of the collateral sets a minimum value of a NPL. With a more liquid and better functioning secondary market for NPLs</p>	<p><del>(7) The two solutions for credit institutions to deal with NPLs provided for by this Directive are mutually reinforcing. The shorter time for enforcement and the increased recovery rates, as expected with accelerated extrajudicial collateral enforcement increases the value of an NPL. In turn, this would raise bid prices in NPL transactions. A further effect is that selling NPLs will be less complicated if the loan is collateralised. The reason for this is that price determination is simpler for a collateralised NPL than an unsecured one in a secondary market transaction because the value of the collateral sets a minimum value of a NPL. With a more liquid and better functioning secondary market</del></p>	<p><del>(7) The two solutions for credit institutions to deal with NPLs provided for by this Directive are mutually reinforcing. The shorter time for enforcement and the increased recovery rates, as expected with accelerated extrajudicial collateral enforcement increases the value of an NPL. In turn, this would raise bid prices in NPL transactions. A further effect is that selling NPLs will be less complicated if the loan is collateralised. The reason for this is that price determination is simpler for a collateralised NPL than an unsecured one in a secondary market transaction because the value of the collateral sets a minimum value of a NPL. With a more liquid and better functioning secondary market</del></p>

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	where investors would show greater interest for NPLs incorporating the accelerated enforcement feature, there would be additional incentives for credit institutions to use accelerated extrajudicial collateral enforcement at the time of issue of the new loans. Moreover, the harmonisation achieved by this Directive would foster development of pan-Union NPL investors, thus further improving market liquidity.	<i>for NPLs where investors would show greater interest for NPLs incorporating the accelerated enforcement feature, there would be additional incentives for credit institutions to use accelerated extrajudicial collateral enforcement at the time of issue of the new loans. Moreover, the harmonisation achieved by this Directive would foster development of pan-Union NPL investors, thus further improving market liquidity.</i>	<i>for NPLs where investors would show greater interest for NPLs incorporating the accelerated enforcement feature, there would be additional incentives for credit institutions to use accelerated extrajudicial collateral enforcement at the time of issue of the new loans. Moreover, the harmonisation achieved by this Directive would foster development of pan-Union NPL investors, thus further improving market liquidity.</i>
Recital 8			
17	(8) While the terms 'loans' and 'banks' are commonly referred to in the public debate, the more precise legal terms of 'credit' or 'credit agreements' and 'credit institution' are used hereafter. Furthermore, unless otherwise specified, the terms bank and credit institution also cover their subsidiaries.	(8) While the terms 'loans' and 'banks' are commonly referred to in the public debate, the more precise legal terms of 'credit' or 'credit agreements' and 'credit institution' are used hereafter. <del>Furthermore, unless otherwise specified, the terms bank and</del> <u>Moreover, the Directive covers both the creditor's rights under a credit institution also cover their subsidiaries</u> <del>agreement and the credit agreement itself.</del>	(8) While the terms 'loans' and 'banks' are commonly referred to in the public debate, the more precise legal terms of 'credit' or 'credit agreements' and 'credit institution' are used hereafter. <del>Furthermore, unless otherwise specified, the terms bank and</del> <u>Moreover, this Directive covers both the creditor's rights under a non-performing credit institution also cover their subsidiaries</u> <del>agreement and the non-performing credit agreement itself.</del>
Recital 9			
18	(9) This Directive should foster the development of secondary markets for NPLs in the Union by removing impediments to the transfer of NPLs by credit institutions to non-credit institutions, while at the same time safeguarding consumers' rights. Any proposed measure should also simplify and harmonise the authorisation requirements for credit servicers. This Directive should therefore establish a Union-wide framework for both	(9) This Directive should foster the development of secondary markets for NPLs in the Union by removing impediments to the transfer of NPLs by credit institutions to non-credit institutions, while at the same time safeguarding consumers' rights. Any proposed measure should also simplify and harmonise the authorisation requirements for credit servicers. This Directive should therefore establish a Union-wide framework for both	(9) This Directive should foster the development of secondary markets for NPLs in the Union by <del>removing impediments to</del> <u>laying down safeguards and minimum requirements for</u> the transfer of NPLs by credit institutions to non-credit institutions, while at the same time safeguarding <del>consumers'</del> <u>borrowers'</u> rights. Any proposed measure should <del>also simplify and</del> harmonise the authorisation requirements for credit servicers.

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	purchasers and servicers of credit agreements issued by credit institutions.	purchasers and servicers of credit agreements issued by credit institutions.	This Directive should therefore establish a Union-wide framework for both purchasers and servicers of <i>non-performing</i> credit agreements issued by credit institutions, <i>whereby credit servicers should obtain authorisation and be subject to the supervision of Member States' competent authorities.</i>
Recital 10			
19	<p>(10) However, currently, credit purchasers and credit servicers cannot reap the benefits of the internal market due to barriers erected by divergent national legislations in the absence of a dedicated and coherent regulatory and supervisory regime. Member States have very different rules for how non-credit institutions may acquire credit agreements from credit institutions. Non-credit institutions which purchase credit issued by credit institutions are not regulated in some Member States, while in others they are subject to various requirements, sometimes amounting to a requirement to obtain an authorisation of a credit institution. These differences of regulatory requirements have resulted in considerable obstacles to legally purchasing credit cross-border in the Union mainly by increasing the compliance costs faced when seeking to purchase credit portfolios. As a result, credit purchasers operate in a limited number of Member States, which has resulted in little competition in the internal market, as the number of interested credit purchasers remains low. This has led to an inefficient secondary market for NPLs. In addition, the essentially national markets for NPLs tend to remain of a small volume.</p>	<p>(10) However, currently, credit purchasers and credit servicers cannot reap the benefits of the internal market due to barriers erected by divergent national legislations in the absence of a dedicated and coherent regulatory and supervisory regime. Member States have very different rules for how non-credit institutions may acquire credit agreements from credit institutions. Non-credit institutions which purchase credit issued by credit institutions are not regulated in some Member States, while in others they are subject to various requirements, sometimes amounting to a requirement to obtain an authorisation of a credit institution. These differences of regulatory requirements have resulted in considerable obstacles to legally purchasing credit cross-border in the Union mainly by increasing the compliance costs faced when seeking to purchase credit portfolios. As a result, credit purchasers operate in a limited number of Member States, which has resulted in little competition in the internal market, as the number of interested credit purchasers remains low. This has led to an inefficient secondary market for NPLs. In addition, the essentially national markets for NPLs tend to remain of a small volume.</p>	<p>(10) <del>However,</del> Currently, credit purchasers and credit servicers cannot reap the benefits of the internal market due to barriers erected by divergent national legislations in the absence of a dedicated and coherent regulatory and supervisory regime. <i>At present, there are no common Union standards for the regulation of credit servicers. In particular, no common standards have been set out for the regulation of debt collection.</i> Member States have very different rules for how non-credit institutions may acquire credit agreements from credit institutions. Non-credit institutions which purchase credit issued by credit institutions are not regulated in some Member States, while in others they are subject to various requirements, sometimes amounting to a requirement to obtain an authorisation of a credit institution. These differences of regulatory requirements have resulted in considerable obstacles to legally purchasing credit cross-border in the Union mainly by increasing the compliance costs faced when seeking to purchase credit portfolios. As a result, credit purchasers operate in a limited number of Member States, which has resulted in little competition in the internal market, as the number of interested credit</p>

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			purchasers remains low. This has led to an inefficient secondary market for NPLs. In addition, the essentially national markets for NPLs tend to remain of a small volume.
Recital 11			
20	(11) The limited participation of non-credit institutions has resulted in low demand, weak competition and low bid prices for portfolios of credit agreements on secondary markets, which is a disincentive for credit institutions to sell non-performing credit agreements. Therefore, there is a clear Union dimension to the development of markets for credits granted by credit institutions and sold to non-credit institutions. On the one hand, it should be possible for credit institutions to sell non-performing or even performing credit agreements on a Union-wide scale in efficient, competitive and transparent secondary markets. On the other hand, completion of the Banking Union and a Capital Markets Union make it necessary to act in order to prevent the accumulation of non-performing credit agreements on credit institutions' balance sheets so that they can continue to perform their role of financing the economy.	(11) The limited participation of non-credit institutions has resulted in low demand, weak competition and low bid prices for portfolios of credit agreements on secondary markets, which is a disincentive for credit institutions to sell non-performing credit agreements. Therefore, there is a clear Union dimension to the development of markets for credits granted by credit institutions and sold to non-credit institutions. On the one hand, it should be possible for credit institutions to sell non-performing <del>or even performing</del> credit agreements on a Union-wide scale in efficient, competitive and transparent secondary markets. On the other hand, completion of the Banking Union and a Capital Markets Union make it necessary to act in order to prevent the accumulation of non-performing credit agreements on credit institutions' balance sheets so that they can continue to perform their role of financing the economy. <u>Therefore, the provisions of this Directive cover credit purchasers when they acquire as a business or profession non-performing credit agreements.</u>	(11) The limited participation of non-credit institutions has resulted in low demand, weak competition and low bid prices for portfolios of credit agreements on secondary markets, which is a disincentive for credit institutions to sell non-performing credit agreements. Therefore, there is a clear Union dimension to the development of markets for credits granted by credit institutions and sold to non-credit institutions. On the one hand, it should be possible for credit institutions to sell non-performing <del>or even performing</del> credit agreements on a Union-wide scale in efficient, competitive and transparent secondary markets. On the other hand, completion of the Banking Union and a Capital Markets Union make it necessary to act in order to prevent the accumulation of non-performing credit agreements on credit institutions' balance sheets so that they can continue to perform their role of financing the economy. <u>Therefore, the provisions of this Directive cover credit purchasers acting in the course of their trade, business or profession when they acquire a credit agreement only where that agreement has been qualified as a non-performing credit agreement.</u>
Recital 11a			
20a			

	Commission Proposal	Council Mandate	EP Mandate
			<u><i>(11a) Non-performing credit originally granted by a credit institution, might, in the process of servicing the credit, become performing. In that case, credit servicers should be able to continue carrying out their activities, based on their authorisation.</i></u>
Recital 12			
21	(12) Creditors should be able to enforce a credit agreement and recover the amounts due themselves or they should be able to entrust such recovery to another person who provides such services on a professional basis, namely credit servicers. Equally, purchasers of credit from credit institutions often use the services of credit servicers in order to recover amounts due and yet credit servicing activities are not subject to a Union framework.	(12) Creditors should be able to enforce a credit agreement and recover the amounts due themselves or they should be able to entrust such recovery to another person who provides such services on a professional basis, namely credit servicers. Equally, purchasers of credit from credit institutions often use the services of credit servicers in order to recover amounts due and yet credit servicing activities are not subject to a Union framework.	(12) Creditors should be able to enforce a credit agreement and recover the amounts due themselves or they should be able to entrust such recovery to another person who provides such services on a professional basis, namely credit servicers. Equally, purchasers of credit from credit institutions often use the services of credit servicers in order to recover amounts due and yet credit servicing activities are not subject to a Union framework.
Recital 13			
22	(13) Certain Member States regulate credit servicing activities, but to varying degrees. Firstly, only some Member State regulate these activities, and, those that do, define them very differently. The increased regulatory compliance costs operate as a barrier to the development of expansion strategies by means of secondary establishment or cross-border provision of services. Secondly, a considerable number of Member States requires authorisations for some of the activities that these credit servicers engage in. These authorisations impose different requirements and do not provide for possibilities	(13) Certain Member States regulate credit servicing activities, but to varying degrees. Firstly, only some Member State regulate these activities, and, those that do, define them very differently. The increased regulatory compliance costs operate as a barrier to the development of expansion strategies by means of secondary establishment or cross-border provision of services. Secondly, a considerable number of Member States requires authorisations for some of the activities that these credit servicers engage in. These authorisations impose different requirements and do not provide for possibilities	(13) Certain Member States regulate credit servicing activities, but to varying degrees. Firstly, only some Member State regulate these activities, and, those that do, define them very differently. The increased regulatory compliance costs operate as a barrier to the development of expansion strategies by means of secondary establishment or cross-border provision of services. Secondly, a considerable number of Member States requires authorisations for some of the activities that these credit servicers engage in. These authorisations impose different requirements and do not provide for possibilities

	Commission Proposal	Council Mandate	EP Mandate
	of cross-border scaling up, this again operating as a barrier to the provision of cross-border services. Finally, in some cases, local establishment is required by law, which hinders the exercise of the freedom to provide cross-border services.	of cross-border scaling up, this again operating as a barrier to the provision of cross-border services. Finally, in some cases, local establishment is required by law, which hinders the exercise of the freedom to provide cross-border services.	of cross-border scaling up, this again operating as a barrier to the provision of cross-border services. Finally, in some cases, local establishment is required by law, which hinders the exercise of the freedom to provide cross-border services.
Recital 14			
23	(14) While credit servicers can provide their services to credit institutions and to credit purchasers that are not credit institutions, a competitive and integrated market for credit servicers is linked to the development of a competitive and integrated market for credit purchasers. Since credit purchasers often do not have the capacity to service credit themselves, they may not purchase credit from credit institutions, if they cannot outsource the credit servicing to other entities.	(14) While credit servicers can provide their services to credit institutions and to credit purchasers that are not credit institutions, a competitive and integrated market for credit servicers is linked to the development of a competitive and integrated market for credit purchasers. <del>Since</del> Credit purchasers often <u>decide to outsource the credit servicing to other entities, as they</u> do not have the capacity to service credit themselves <u>and, thus, may be reluctant to</u> <del>they may not</del> purchase credit from credit institutions, if they cannot outsource <del>the credit servicing to other entities</del> <u>certain services</u> .	(14) While credit servicers can provide their services to credit institutions and to credit purchasers that are not credit institutions, a competitive and integrated market for credit servicers is linked to the development of a competitive and integrated market for credit purchasers. <del>Since</del> Credit purchasers often <u>decide to outsource the credit servicing to other entities, as they</u> do not have the capacity to service credit themselves, <del>they may not and thus may be reluctant to</del> purchase credit from credit institutions, if they cannot outsource <del>the credit servicing to other entities</del> <u>certain services</u> .
Recital 15			
24	(15) The lack of competitive pressure on the market for purchasing credit and on the market for credit servicing activities results in credit servicing firms charging credit purchasers high fees for their services and leads to low prices on secondary markets for credit. This reduces incentives for credit institutions to offload their stock of NPLs.	(15) The lack of competitive pressure on the market for purchasing credit and on the market for credit servicing activities results in credit servicing firms charging credit purchasers high fees for their services and leads to low prices on secondary markets for credit. This reduces incentives for credit institutions to offload their stock of NPLs.	(15) The lack of competitive pressure on the market for purchasing credit and on the market for credit servicing activities results in credit servicing firms charging credit purchasers high fees for their services and leads to low prices on secondary markets for credit. This reduces incentives for credit institutions to offload their stock of NPLs.
Recital 16			

	Commission Proposal	Council Mandate	EP Mandate
25	(16) Therefore, action at Union level is necessary in order to address the position of credit purchasers and credit servicers in relation to credit originally granted by credit institutions. It is not proposed to cover credit originally issued by non-credit institutions or debt collection in general at this stage, as there is no evidence of macroeconomic relevance, misaligned incentives or ill-functioning markets for such an extended scope.	(16) Therefore, action at Union level is necessary in order to address the position of credit purchasers and credit servicers in relation to credit originally granted by credit institutions. <u>However, the Directive is without prejudice to the rules governing credit origination in accordance to Union and Member States' law, including in cases when credit servicers can be considered to engage in credit intermediation . The Directive is also without prejudice to the national rules imposing additional requirements for the credit purchaser or the credit servicer as concerns the renegotiation of the terms and conditions under a credit agreement.</u> It is not proposed to cover credit originally issued by non-credit institutions or debt collection in general at this stage, as there is no evidence of macroeconomic relevance, misaligned incentives or ill-functioning markets for such an extended scope.	(16) Therefore, action at Union level is necessary in order to address the position of credit purchasers and credit servicers in relation to <u>non-performing</u> credit originally granted by credit institutions. <del>It is not proposed to cover</del> <u>However, this Directive is without prejudice to the rules governing credit originally issued by non-credit institutions or debt collection in general at this stage, as there is no evidence of macroeconomic relevance, misaligned incentives or ill-functioning markets for such an extended scope</u> <u>origination in accordance with Union and national law, including in cases when credit servicers can be considered to engage in credit intermediation. This Directive is also without prejudice to national rules imposing additional requirements in respect of the credit purchaser or the credit servicer as concerns the renegotiation of terms and conditions under a credit agreement.</u>
Recital 16a			
25a		<u>(16a) It is open to Member States to regulate the credit servicing activities that do not fall within the scope of this Directive, such as services offered for credit agreements issued by non-credit institutions or credit servicing activities performed by natural persons, including by imposing requirements equivalent to those under this Directive Those entities, however, would not benefit from the possibility to passport such services to other Member States.</u>	<u>(16a) It is open to Member States to regulate the credit servicing activities that do not fall within the scope of this Directive, such as services offered for credit agreements issued by non-credit institutions or credit servicing activities performed by natural persons, including by imposing requirements equivalent to those under this Directive. Those entities, however, would not benefit from the possibility to passport such services to other Member States.</u>
Recital 16b			

	Commission Proposal	Council Mandate	EP Mandate
25b			<p><u><i>(16b) This Directive should not affect restrictions under national law regarding the transfer of creditor's rights under a non-performing credit agreement or a transfer of the credit agreement itself that is not terminated in accordance with national civil law with the effect that all amounts payable under the credit agreement become immediately due, where that is required for the transfer to an entity outside the banking system. In that way, there will be Member States where, taking into account the national rules, the acquisition of non-performing credit agreements that are not past due, are less than 90 days past due, or are not terminated in accordance with national civil law by non-regulated creditors, will remain limited. It is open to Member States to regulate the transfer of performing credit agreements, including by imposing requirements equivalent to those under this Directive.</i></u></p>
Recital 17			
26	<p>(17) Although the purpose of this Directive is to strengthen the credit institutions' capacity to deal with credit that has become non-performing or risks becoming non-performing, the secondary market for credit covers both performing and non-performing credit. Actual market sales encompass credit portfolios, consisting of a mix of performing, under-performing and non-performing credit. The portfolios include credit that is both secured and unsecured and that is owed by consumers or businesses. Where rules for the enforcement of credit differed for each</p>	<p><del>(17) Although the purpose of this Directive is to strengthen the credit institutions' capacity to deal with credit that has become non-performing or risks becoming non-performing, the secondary market for credit covers both performing and non-performing credit. Actual market sales encompass credit portfolios, consisting of a mix of performing, under-performing and non-performing credit. The portfolios include credit that is both secured and unsecured and that is owed by consumers or businesses. Where rules for the enforcement of credit differed for each</del></p>	<p><del>(17) Although the purpose of this Directive is to strengthen the credit institutions' capacity to deal with credit that has become non-performing or risks becoming non-performing, the secondary market for credit covers both performing and non-performing credit. Actual market sales encompass credit portfolios, consisting of a mix of performing, under-performing and non-performing credit. The portfolios include credit that is both secured and unsecured and that is owed by consumers or businesses. Where rules for the enforcement of credit differed for each</del></p>



	Commission Proposal	Council Mandate	EP Mandate
	<p>type of credit or borrower, there would be additional costs to the packaging of those credit portfolios for sale. The provisions in this Directive that target the development of the secondary market cover performing and non-performing credit in order to avoid a situation that these additional costs would discourage investor participation and fragment this emerging market. Credit institutions will benefit from facing a larger investor base and more efficient credit servicers. Similar benefits will accrue to asset management companies that are instrumental in some Member States in marketing both non-performing and performing credit originated from credit institutions that had been resolved or been restructured or that have otherwise offloaded them from their balance sheets<sup>1</sup>.</p> <p><sup>1</sup>. See Commission staff working document SWD(2018 72) on the AMC Blueprint.</p>	<p><del>type of credit or borrower, there would be additional costs to the packaging of those credit portfolios for sale. The provisions in this Directive that target the development of the secondary market cover performing and non-performing credit in order to avoid a situation that these additional costs would discourage investor participation and fragment this emerging market. Credit institutions will benefit from facing a larger investor base and more efficient credit servicers. Similar benefits will accrue to asset management companies that are instrumental in some Member States in marketing both non-performing and performing credit originated from credit institutions that had been resolved or been restructured or that have otherwise offloaded them from their balance sheets<sup>1</sup>.</del></p> <p><del><sup>1</sup>. See Commission staff working document SWD(2018 72) on the AMC Blueprint.</del></p>	<p><del>type of credit or borrower, there would be additional costs to the packaging of those credit portfolios for sale. The provisions in this Directive that target the development of the secondary market cover performing and non-performing credit in order to avoid a situation that these additional costs would discourage investor participation and fragment this emerging market. Credit institutions will benefit from facing a larger investor base and more efficient credit servicers. Similar benefits will accrue to asset management companies that are instrumental in some Member States in marketing both non-performing and performing credit originated from credit institutions that had been resolved or been restructured or that have otherwise offloaded them from their balance sheets<sup>1</sup>.</del></p> <p><del><sup>1</sup>. See Commission staff working document SWD(2018 72) on the AMC Blueprint.</del></p>
Recital 18			
27	<p>(18) The importance placed by the Union legislature on the protection provided for consumers in Directive 2014/17/EU of the European Parliament and of the Council <sup>1</sup>, Directive 2008/48/EC of the European Parliament and of the Council <sup>2</sup> and Council Directive 93/13/EEC<sup>3</sup> means that the assignment of the creditor's rights under a credit agreement or of the agreement itself to a credit purchaser should not affect the level of protection granted by Union law to consumers in any way. Credit purchasers and credit servicers should therefore comply with Union law as applicable to the initial credit</p>	<p>(18) The importance placed by the Union legislature on the protection provided for consumers in Directive 2014/17/EU of the European Parliament and of the Council<sup>1</sup>, Directive 2008/48/EC of the European Parliament and of the Council<sup>2</sup> and Council Directive 93/13/EEC<sup>3</sup> means that the assignment of the <del>creditor's</del><u>credit</u> rights under a credit agreement or of the agreement itself to a credit purchaser should not affect the level of protection granted by Union law to consumers in any way. Credit purchasers and credit servicers should therefore comply with <u>applicable</u> Union <u>and national</u> law</p>	<p>(18) The importance placed by the Union legislature on the protection provided for consumers in Directive 2014/17/EU<del> of the European Parliament and of the Council</del><sup>1</sup>, Directive 2008/48/EC of the European Parliament and of the Council <sup>21</sup> and Council Directive 93/13/EEC<sup>32</sup> means that the assignment of the creditor's rights under a credit agreement or of the agreement itself to a credit purchaser should not affect the level of protection granted by Union law to consumers in any way. Credit purchasers and credit servicers should therefore comply with <u>applicable</u> Union <u>and national</u> law as applicable</p>

	Commission Proposal	Council Mandate	EP Mandate
	<p>agreement and the consumer should retain the same level of protection as provided under Union law or as determined by Union or national conflict of law rules regardless of the law applicable to the credit purchaser or credit servicer.</p> <p>1. Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2014, p. 34).  2. Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 60/34, 22.5.2008, p. 66).  3. Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (OJ L 95, 21.4.1993, p. 29).</p>	<p>as applicable to the initial credit agreement and the <del>consumer</del> <u>borrower</u> should retain the same level of protection as provided under <u>applicable</u> Union <u>and national</u> law or as determined by Union or national conflict of law rules. <u>Also, the Directive does not affect the restrictions in the national law with regard to the transfer of non-performing credit agreements that are not past due or are less than 90 days past due and the assignment of creditors' rights under such non-performing credit agreements . Similarly, the Directive does not affect the restrictions in national laws regarding transfer of creditor's rights under a non-performing credit agreement or the credit agreement itself that is not terminated in accordance with national civil law with the effect that all amounts payable under the credit agreement become immediately due, where this is required for the transfer to an entity outside the banking system. This way, there will be Member States where, taking into account the national rules, the acquisition of non-performing <del>regardless of the law applicable to the credit purchaser or</del> <u>agreements that are not past due, are less than 90 days past due or are not terminated in accordance with national civil law by non-regulated creditors will remain limited. It is open to Member States to regulate the transfer of performing credit servicer agreements, including by imposing requirements equivalent to those under this Directive.</u></u></p> <p>1. <u>Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2014, p. 34).</u></p>	<p>to the initial credit agreement and the <del>consumer</del><u>borrower</u> should retain the same level of protection as provided under <u>applicable</u> Union <u>and national</u> law or as determined by Union or national conflict of law rules <del>regardless of the law applicable to the credit purchaser or credit servicer</del> <u>.</u></p> <p>1. Directive <del>2014/17/EU</del> <u>2008/48/EC</u> of the European Parliament and of the Council of <del>4 February 2014</del> <u>23 April 2008</u> on credit agreements for consumers <del>relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2014, p. 34</del> <u>and repealing Council Directive 87/102/EEC (OJ L 60/34, 22.5.2008, p. 66).</u>  2. <del>Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 60/34, 22.5.2008, p. 66)</del> <u>1993 on unfair terms in consumer contracts (OJ L 95, 21.4.1993, p. 29).</u>  3. <del>Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (OJ L 95, 21.4.1993, p. 29).</del></p>

	Commission Proposal	Council Mandate	EP Mandate
		<p>2. Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 60/34, 22.5.2008, p. 66).</p> <p>3. Council Directive 93/13/EEC of 5 April 1993 on unfair terms in consumer contracts (OJ L 95, 21.4.1993, p. 29).</p>	
Recital 19			
28	<p>(19) This Directive should not affect acts of Union law concerning judicial cooperation in civil matters, notably the provisions on the law applicable to contractual obligations and on jurisdiction, including the application of those acts and provisions in individual cases under Regulation (EC) No 593/2008 of the European Parliament and of the Council<sup>1</sup> and, Regulation (EU) 1215/2012 of the European Parliament and of the Council<sup>2</sup>. All creditors and any persons representing them are bound to respect those acts of Union law in their dealings with the consumer and national authorities to ensure that consumer rights are protected.</p> <p>1. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6–16.</p> <p>2. Regulation (EU) 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, OJ L 351, 20.12.2012, p. 1-32.</p>	<p>(19) This Directive should not affect acts of Union law concerning judicial cooperation in civil matters, notably the provisions on the law applicable to contractual obligations and on jurisdiction, including the application of those acts and provisions in individual cases under Regulation (EC) No 593/2008 of the European Parliament and of the Council<sup>1</sup> and, Regulation (EU) 1215/2012 of the European Parliament and of the Council<sup>2</sup>. All creditors and any persons representing them are bound to respect those acts of Union law in their dealings with the consumer and national authorities to ensure that consumer rights are protected.</p> <p>1. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6–16.</p> <p>2. Regulation (EU) 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, OJ L 351, 20.12.2012, p. 1-32.</p>	<p>(19) This Directive should not affect acts of Union law concerning judicial cooperation in civil matters, notably the provisions on the law applicable to contractual obligations and on jurisdiction, including the application of those acts and provisions in individual cases under Regulation (EC) No 593/2008 of the European Parliament and of the Council<sup>1</sup> and, Regulation (EU) 1215/2012 of the European Parliament and of the Council<sup>2</sup>. All creditors and any persons representing them are bound to respect those acts of Union law in their dealings with the consumer and national authorities to ensure that consumer rights are protected.</p> <p>1. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations (Rome I), OJ L 177, 4.7.2008, p. 6–16.</p> <p>2. Regulation (EU) 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, OJ L 351, 20.12.2012, p. 1-32.</p>
Recital 20			
29	<p>(20) In order to ensure a high level of consumer protection, Union and national law provide for a number of rights and safeguards related to credit</p>	<p>(20) In order to ensure a high level of consumer protection, Union and national law provide for a number of rights and safeguards related to credit</p>	<p>(20) In order to ensure a high level of consumer protection, Union and national law provide for a number of rights and safeguards related to credit</p>

	Commission Proposal	Council Mandate	EP Mandate
	<p>agreements promised or granted to a consumer. Those rights and safeguards apply in particular to the negotiation and conclusion of the credit agreement and to its performance or default thereof. This is notably the case in relation to long-term consumer credit agreements falling within Directive 2014/17/EU, in respect of the right of the consumer to discharge fully or partially his obligations under a credit agreement prior to the expiry of that agreement or to be informed by means of the European Standardised Information Sheet, where applicable, on the possible transfer of the credit agreement to a credit purchaser. Borrower rights should also not be altered if the transfer of the credit agreement between a credit institution and a purchaser takes the form of contract novation.</p>	<p>agreements promised or granted to a consumer. Those rights and safeguards apply in particular to the negotiation and conclusion of the credit agreement, <u>to the use of unfair business-to-consumer commercial practices as laid down in Directive 2005/29/EU</u> and to <del>the</del> performance or default <del>thereof</del> <u>of the credit agreement</u>. This is notably the case in relation to long-term consumer credit agreements falling within Directive 2014/17/EU, in respect of the right of the consumer to discharge fully or partially his obligations under a credit agreement prior to the expiry of that agreement or to be informed by means of the European Standardised Information Sheet, where applicable, on the possible transfer of the credit agreement to a credit purchaser. Borrower rights should also not be altered if the transfer of the credit agreement between a credit institution and a purchaser takes the form of contract novation.</p>	<p>agreements promised or granted to a consumer. Those rights and safeguards apply in particular to the negotiation and conclusion of the credit agreement, <u>to the use of unfair business-to-consumer commercial practices as laid down in Directive 2005/29/EC of the European Parliament and the of the Council</u><sup>1</sup> and to <del>the</del> performance or default <del>thereof</del> <u>of the credit agreement</u>. This is notably the case in relation to long-term consumer credit agreements falling within Directive 2014/17/EU, in respect of the right of the consumer to discharge fully or partially his obligations under a credit agreement prior to the expiry of that agreement or to be informed by means of the European Standardised Information Sheet, where applicable, on the possible transfer of the credit agreement to a credit purchaser. Borrower rights should also not be altered if the transfer of the credit agreement between a credit institution and a purchaser takes the form of contract novation. <u>It should be ensured that borrowers are not worse off following the transfer of their credit agreement from a credit institution to a credit purchaser or credit servicer. This Directive should not restrict Member States from applying stricter consumer protection provisions to credit servicers or credit purchasers.</u></p> <p><u>1. Directive 2005/29/EC of the European Parliament and of the Council of 11 May 2005 concerning unfair business-to-consumer commercial practices in the internal market and amending Council Directive 84/450/EEC, Directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) No 2006/2004 of the European Parliament and of the Council ('Unfair Commercial Practices Directive') (OJ L 149, 11.6.2005, p. 22).</u></p>

	Commission Proposal	Council Mandate	EP Mandate
Recital 20a			
29a			<u><i>(20a) Credit servicers and credit purchasers should always act in good faith, treat consumers fairly and respect their privacy. They should not harass nor give misleading information to consumers, and they should not charge fees to consumers that exceed the costs directly related to the management of the debt. Member States could place a cap on those fees and penalties in accordance with the general legal principles of fairness, rationality and proportionality.</i></u>
Recital 21			
30	(21) In addition, this Directive does not reduce the scope of application of Union consumer protection rules and to the extent credit purchasers qualify as creditors under the provisions of Directive 2014/17/EU and Directive 2008/48/EC, they should be subject to the specific obligations set by Article 35 of the Directive 2014/17/EU or Article 20 of the Directive 2008/48/EC, respectively.	(21) In addition, this Directive does not reduce the scope of application of Union consumer protection rules and to the extent credit purchasers qualify as creditors under the provisions of Directive 2014/17/EU and Directive 2008/48/EC, they should be subject to the specific obligations set by Article 35 of the Directive 2014/17/EU or Article 20 of the Directive 2008/48/EC, respectively.	(21) In addition, this Directive does not reduce the scope of application of Union consumer protection rules and to the extent credit purchasers qualify as creditors under the provisions of Directive 2014/17/EU and Directive 2008/48/EC, they should be subject to the specific obligations set by Article 35 of the Directive 2014/17/EU or Article 20 of the Directive 2008/48/EC, respectively. <u><i>Moreover, this Directive is without prejudice to the protection of consumers guaranteed by Directive 2005/29/EC, which prohibits unfair practices including those carried out during the enforcement of a contract where a consumer is misled as to the consumer's rights or obligations, or is subject to harassment or coercion including in terms of the timing, location, nature or persistence of the enforcement actions or contacts, or in terms of the use of threatening or abusive language or behaviour, or in terms of threats to take any action that cannot legally be taken.</i></u>

	Commission Proposal	Council Mandate	EP Mandate
Recital 21a			
30a			<u><i>(21a) In any court hearing involving a distressed borrower, there should be consideration of the equality of representation status to ensure a full and fair hearing and full and complete understanding of all of the parameters and legal arguments being addressed. There should be an equivalence of legal representation provided and available to all distressed borrowers and sufficiently in advance to ensure comprehensive preparation of all relevant facts and detail for appropriate court representation of the case in dispute. Where necessary, and under applicable national law, that service should be provided at the cost of the Member State through free legal aid or its equivalent.</i></u>
Recital 22			
31	(22) Union credit institutions and their subsidiaries undertake credit servicing activities as part of their normal business. They have the same obligations with regard to credit they have issued themselves and credit they purchased from another credit institution. Since they are already regulated and supervised, application of this Directive to their credit servicing or purchasing activities would mean unnecessary duplication of authorisation and compliance costs and therefore they are not covered by this Directive.	(22) Union credit institutions <del>and their subsidiaries</del> undertake credit servicing activities as part of their normal business. They have the same obligations with regard to credit <u>agreements that</u> they have issued themselves and <del>credit they</del> <u>those</u> purchased from another credit institution. Since they are already regulated and supervised, application of this Directive to their credit servicing or purchasing activities would mean unnecessary duplication of authorisation and compliance costs and therefore they are not covered by this Directive. <u>Also, the outsourcing by the credit institutions of credit servicing</u>	(22) Union credit institutions <del>and their subsidiaries</del> undertake credit servicing activities as part of their normal business. They have the same obligations with regard to credit <u>agreements that</u> they have issued themselves and <del>credit</del> <u>they</u> <del>those</del> purchased from another credit institution. Since they are already regulated and supervised, application of this Directive to their credit servicing or purchasing activities would mean unnecessary duplication of authorisation and compliance costs and therefore they are not covered by this Directive. <u>Also, the outsourcing by the credit institutions of credit servicing</u>

	Commission Proposal	Council Mandate	EP Mandate
		<p><u>activities, in relation to both performing and non-performing credit agreements, to credit servicers or other third parties, is outside the scope of this Directive because the credit institutions already have to observe the applicable outsourcing rules. Moreover, creditors that are not credit institutions but are nevertheless regulated and supervised by a competent authority of a Member State in accordance with the Directive 2008/48/EC and the Directive 2014/17/EU and undertake credit servicing activities for loans granted to consumers as part of their normal business are not covered by this Directive when performing in that Member State credit servicing activities for loans issued by credit institutions. Further, alternative investment fund manager, management company and investment company (provided that the investment company has not designated a management company) authorized or registered under Directive 2011/61/EU or Directive 2009/65/EC , should not fall within the scope of this Directive. Also, there are some professions that undertake ancillary activities similar to servicing activities namely public notaries , lawyers, bailiffs and officials that perform under national law court provisions and implement the enforcement of binding measures and, therefore, Member States may decide not to apply this Directive for those professions.</u></p>	<p><u>activities, in relation to both performing and non-performing credit agreements, to credit servicers or other third parties, is outside the scope of this Directive because the credit institutions already have to observe the applicable outsourcing rules. Moreover, creditors that are not credit institutions but are nevertheless regulated and supervised by a competent authority of a Member State in accordance with Directive 2008/48/EC and Directive 2014/17/EU and undertake credit servicing activities for loans granted to consumers as part of their normal business are not covered by this Directive when performing in that Member State credit servicing activities for loans issued by credit institutions. Further, alternative investment fund manager, management company and investment company (provided that the investment company has not designated a management company) authorised or registered under Directive 2011/61/EU of the European Parliament and of the Council<sup>1</sup> or Directive 2009/65/EC of the European Parliament and of the Council<sup>2</sup> should not fall within the scope of this Directive. Also, there are some professions that undertake ancillary activities similar to servicing activities, namely public notaries, lawyers, bailiffs and officials, that perform under national law court provisions and implement the enforcement of binding measures and, therefore, Member States may decide not to apply this Directive for those professions.</u></p> <p><u>1. Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU)</u></p>

	Commission Proposal	Council Mandate	EP Mandate
			<a href="#">No 1095/2010 Text with EEA relevance OJ L 174, 1.7.2011, p. 1–</a> <a href="#">2. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32).</a>
Recital 23			
32	(23) In order to allow existing credit purchasers and credit servicers to adapt to the requirements of the national provisions implementing this Directive and, in particular, to allow credit servicers to be authorised, this Directive will only apply to transfers of credit agreements that take place six months after the transposition deadline has expired.	(23) In order to allow existing credit purchasers and credit servicers to adapt to the requirements of the national provisions implementing this Directive and, in particular, to allow credit servicers to be authorised, this Directive <u>allows entities that are currently providing credit servicing activities under national law, to continue to do so in their home Member State for</u> <del>will only apply to transfers of credit agreements that take place</del> six months after the transposition deadline <u>of this Directive</u> has expired. <u>After the expiry of that six months period, only credit servicers authorised under the national laws implementing this Directive will be able to operate on the market.</u>	(23) In order to allow existing credit purchasers and credit servicers to adapt to the requirements of the national provisions implementing this Directive and, in particular, to allow credit servicers to be authorised, this Directive <del>will only apply to transfers of credit agreements that take place</del> <u>allows entities that are currently providing credit servicing activities under national law to continue to do so in their home Member State for</u> six months after the transposition deadline <del>has expired</del> <u>of this Directive. After the expiry of that six month period, only credit servicers authorised under the national laws implementing this Directive will be able to operate on the market.</u>
Recital 23a			
32a		<u>(23a) Member States that have already in place rules equivalent or stricter than those established in this Directive for credit servicing activities may recognize in their national law implementing this Directive the possibility for existing entities providing credit servicing activities to be automatically recognized as authorized credit servicers.</u>	<u>(23a) Member States that have already in place rules equivalent or stricter than those established in this Directive for credit servicing activities may recognise in their national law implementing this Directive the possibility for existing entities providing credit servicing activities to be automatically recognised as authorised credit servicers.</u>



	Commission Proposal	Council Mandate	EP Mandate
33	<p>Recital 24</p> <p>(24) The authorisation of a credit servicer to provide credit servicing activities throughout the Union should be subject to a uniform and harmonised set of conditions that should be applied in a proportionate manner by the competent authorities. To avoid a reduction in debtor or borrower protection and in order to promote trust, the conditions for granting and maintaining an authorisation as a credit servicer should ensure that credit servicers, persons who hold a qualifying holding in the credit servicer or who are part of the management of the service provider have a clean police record in relation to serious criminal offences linked to crimes against property, to crimes related to financial activities or to crimes against the physical integrity and that they are of good repute. Similarly, these persons as well as the credit servicer should not be subject to an insolvency procedure or have not previously been declared bankrupt, unless they have been reinstated in accordance with national law. Finally, to ensure compliance with debtor protection as well as personal data protection rules, it is necessary to require that appropriate governance arrangements and internal control mechanisms and recording and handling of complaints, are established and subject to supervision. Moreover, credit servicers should be obliged to act fairly and with due consideration for the financial situation of the borrowers. Where debt advice services facilitating debt repayment are available at national level, the credit servicers should consider referring borrowers to such</p>	<p>(24) The authorisation of a credit servicer to provide credit servicing activities throughout the Union should be subject to a uniform and harmonised set of conditions that should be applied in a proportionate manner by the competent authorities. <u><i>A credit servicer authorisation covers credit servicing activities irrespective of the type of credits. Therefore, the credit servicers may passport themselves for servicing performing loans in Member States where performing loans transfer is permitted. , Considering the long term nature of the relationship between a credit servicer and borrowers as well as the challenging requirements that have to be fulfilled, only a legal person can act as a credit servicer and therefore apply for an authorisation.</i></u> To avoid a reduction in debtor or borrower protection and in order to promote trust, the conditions for granting and maintaining an authorisation as a credit servicer should ensure that <del>credit servicers,</del> persons who hold a qualifying holding in the credit servicer or <del>who are part</del> <u><i>the members</i></u> of the management <del>of the service provider or</del> <u><i>administrative organ</i></u> have a clean police record in relation to serious criminal offences linked to crimes against property, to crimes related to financial activities, <u><i>to money laundering, to fraud</i></u> or to crimes against the physical integrity and <del>that they are of good repute. Similarly, these persons as well as the credit servicer should not</del> <u><i>be are not</i></u> subject to an insolvency procedure or have not previously been declared bankrupt,</p>	<p>(24) The authorisation of a credit servicer to provide credit servicing activities throughout the Union should be subject to a uniform and harmonised set of conditions that should be applied in a proportionate manner by the competent authorities. <u><i>A credit servicer authorisation covers credit servicing activities irrespective of the type of credits. Therefore, the credit servicers may passport themselves for servicing performing loans in Member States where performing loans transfer is permitted. Considering the long-term nature of the relationship between credit servicers and borrowers as well as the challenging requirements that have to be fulfilled, only a legal person can act as a credit servicer and therefore apply for an authorisation.</i></u> To avoid a reduction in debtor or borrower protection and in order to promote trust, the conditions for granting and maintaining an authorisation as a credit servicer should ensure that credit servicers, persons who hold a qualifying holding in the credit servicer or <del>who are part</del> <u><i>members</i></u> of the management <del>of the service provider or</del> <u><i>administrative organ</i></u> have a clean police record in relation to serious criminal offences linked to crimes against property, to crimes related to financial activities, <u><i>to money laundering, to fraud</i></u> or to crimes against the physical integrity and <del>that they are of good repute. Similarly, these persons as well as the credit servicer should not</del> <u><i>be are not</i></u> subject to an insolvency procedure or have not previously been declared</p>

	Commission Proposal	Council Mandate	EP Mandate
	<p>services.</p>	<p>unless they have been reinstated in accordance with national law <u>Member States should ensure that the management body as a whole possess adequate knowledge and experience to conduct the business in a competent and responsible manner, according to the activity to be carried out. It is for each Member State to assess the good reputation, adequate knowledge and experience conditions, but it should not impair the free movement of authorised credit servicers within the Union. For this purpose, the EBA should develop guidelines to reduce the risk of divergent interpretations of these requirements.</u></p> <p>–Finally, to ensure compliance with debtor protection as well as personal data protection rules, it is necessary to require that appropriate governance arrangements and internal control mechanisms and recording and handling of complaints, are established and subject to supervision. <u>In addition, credit servicer should have adequate anti-money laundering and counter terrorism procedures in place, where national legislation transposing Directive 2015/849/EU designates credit servicers as obliged entities for the purposes of preventing and combating money laundering and terrorist financing.</u> –Moreover, credit servicers should be obliged to act fairly and with due consideration for the financial situation of the borrowers. Where debt advice services facilitating debt repayment are available at national level, the credit servicers should consider referring borrowers to such services.</p>	<p>bankrupt, unless they have been reinstated in accordance with national law. <u>Member States should ensure that the management body as a whole possess adequate knowledge and experience to conduct the business in a competent and responsible manner, according to the activity to be carried out. It is for each Member State to assess the good reputation, adequate knowledge and experience conditions, but it should not impair the free movement of authorised credit servicers within the Union. For this purpose, the EBA should develop guidelines to reduce the risk of divergent interpretations of these requirements. Moreover, Member States should ensure that the applicant has sufficient initial capital or account segregation, and that there are no obstacles to the effective supervision of the applicant stemming from the structure of its group.</u> Finally, to ensure compliance with debtor protection as well as personal data protection rules, it is necessary to require that appropriate governance arrangements and internal control mechanisms and recording and handling of complaints, are established and subject to supervision, <u>and that adequate own funds and liquidity requirements or account segregation, appropriate measures for taking up, managing, monitoring, and mitigating risks as well as reporting and public disclosure requirements are established. In addition, credit servicer should have adequate anti-money laundering and counter terrorism procedures in place, where the home and host Member State national legislation transposing Directive 2015/849/EU of the European Parliament and of the Council<sup>1</sup> designates credit servicers as obliged entities for the purpose of preventing and combating money</u></p>

	Commission Proposal	Council Mandate	EP Mandate
			<p><a href="#"><u>laundrying and terrorist financing</u></a>. Moreover, credit servicers should be obliged to act fairly and with due consideration for the financial situation of the borrowers. Where debt advice services facilitating debt repayment are available at national level, the credit servicers should consider referring borrowers to such services.</p> <p><a href="#"><u>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 laundrying 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).</u></a></p>
Recital 25			
34	<p>(25) To avoid lengthy procedures and uncertainty, it is necessary to establish requirements regarding the information applicants are required to submit, as well as the reasonable deadlines for the issue of an authorisation and the circumstances for its withdrawal of authorisation. Where authorities withdraw an authorisation of a credit servicer which provides credit servicing activities in other Member States, competent authorities in the host Member State should be informed. Equally, an up-to-date online public register should be established in each Member State to ensure transparency as regards the number and identity of authorised credit servicers.</p>	<p>(25) To avoid lengthy procedures and uncertainty, it is necessary to establish requirements regarding the information <a href="#"><u>that</u></a> applicants are required to submit, as well as the reasonable deadlines for the issue of an authorisation and the circumstances for its withdrawal of authorisation. Where authorities withdraw an authorisation of a credit servicer which provides credit servicing activities in other Member States, competent authorities in the host Member State should be informed. Equally, an up-to-date <del>online</del> public register <a href="#"><u>or list</u></a> should be established in each Member State <a href="#"><u>and made publicly available on the websites of the competent authorities</u></a> to ensure transparency as regards the number and identity of authorised credit servicers.</p>	<p>(25) To avoid lengthy procedures and uncertainty, it is necessary to establish requirements regarding the information <a href="#"><u>that</u></a> applicants are required to submit, as well as the reasonable deadlines for the issue of an authorisation and the circumstances for its withdrawal of authorisation. Where authorities withdraw an authorisation of a credit servicer which provides credit servicing activities in other Member States, competent authorities in the host Member State should be informed. Equally, an up-to-date <del>online</del> public register <a href="#"><u>or list</u></a> should be established in each Member State <a href="#"><u>and made publicly available on the website of the competent authorities</u></a> to ensure transparency as regards the number and identity of authorised credit servicers.</p>

	Commission Proposal	Council Mandate	EP Mandate
Recital 26			
35	(26) It should be established that credit servicers are responsible for making sure that where they outsource their activities to credit service providers, this does not result in undue operational risk or non-compliance by the credit service provider with any national or Union legal requirements or restrict the capacity of a regulatory supervisor to perform its duty and safeguard borrower rights.	(26) <u><i>The contractual relationship between the credit servicer and the creditor and obligations of the credit servicer towards the creditor should not be altered by the outsourcing to credit service providers.</i></u> It should be established that credit servicers are responsible for making sure that where they outsource their activities to credit service providers, this does not result in undue operational risk or non-compliance by the credit service provider with any national or Union legal requirements or restrict the capacity of a regulatory supervisor to perform its duty and safeguard borrower rights.	(26) <u><i>The contractual relationship between the credit servicer and the creditor and obligations of the credit servicer towards the creditor should not be altered by the outsourcing to credit service providers.</i></u> It should be established that credit servicers are responsible for making sure that where they outsource their activities to credit service providers, this does not result in undue operational risk or non-compliance by the credit service provider with any national or Union legal requirements or restrict the capacity of a regulatory supervisor to perform its duty and safeguard borrower rights.
Recital 27			
36	(27) Given that when a creditor entrusts the management and enforcement of a credit agreement, the creditor delegates its rights and duties and also its direct contact with the borrower to the credit servicer while still remaining ultimately responsible, the relationship between creditor and credit servicer should be clearly established in writing and it should be possible for competent authorities to verify how such a relationship is determined.	(27) Given that when a creditor entrusts the management and enforcement of a credit agreement, the creditor delegates its rights and duties and also its direct contact with the borrower to the credit servicer while still remaining ultimately responsible, the relationship between creditor and credit servicer should be clearly established in <del>writing</del> <u><i>a written credit servicing agreement</i></u> and it should be possible for competent authorities to verify how such a relationship is determined. <u><i>Moreover, credit servicers should be obliged to act fairly and with due consideration for the financial situation of the borrowers. To the extent that the credit purchaser does not perform itself the servicing of the loans acquired, Member States should be able to provide that the credit servicer and creditor are required to agree in the credit</i></u>	(27) Given that when a creditor entrusts the management and enforcement of a credit agreement, the creditor delegates its rights and duties and also its direct contact with the borrower to the credit servicer while still remaining ultimately responsible, the relationship between creditor and credit servicer should be clearly established in <del>writing</del> <u><i>a written credit servicing agreement</i></u> and it should be possible for competent authorities to verify how such a relationship is determined. <u><i>Moreover, credit servicers should be obliged to act fairly and with due consideration for the financial situation of the borrowers. To the extent that the credit purchaser does not perform itself the servicing of the loans acquired, Member States should be able to provide that the credit servicer and creditor are required to agree in the credit</i></u>

	Commission Proposal	Council Mandate	EP Mandate
		<u><i>servicing agreement that the credit servicer notifies the creditor prior to outsourcing of credit servicing activities.</i></u>	<u><i>servicing agreement that the credit servicer notifies the creditor prior to outsourcing of credit servicing activities.</i></u>
Recital 28			
37	(28) To ensure the right of a credit servicer to engage in cross-border activities and to provide for their supervision, this Directive sets up a procedure for the exercise of the right of an authorised credit servicer to engage in cross-border activity. Communication between authorities in the home and host Member States as well as with a credit servicer should take place within reasonable deadlines.	(28) To ensure the right of a credit servicer to engage in cross-border activities and to provide for their supervision, this Directive sets up a procedure for the exercise of the right of an authorised credit servicer to engage in cross-border activity. Communication between authorities in the home and host Member States as well as with a credit servicer should take place within reasonable deadlines.	(28) To ensure the right of a credit servicer to engage in cross-border activities and to provide for their supervision, this Directive sets up a procedure for the exercise of the right of an authorised credit servicer to engage in cross-border activity. Communication between authorities in the home and host Member States as well as with a credit servicer should take place within reasonable deadlines.
Recital 28a			
37a			<u><i>(28a) A credit servicer carrying out activities in a host Member States should be subject to the restrictions and requirements established in the national law of the host Member State in accordance with this Directive.</i></u>
Recital 29			
38	(29) In order for an effective and efficient supervision of cross-border credit servicers, a specific framework should be created for the cooperation between home and the host competent authorities. This framework should allow the exchange of information, while preserving its confidentiality, on and off-site inspections, the provision of assistance, the	(29) In order <u><i>to ensure</i></u> <del>for</del> an effective and efficient supervision of cross-border credit servicers, a specific framework should be created for the cooperation between home and <del>the</del> host competent authorities. This framework should allow the exchange of information, while preserving its confidentiality, <u><i>professional secrecy, protection of individual and business</i></u>	(29) In order <del>for</del> <u><i>to ensure</i></u> an effective and efficient supervision of cross-border credit servicers, a specific framework should be created for the cooperation between home and the host competent authorities. This framework should allow the exchange of information, while preserving its confidentiality, <u><i>professional secrecy, protection of individual and business</i></u>

	Commission Proposal	Council Mandate	EP Mandate
	notification of results of checks and inspections and of any measures taken.	<u>rights</u> , on and off-site inspections, the provision of assistance, the notification of results of checks and inspections and of any measures taken.	<u>rights</u> , on and off-site inspections, the provision of assistance, the notification of results of checks and inspections and of any measures taken.
Recital 30			
39	(30) An important prerequisite for the taking up of the role by credit purchasers and credit servicers should be that they can access all relevant information and Member State should ensure that this is possible, while at the same time observing Union and national data protection rules.	(30) An important prerequisite for the taking up of the role by credit purchasers and credit servicers should be that they <u>have the possibility to get access to</u> <del>can access all</del> relevant information and Member <del>State</del> <u>States</u> should ensure that this is possible, while at the same time observing Union and national data protection rules.	(30) An important prerequisite for the taking up of the role by credit purchasers and credit servicers should be that they <del>can have the</del> <u>possibility to get</u> access <u>to</u> all relevant information and Member <del>State</del> <u>States</u> should ensure that this is possible, while at the same time observing Union and national data protection rules.
Recital 31			
40	(31) Where a credit institution transfers a credit agreement, they should be required to inform their supervisor and the competent authority for supervising compliance with this Directive about the main characteristics of the transferred credit portfolio and the identity of the purchaser and, where applicable, its representative in the Union. That competent authority should be obliged to transmit that information to the authorities competent to supervise the credit purchaser and the competent authority where the borrower is established. Such transparency requirements allow for a harmonised and effective monitoring of the transfer of credit agreements within the Union.	(31) Where a credit institution transfers a credit agreement, they should be required to inform their supervisor and the competent authority for supervising compliance with this Directive <u>on a quarterly basis and on an aggregated level</u> about <del>the main characteristics at least</del> <u>the aggregated outstanding balance</u> of the transferred credit <del>portfolio and</del> <u>portfolios, as well as number and size of the loans included and whether it includes agreements concluded with consumers.</u> <u>For each portfolio transferred in a single transaction information should include the legal entity identifier, or when not available</u> the identity <u>and address</u> of the purchaser and, where applicable, its representative in the Union. That competent authority should be obliged to transmit that information to the authorities competent to supervise the credit purchaser <del>and the competent</del>	(31) Where a credit institution transfers a <u>non-performing</u> credit agreement, they should be required to inform their supervisor and the competent authority for supervising compliance with this Directive, <u>on a biannual basis,</u> about <u>at least the aggregated outstanding balance</u> <del>the main characteristics</del> of the transferred credit <u>portfolios, as well as the number and size of the loans included and whether it includes agreements concluded with consumers.</u> <u>For each portfolio</u> <del>and</del> <u>transferred in a single transaction, information provided should include the legal entity identifier or, when not available,</u> the identity <u>and address</u> of the purchaser and, where applicable, its representative in the Union. That competent authority should be obliged to transmit that information to the authorities competent to supervise the credit purchaser and the competent

	Commission Proposal	Council Mandate	EP Mandate
		<p><i>authority where the borrower is established.</i></p> <p>Such transparency requirements allow for a harmonised and effective monitoring of the transfer of credit agreements within the Union. <u>In order to comply with the principle of proportionality, competent authorities should, in order to avoid the duplication, take into account information that is already available to them by other means, in particular as regards credit institutions.</u></p>	<p>authority where the borrower is established. Such transparency requirements allow for a harmonised and effective monitoring of the transfer of credit agreements within the Union. <u>In order to comply with the principle of proportionality, competent authorities should, in order to avoid duplication, take into account information that is already available to them by other means, in particular as regards credit institutions. Member States should ensure that notification requirements to competent authorities in respect of a credit portfolio once such portfolio has been transferred to a credit purchaser remain the responsibility of the credit servicer. In addition, in the case of securitisation transactions, where mandatory transparency templates are foreseen, any double reporting as a result of this Directive should be avoided.</u></p>
Recital 32			
41	<p>(32) As part of the Council's Action Plan, credit institutions' data infrastructure would be strengthened by having uniform and standardised data for non-performing credit agreements. The European Banking Authority has developed data templates that provide information about credit exposures in the banking book and allow potential buyers to evaluate the value of the credit agreements and carry out their due diligence. Applying such templates to credit agreements would reduce information asymmetries between potential buyers and sellers of credit agreements and, thus, contribute to the development of a functioning secondary market in the Union. The EBA should therefore develop the data templates</p>	<p>(32) As part of the Council's Action Plan, credit institutions' data infrastructure would be strengthened by having uniform and standardised data for non-performing credit agreements. The European Banking Authority has developed data templates that provide information about credit exposures in the banking book and allow potential buyers to evaluate the value of the credit agreements and carry out their due diligence. Applying such templates to credit agreements would reduce information asymmetries between potential buyers and sellers of credit agreements and, thus, contribute to the development of a functioning secondary market in the Union. The EBA should therefore develop the data templates</p>	<p>(32) As part of the Council's Action Plan, credit institutions' data infrastructure would be strengthened by having uniform and standardised data for non-performing credit agreements. The European Banking Authority has developed data templates that provide information about credit exposures in the banking book and allow potential buyers to evaluate the value of the credit agreements and carry out their due diligence. <u>On the one hand,</u> applying such templates to credit agreements would reduce information asymmetries between potential buyers and sellers of credit agreements and, thus, contribute to the development of a functioning secondary market in the Union. <u>On the other hand, where such</u></p>

	Commission Proposal	Council Mandate	EP Mandate
	<p>into implementing technical standards and credit institutions should use those standards in order to facilitate the valuation of credit agreements for sale.</p>	<p>into implementing technical standards <del>and</del> <u>for</u> credit institutions. <u>Other sellers of credit agreements</u> <del>-</del> should <u>be encouraged to</u> use those standards in order to facilitate the valuation of credit agreements for sale.</p>	<p><u>templates are excessively detailed, they can generate an excessive burden for credit institutions without any appreciable gain in information terms. Therefore,</u> the EBA should <del>therefore develop</del> <u>carry out a review of the data templates, including a public consultation of stakeholders and competent authorities, with a view to further developing</u> the data templates into implementing technical standards <del>and</del> <u>for credit institutions. In order to comply with the principle of proportionality, those information requirements should be applied to</u> credit institutions <u>in a proportionate manner having regard to their size and complexity. Other sellers of credit agreements</u> should <u>be encouraged to</u> use those standards in order to facilitate the valuation of credit agreements for sale.</p>
Recital 33			
42	<p>(33) Since the valuation of a portfolio of non-performing credit is complicated and complex, actual buyers on secondary markets are sophisticated investors. Often they are investment funds, financial institutions or credit institutions. As they are not creating new credit, but are buying existing credit at own risk, they do not cause prudential concerns and their potential contribution to systemic risk is negligible. It is therefore not justified to require those types of investors to apply for an authorisation or to set special conditions for them to engage in such activities. It is however important that Union and national consumer protection rules continue to apply and the borrowers' rights continue to be those arising from the initial credit agreement.</p>	<p>(33) <del>Since the valuation of a portfolio of non-performing Credit is complicated and complex, actual buyers on secondary markets are sophisticated investors. purchasers are</del> often <del>they are</del> investment funds, financial institutions or credit institutions. As they are not creating new credit, but are buying <u>as provided in the Directive only</u> existing <u>non-performing credit agreements</u> at own risk, they do not cause prudential concerns and their potential contribution to systemic risk is negligible. It is therefore not justified to require those types of investors to apply for an authorisation, <u>but</u> <del>or to set special conditions for them to engage in such activities.</del> it is however important that Union and national consumer protection rules continue to</p>	<p>(33) <del>Since the valuation of a portfolio of non-performing Credit is complicated and complex, actual buyers on secondary markets are sophisticated investors. purchasers are</del> often <del>they are</del> investment funds, financial institutions or credit institutions. As they are not creating new credit, but are buying <u>as provided in this Directive only</u> existing <u>non-performing credit agreements</u> at own risk, they do not cause prudential concerns and their potential contribution to systemic risk is negligible. It is therefore not justified to require those types of investors to apply for an authorisation <del>or to set special conditions for them to engage in such activities.</del> <u>but</u> it is however important that Union and national consumer protection rules continue</p>



	Commission Proposal	Council Mandate	EP Mandate
		apply and the borrowers' rights continue to be those arising from the initial credit agreement.	to apply and the borrowers' rights continue to be those arising from the initial credit agreement.
Recital 34			
43	<p>(34) Third-country credit purchasers may make it harder for the Union consumer to rely on their rights under Union law and for the national authorities to supervise the enforcement of the credit agreement. Credit institutions may also be discouraged from transferring such credit agreements to third-country credit purchasers because of the reputational risk involved. Imposing an obligation on the representative of the third-country purchasers of consumer credit to appoint a credit institution or a credit servicer authorised in the Union for servicing a credit agreement ensures that the same standards of consumers' rights are preserved after the transfer of the credit agreement. The credit servicer is under an obligation to respect the applicable Union and national laws and the national authorities in individual Member States should be given the necessary powers to effectively supervise its activity.</p>	<p>(34) Third-country credit purchasers may make it harder for the Union consumer to rely on their rights under Union law and for the national authorities to supervise the enforcement of the credit agreement. Credit institutions may also be discouraged from transferring such credit agreements to third-country credit purchasers because of the reputational risk involved. <i>Imposing an obligation on</i> <u>To the extent that</u> the representative of the third-country purchasers of consumer credit <i>to appoint</i> <u>is not</u> a credit institution, <u>other non-credit institution creditors regulated and supervised by a competent authority of a Member State in accordance with the Directive 2008/48/EC and the Directive 2014/17/EU</u> or a credit servicer authorised in the Union <i>for servicing a credit agreement</i> <i>ensures</i> <u>this representative will be under an obligation to appoint such regulated entities in order to ensure</u> that the same standards of consumers' rights are preserved after the transfer of the credit agreement. <u>Member States are entitled to impose the same obligation in relation to other credits than those granted to consumers and/or to credit purchasers established on their territories which are not a supervised creditor or</u> <i>The</i> credit servicer. <u>The credit servicer and the supervised creditor</u> <i>are</i> <u>is</u> under an obligation to respect the applicable Union and national laws and the national authorities in individual Member States should be given the necessary powers to</p>	<p>(34) Third-country credit purchasers may make it harder for the Union consumer to rely on their rights under Union law and for the national authorities to supervise the enforcement of the credit agreement. Credit institutions may also be discouraged from transferring such credit agreements to third-country credit purchasers because of the reputational risk involved. Imposing an obligation on <i>the representative of the third-country purchasers of consumer credit to appoint a credit institution or</i> a credit servicer authorised in the Union for servicing a credit agreement ensures that the same standards of <i>consumers'</i> <u>borrowers'</u> rights are preserved after the transfer of the credit agreement. The credit servicer is under an obligation to respect the applicable Union and national laws and the national authorities in individual Member States should be given the necessary powers to effectively supervise its activity.</p>

	Commission Proposal	Council Mandate	EP Mandate
		effectively supervise <del>its</del> <u>their</u> activity.	
Recital 34a			
43a			<u><i>(34a) When a credit purchaser manages and enforces the rights and obligations related to the creditor's rights under a credit agreement or the credit agreement itself, the credit purchaser is considered to be a credit servicer, and should therefore be authorised under this Directive.</i></u>
Recital 35			
44	(35) Credit purchasers that use the services of credit servicers or credit institutions should inform the competent authorities thereof so as to allow them to exercise their supervisory as regards the conduct of the credit servicer vis-à-vis the borrower. Credit purchasers also have an obligation to inform in a timely manner the competent authorities in charge of their supervision if they engage a different credit institution or credit servicer.	(35) Credit purchasers that use the services of credit servicers or credit institutions should inform <u>-</u> the competent authorities thereof so as to allow them to exercise their supervisory as regards the conduct of the credit servicer vis-à-vis the borrower. Credit purchasers also have an obligation to inform in a timely manner the competent authorities in charge of their supervision if they engage a different credit institution or credit servicer.	(35) Credit purchasers that use the services of credit servicers or credit institutions should inform the competent authorities thereof so as to allow them to exercise their supervisory as regards the conduct of the credit servicer vis-à-vis the borrower. Credit purchasers also have an obligation to inform in a timely manner the competent authorities in charge of their supervision if they engage a different credit institution or credit servicer.
Recital 36			
45	(36) Credit purchasers that enforce the purchased credit agreement directly should do so in compliance with the law applicable to the credit agreement, including consumer protection rules applicable to the borrower. National rules concerning in particular the enforcement of contracts, consumer protection, criminal law, continue to apply and competent authorities	(36) Credit purchasers that enforce the purchased credit agreement directly should do so in compliance with the law applicable to the credit agreement, including consumer protection rules applicable to the borrower. National rules concerning in particular the enforcement of contracts, consumer protection, criminal law, continue to apply and competent authorities	(36) Credit purchasers that enforce the purchased credit agreement directly should do so in compliance with the law applicable to the credit agreement, including consumer protection rules applicable to the borrower. National rules concerning in particular the enforcement of contracts, consumer protection, criminal law, continue to apply and competent authorities

	Commission Proposal	Council Mandate	EP Mandate
	should ensure their compliance with them on Member States' territory.	should ensure their compliance with them on Member States' territory.	should ensure their compliance with them on Member States' territory.
Recital 37			
46	(37) In order to facilitate the enforcement of the obligations set out in the Directive, where a credit purchaser is not established in the Union national law implementing this Directive should provide that, where a transfer of a credit agreement is concluded, a third country credit purchaser appoints a representative established in the Union, mandated to be addressed by the competent authorities in addition or instead of the credit purchaser. This representative is responsible for the obligations imposed on credit purchasers by this Directive.	(37) In order to facilitate the enforcement of the obligations set out in the Directive, where a credit purchaser is not established in the Union national law implementing this Directive should provide that, where a transfer of a credit agreement is concluded, a third country credit purchaser appoints a representative established in the Union, mandated to be addressed by the competent authorities in addition or instead of the credit purchaser. This representative is responsible for the obligations imposed on credit purchasers by this Directive. <u>Credit purchasers transferring non-performing credit agreements should inform the competent authority of the home Member State on a quarterly basis and on an aggregated level about at least the aggregated outstanding balance of the transferred credit portfolios, as well as number and size of the loans included and whether it includes agreements concluded with consumers . For each portfolio transferred in a single transaction information should include the legal entity identifier, or when not available the identity and address of the purchaser and, where applicable, its representative in the Union.</u>	(37) In order to facilitate the enforcement of the obligations set out in the Directive, where a credit purchaser is not established in the Union national law implementing this Directive should provide that, where a transfer of a credit agreement is concluded, a third country credit purchaser appoints a <del>representative</del> <u>credit institution</u> established in the Union, <del>mandated to be addressed by</del> <u>or authorised credit servicer</u> . <u>Credit purchasers transferring non-performing credit agreements should inform</u> the competent <del>authorities in addition or instead</del> <u>authority of the home Member State, on a biannual basis and at an aggregated level, about at least the aggregated outstanding balance</u> of the transferred credit <del>purchaser</del> . <del>This representative is responsible for the obligations imposed on credit purchasers by this Directive</del> <u>portfolios, as well as number and size of the loans included, and whether it includes agreements concluded with consumers. For each portfolio transferred in a single transaction, the information provided should include the legal entity identifier or, when not available, the identity and address of the purchaser.</u>
Recital 38			
47	(38) At the moment, different authorities are entrusted with the authorisation and supervision	(38) At the moment, different authorities are entrusted with the authorisation and supervision	(38) At the moment, different authorities are entrusted with the authorisation and supervision

	Commission Proposal	Council Mandate	EP Mandate
	<p>of credit servicers and credit purchasers in Member States, and therefore it is essential that Member States clarify their role and allocate adequate powers, especially as they may need to supervise entities engaged in providing services in other Member States. In order to ensure efficient and proportionate supervision across the Union, Member States should grant the necessary powers for competent authorities to carry out their duties under this Directive, including the power to obtain necessary information, to investigate possible breaches, to handle borrowers' complaints and to impose sanctions and remedial measures, including the withdrawal of the authorisation. Where such sanctions are applied, Member States should ensure that competent authorities apply them in a proportionate manner and give reasons for their decisions and that in addition those decisions should be subject to judicial review also in cases where competent authorities do not act within the timeframes provided.</p>	<p>of credit servicers and credit purchasers in Member States, and therefore it is essential that Member States clarify their role and allocate adequate powers, especially as they may need to supervise entities engaged in providing services in other Member States. In order to ensure efficient and proportionate supervision across the Union, Member States should grant the necessary powers for competent authorities to carry out their duties under this Directive, including the power to obtain necessary information, to investigate possible breaches, to handle borrowers' complaints and to impose <i>sanctionspenalties</i> and remedial measures, including the withdrawal of the authorisation. Where such <i>sanctionspenalties</i> are applied, Member States should ensure that competent authorities apply them in a proportionate manner and give reasons for their decisions and that in addition those decisions should be subject to judicial review also in cases where competent authorities do not act within the timeframes provided.</p>	<p>of credit servicers and credit purchasers in Member States, and therefore it is essential that Member States clarify their role and allocate adequate powers, especially as they may need to supervise entities engaged in providing services in other Member States. In order to ensure efficient and proportionate supervision across the Union, Member States should grant the necessary powers for competent authorities to carry out their duties under this Directive, including the power to obtain necessary information, to investigate possible breaches, to handle borrowers' complaints and to impose <i>sanctionspenalties</i> and remedial measures, including the withdrawal of the authorisation. Where such <i>sanctionspenalties</i> are applied, Member States should ensure that competent authorities apply them in a proportionate manner and give reasons for their decisions and that in addition those decisions should be subject to judicial review also in cases where competent authorities do not act within the timeframes provided.</p>
Recital 38a			
47a		<p><u><i>(38a) The provisions concerning breaches of this Directive is without prejudice to a Member State's right to intervene in cases of breaches of national law, for example, specific consumer protection rules, borrower rights rules adopted only at national level or regarding criminal activities. In such cases the competent authorities of the host Member State are the ones competent to decide if there is a breach of national law and thus their powers are not limited by this Directive.</i></u></p>	<p><u><i>(38a) The provisions concerning breaches of this Directive are without prejudice to a Member State's right to intervene in cases of breaches of national law, for example, of specific consumer protection rules, borrowers' rights rules adopted only at national level, or regarding criminal activities. In such cases the competent authorities of the host Member State are the ones competent to decide whether there has been a breach of national law and thus their powers are not limited by this Directive.</i></u></p>

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Recital 39			
48	(39) In the Council's "Action Plan to Tackle Non-Performing Loans in Europe", a legislative initiative was put forward to enhance the protection of secured creditors by providing them with more efficient methods of value recovery from secured credit through an accelerated extrajudicial collateral enforcement procedure.	(39) <del>In the Council's "Action Plan to Tackle Non-Performing Loans in Europe", a legislative initiative was put forward to enhance the protection of secured creditors by providing them with more efficient methods of value recovery from secured credit through an accelerated extrajudicial collateral enforcement procedure.</del>	(39) <del>In the Council's "Action Plan to Tackle Non-Performing Loans in Europe", a legislative initiative was put forward to enhance the protection of secured creditors by providing them with more efficient methods of value recovery from secured credit through an accelerated extrajudicial collateral enforcement procedure.</del>
Recital 40			
49	(40) Expedited and efficient out-of-court enforcement mechanisms which enable secured creditors to recover value from collateral in case of borrower's default are not available in some Member States, which means that in those Member States secured creditors are only able to enforce collateral in court, which can be lengthy and costly. Where available, the scope and efficiency of the extrajudicial enforcement procedures vary from one Member State to another. For that reason it is necessary to establish a distinct common mechanism available in all Member States. That mechanism should not, however, replace existing national enforcement measures including those that do not require the involvement of courts.	(40) <del>Expedited and efficient out-of-court enforcement mechanisms which enable secured creditors to recover value from collateral in case of borrower's default are not available in some Member States, which means that in those Member States secured creditors are only able to enforce collateral in court, which can be lengthy and costly. Where available, the scope and efficiency of the extrajudicial enforcement procedures vary from one Member State to another. For that reason it is necessary to establish a distinct common mechanism available in all Member States. That mechanism should not, however, replace existing national enforcement measures including those that do not require the involvement of courts.</del>	(40) <del>Expedited and efficient out-of-court enforcement mechanisms which enable secured creditors to recover value from collateral in case of borrower's default are not available in some Member States, which means that in those Member States secured creditors are only able to enforce collateral in court, which can be lengthy and costly. Where available, the scope and efficiency of the extrajudicial enforcement procedures vary from one Member State to another. For that reason it is necessary to establish a distinct common mechanism available in all Member States. That mechanism should not, however, replace existing national enforcement measures including those that do not require the involvement of courts.</del>
Recital 41			
50	(41) The inefficiency of some Member States' extrajudicial enforcement procedures is an	(41) <del>The inefficiency of some Member States' extrajudicial enforcement procedures is an</del>	(41) <del>The inefficiency of some Member States' extrajudicial enforcement procedures is an</del>

	Commission Proposal	Council Mandate	EP Mandate
	<p>important factor for low recovery rates where business borrowers default on secured credit agreements. The length of some existing procedures entails additional costs for secured creditors and loss of value of the assets provided as collateral. In the Member States which have not established extrajudicial enforcement procedures for various types of collateral, secured creditors face often lengthy judicial enforcement processes.</p>	<p><del>important factor for low recovery rates where business borrowers default on secured credit agreements. The length of some existing procedures entails additional costs for secured creditors and loss of value of the assets provided as collateral. In the Member States which have not established extrajudicial enforcement procedures for various types of collateral, secured creditors face often lengthy judicial enforcement processes.</del></p>	<p><del>important factor for low recovery rates where business borrowers default on secured credit agreements. The length of some existing procedures entails additional costs for secured creditors and loss of value of the assets provided as collateral. In the Member States which have not established extrajudicial enforcement procedures for various types of collateral, secured creditors face often lengthy judicial enforcement processes.</del> <b>L</b></p>
Recital 42			
51	<p>(42) Existing enforcement procedures within the Union sometimes result in a lack of level-playing field for credit institutions and companies across the Union with regard to access to credit, particularly for SMEs which depend on bank credit more than larger companies. Uneven recovery rates across Member States lead to differences in the availability of bank credit for SMEs because the credit institutions' lending capacity decreases as NPLs accumulate on their balance sheets, due to prudential requirements and internal resources which need to be dedicated to dealing with NPLs. This contributes to a lack of confidence in the ability to enforce collateral in different Member States and may lead to higher borrowing costs corresponding to place of establishment and irrespective of their real creditworthiness. Therefore, a common new procedure is required for the single market, the Banking Union and the Capital Markets Union and it is necessary to ensure that credit institutions and undertakings which are authorised to issue credit by concluding secured credit agreements in</p>	<p><del>(42) Existing enforcement procedures within the Union sometimes result in a lack of level-playing field for credit institutions and companies across the Union with regard to access to credit, particularly for SMEs which depend on bank credit more than larger companies. Uneven recovery rates across Member States lead to differences in the availability of bank credit for SMEs because the credit institutions' lending capacity decreases as NPLs accumulate on their balance sheets, due to prudential requirements and internal resources which need to be dedicated to dealing with NPLs. This contributes to a lack of confidence in the ability to enforce collateral in different Member States and may lead to higher borrowing costs corresponding to place of establishment and irrespective of their real creditworthiness. Therefore, a common new procedure is required for the single market, the Banking Union and the Capital Markets Union and it is necessary to ensure that credit institutions and undertakings which are authorised to issue credit by concluding secured</del></p>	<p><del>(42) Existing enforcement procedures within the Union sometimes result in a lack of level-playing field for credit institutions and companies across the Union with regard to access to credit, particularly for SMEs which depend on bank credit more than larger companies. Uneven recovery rates across Member States lead to differences in the availability of bank credit for SMEs because the credit institutions' lending capacity decreases as NPLs accumulate on their balance sheets, due to prudential requirements and internal resources which need to be dedicated to dealing with NPLs. This contributes to a lack of confidence in the ability to enforce collateral in different Member States and may lead to higher borrowing costs corresponding to place of establishment and irrespective of their real creditworthiness. Therefore, a common new procedure is required for the single market, the Banking Union and the Capital Markets Union and it is necessary to ensure that credit institutions and undertakings which are authorised to issue credit by concluding secured</del></p>

	Commission Proposal	Council Mandate	EP Mandate
	all Member States have the ability to enforce those agreements through effective and expedited extrajudicial enforcement procedures.	<i>credit agreements in all Member States have the ability to enforce those agreements through effective and expedited extrajudicial enforcement procedures.</i>	<i>credit agreements in all Member States have the ability to enforce those agreements through effective and expedited extrajudicial enforcement procedures.</i> <b>L</b>
Recital 43			
52	(43) In order to protect consumers, credit agreements provided to consumers should be excluded from the scope of the accelerated extrajudicial enforcement mechanism provided for in this Directive. Equally, in order to protect sole entrepreneurs, this mechanism should not apply to credit agreements secured by collateral in the form of real estate which is the main residence of the sole entrepreneur.	<i>(43) In order to protect consumers, credit agreements provided to consumers should be excluded from the scope of the accelerated extrajudicial enforcement mechanism provided for in this Directive. Equally, in order to protect sole entrepreneurs, this mechanism should not apply to credit agreements secured by collateral in the form of real estate which is the main residence of the sole entrepreneur.</i>	<i>(43) In order to protect consumers, credit agreements provided to consumers should be excluded from the scope of the accelerated extrajudicial enforcement mechanism provided for in this Directive. Equally, in order to protect sole entrepreneurs, this mechanism should not apply to credit agreements secured by collateral in the form of real estate which is the main residence of the sole entrepreneur.</i> <b>L</b>
Recital 44			
53	(44) Since this accelerated extrajudicial collateral enforcement mechanism is a voluntary instrument which is subject to agreement between the secured creditor and the business borrower, it is necessary that the borrower be informed about the consequences and of the conditions under which this accelerated procedure may be used by the creditor. Therefore the conditions should be established in a written agreement, or in a notarised format where national law so provides, between the creditor and the borrower.	<i>(44) Since this accelerated extrajudicial collateral enforcement mechanism is a voluntary instrument which is subject to agreement between the secured creditor and the business borrower, it is necessary that the borrower be informed about the consequences and of the conditions under which this accelerated procedure may be used by the creditor. Therefore the conditions should be established in a written agreement, or in a notarised format where national law so provides, between the creditor and the borrower.</i>	<i>(44) Since this accelerated extrajudicial collateral enforcement mechanism is a voluntary instrument which is subject to agreement between the secured creditor and the business borrower, it is necessary that the borrower be informed about the consequences and of the conditions under which this accelerated procedure may be used by the creditor. Therefore the conditions should be established in a written agreement, or in a notarised format where national law so provides, between the creditor and the borrower.</i> <b>L</b>
Recital 45			
54	(45) In order to protect business borrowers, it is	<i>(45) In order to protect business borrowers, it is</i>	<i>(45) In order to protect business borrowers, it is</i>

	Commission Proposal	Council Mandate	EP Mandate
	appropriate to ensure that the necessary measures are in place to ensure that creditors afford borrowers a reasonable period of time for execution of payment to avert this kind of enforcement.	<i>appropriate to ensure that the necessary measures are in place to ensure that creditors afford borrowers a reasonable period of time for execution of payment to avert this kind of enforcement.</i>	<i>appropriate to ensure that the necessary measures are in place to ensure that creditors afford borrowers a reasonable period of time for execution of payment to avert this kind of enforcement.</i> <b>L</b>
Recital 46			
55	(46) In order to ensure that this accelerated extrajudicial collateral enforcement mechanism is an expedited and effective instrument to recover value from collateral, the agreement by which the secured creditor and the business borrower agree upon it should comprise a directly enforceable title, which is a clause in the agreement that enables direct execution of the collateral through AECE without the need to obtain an enforceable title from the court.	<i>(46) In order to ensure that this accelerated extrajudicial collateral enforcement mechanism is an expedited and effective instrument to recover value from collateral, the agreement by which the secured creditor and the business borrower agree upon it should comprise a directly enforceable title, which is a clause in the agreement that enables direct execution of the collateral through AECE without the need to obtain an enforceable title from the court.</i>	<i>(46) In order to ensure that this accelerated extrajudicial collateral enforcement mechanism is an expedited and effective instrument to recover value from collateral, the agreement by which the secured creditor and the business borrower agree upon it should comprise a directly enforceable title, which is a clause in the agreement that enables direct execution of the collateral through AECE without the need to obtain an enforceable title from the court.</i> <b>L</b>
Recital 47			
56	(47) In Member States which have already established extrajudicial enforcement procedures, those procedures are interlinked with elements of national civil, commercial, property, insolvency and public laws, and the type of enforcement procedure that may be used depends on the type of the asset provided as collateral, with procedures for immovable assets often entailing stricter procedural elements and minimum judicial oversight. Therefore Member States should have flexibility in deciding upon the type of enforcement procedure which is made available to secured creditors for the purpose of this accelerated extrajudicial collateral enforcement:	<i>(47) In Member States which have already established extrajudicial enforcement procedures, those procedures are interlinked with elements of national civil, commercial, property, insolvency and public laws, and the type of enforcement procedure that may be used depends on the type of the asset provided as collateral, with procedures for immovable assets often entailing stricter procedural elements and minimum judicial oversight. Therefore Member States should have flexibility in deciding upon the type of enforcement procedure which is made available to secured creditors for the purpose of this accelerated extrajudicial collateral</i>	<i>(47) In Member States which have already established extrajudicial enforcement procedures, those procedures are interlinked with elements of national civil, commercial, property, insolvency and public laws, and the type of enforcement procedure that may be used depends on the type of the asset provided as collateral, with procedures for immovable assets often entailing stricter procedural elements and minimum judicial oversight. Therefore Member States should have flexibility in deciding upon the type of enforcement procedure which is made available to secured creditors for the purpose of this accelerated extrajudicial collateral</i>



	Commission Proposal	Council Mandate	EP Mandate
	public auction or private sale, or, under some national frameworks, the appropriation of the asset.	<i>enforcement: public auction or private sale, or, under some national frameworks, the appropriation of the asset.</i>	<i>enforcement: public auction or private sale, or, under some national frameworks, the appropriation of the asset.</i> <b>L</b>
Recital 48			
57	(48) In order to ensure that the secured creditor only recovers what it is due by the business borrower under the credit agreement, Member States should ensure that the secured creditor is obliged to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset (following public auction or private sale) or, in the case of appropriation between the sum outstanding and the valuation of the asset performed for the purpose of the appropriation. It is appropriate that where Member States provide for the realisation of collateral by means of appropriation, the positive difference to be paid out to the borrower should be the difference between the sum outstanding of the secured credit agreement and the valuation of the asset. Where less than the sum outstanding of the secured credit agreement is recovered through this accelerated enforcement, Member States should not prevent the parties to a secured credit agreement from expressly agreeing that the realisation of collateral by means of AECE is sufficient to repay the credit.	<i>(48) In order to ensure that the secured creditor only recovers what it is due by the business borrower under the credit agreement, Member States should ensure that the secured creditor is obliged to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset (following public auction or private sale) or, in the case of appropriation between the sum outstanding and the valuation of the asset performed for the purpose of the appropriation. It is appropriate that where Member States provide for the realisation of collateral by means of appropriation, the positive difference to be paid out to the borrower should be the difference between the sum outstanding of the secured credit agreement and the valuation of the asset. Where less than the sum outstanding of the secured credit agreement is recovered through this accelerated enforcement, Member States should not prevent the parties to a secured credit agreement from expressly agreeing that the realisation of collateral by means of AECE is sufficient to repay the credit.</i>	<i>(48) In order to ensure that the secured creditor only recovers what it is due by the business borrower under the credit agreement, Member States should ensure that the secured creditor is obliged to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset (following public auction or private sale) or, in the case of appropriation between the sum outstanding and the valuation of the asset performed for the purpose of the appropriation. It is appropriate that where Member States provide for the realisation of collateral by means of appropriation, the positive difference to be paid out to the borrower should be the difference between the sum outstanding of the secured credit agreement and the valuation of the asset. Where less than the sum outstanding of the secured credit agreement is recovered through this accelerated enforcement, Member States should not prevent the parties to a secured credit agreement from expressly agreeing that the realisation of collateral by means of AECE is sufficient to repay the credit.</i> <b>L</b>
Recital 49			
58	(49) Member States should ensure that where a secured credit agreement which provides for the	<i>(49) Member States should ensure that where a secured credit agreement which provides for the</i>	<i>(49) Member States should ensure that where a secured credit agreement which provides for the</i>

	Commission Proposal	Council Mandate	EP Mandate
	<p>accelerated extrajudicial collateral enforcement set out in this Directive is transferred by the creditor to a third party, that third party would acquire the right to avail himself of the accelerated extrajudicial collateral enforcement under the same terms and conditions as the secured creditor.</p>	<p><del>accelerated extrajudicial collateral enforcement set out in this Directive is transferred by the creditor to a third party, that third party would acquire the right to avail himself of the accelerated extrajudicial collateral enforcement under the same terms and conditions as the secured creditor.</del></p>	<p><del>accelerated extrajudicial collateral enforcement set out in this Directive is transferred by the creditor to a third party, that third party would acquire the right to avail himself of the accelerated extrajudicial collateral enforcement under the same terms and conditions as the secured creditor.</del> <b>L</b></p>
Recital 50			
59	<p>(50) In order to ensure consistency with pre-insolvency and insolvency rules, Member States should ensure that where a preventive restructuring proceeding, as provided for in the Proposal for a Directive of the European Parliament and of the Council on preventive restructuring and second chance<sup>1</sup>, is initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE is subject to a stay of individual enforcement actions in accordance with applicable national laws transposing that Directive. In the case of any insolvency proceedings which are initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE should also be subject to a stay of individual enforcement actions in accordance with applicable national laws. It should be left to national law whether secured creditors have preferential access to the collateral under this accelerated mechanism even once insolvency proceedings are open.</p> <p><sup>1</sup> Proposal for a Directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU, COM/2016/0723 final,</p>	<p><del>(50) In order to ensure consistency with pre-insolvency and insolvency rules, Member States should ensure that where a preventive restructuring proceeding, as provided for in the Proposal for a Directive of the European Parliament and of the Council on preventive restructuring and second chance<sup>1</sup>, is initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE is subject to a stay of individual enforcement actions in accordance with applicable national laws transposing that Directive. In the case of any insolvency proceedings which are initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE should also be subject to a stay of individual enforcement actions in accordance with applicable national laws. It should be left to national law whether secured creditors have preferential access to the collateral under this accelerated mechanism even once insolvency proceedings are open.</del></p> <p><del><sup>1</sup> Proposal for a Directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU, COM/2016/0723 final,</del></p>	<p><del>(50) In order to ensure consistency with pre-insolvency and insolvency rules, Member States should ensure that where a preventive restructuring proceeding, as provided for in the Proposal for a Directive of the European Parliament and of the Council on preventive restructuring and second chance<sup>1</sup>, is initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE is subject to a stay of individual enforcement actions in accordance with applicable national laws transposing that Directive. In the case of any insolvency proceedings which are initiated in respect of the business borrower, the realisation of the collateral pursuant to an AECE should also be subject to a stay of individual enforcement actions in accordance with applicable national laws. It should be left to national law whether secured creditors have preferential access to the collateral under this accelerated mechanism even once insolvency proceedings are open.</del> <b>L</b></p> <p><del><sup>1</sup> Proposal for a Directive of the European Parliament and of the Council on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU, COM/2016/0723 final,</del></p>

	Commission Proposal	Council Mandate	EP Mandate
	22.11.2016.	<del>22.11.2016.</del>	<del>22.11.2016.</del>
Recital 51			
60	(51) Given the limited availability of data on the number of extrajudicial procedures used by credit institutions to recover value from collateral in case of borrower's default, national competent authorities which supervise credit institutions should be required to collect information on the number of secured credit agreements which are enforced through AECE and the timeframes for such enforcement. In order to gain a better understanding of the effectiveness of the exercise of AECE within the Union, Member States should provide annual statistical data on these matters to the Commission starting from one year after the date of application of this Directive.	<del>(51) Given the limited availability of data on the number of extrajudicial procedures used by credit institutions to recover value from collateral in case of borrower's default, national competent authorities which supervise credit institutions should be required to collect information on the number of secured credit agreements which are enforced through AECE and the timeframes for such enforcement. In order to gain a better understanding of the effectiveness of the exercise of AECE within the Union, Member States should provide annual statistical data on these matters to the Commission starting from one year after the date of application of this Directive.</del>	<del>(51) Given the limited availability of data on the number of extrajudicial procedures used by credit institutions to recover value from collateral in case of borrower's default, national competent authorities which supervise credit institutions should be required to collect information on the number of secured credit agreements which are enforced through AECE and the timeframes for such enforcement. In order to gain a better understanding of the effectiveness of the exercise of AECE within the Union, Member States should provide annual statistical data on these matters to the Commission starting from one year after the date of application of this Directive.</del>
Recital 52			
61	(52) Without prejudice to pre-contractual obligations under Directive 2014/17EU, Directive 2008/48/EC and Directive 93/13/EEC, and in order to ensure a high level of consumer protection, the consumer should be presented, in due time and prior to any modifications to the terms and conditions of the credit agreement, with a clear and comprehensive list of any such changes, the timescale for their implementation and the necessary details as well as the name and address of the national authority where he or she may lodge a complaint.	(52) Without prejudice to pre-contractual obligations under Directive 2014/17EU, Directive 2008/48/EC and Directive 93/13/EEC, and in order to ensure a high level of consumer protection, the consumer should be presented, in due time and prior to any modifications to the terms and conditions of the credit agreement, with a clear and comprehensive list of any such changes, the timescale for their implementation and the necessary details as well as the name and address of the national authority where he or she may lodge a complaint.	(52) Without prejudice to pre-contractual obligations under Directive 2014/17EU, Directive 2008/48/EC and Directive 93/13/EEC, and in order to ensure a high level of consumer protection, the consumer should be presented, in due time and prior to any modifications to the terms and conditions of the credit agreement, with a clear and comprehensive list of any such changes, the timescale for their implementation and the necessary details as well as the name and address of the national authority where he or she may lodge a complaint.
Recital 53			

	Commission Proposal	Council Mandate	EP Mandate
62	(53) Since the performance of secondary markets for credit will depend to a large extent on the good reputation of the entities involved, credit servicers should establish an efficient mechanism by which to treat borrower complaints. Member States should ensure that authorities competent for the supervision of credit purchases and credit servicers have effective and accessible procedures to deal with borrowers' complaints.	(53) Since the performance of secondary markets for credit will depend to a large extent on the good reputation of the entities involved, credit servicers should establish an efficient mechanism by which to treat borrower complaints. Member States should ensure that authorities competent for the supervision of credit purchases and credit servicers have effective and accessible procedures to deal with borrowers' complaints.	(53) Since the performance of secondary markets for credit will depend to a large extent on the good reputation of the entities involved, credit servicers should establish an efficient mechanism by which to treat borrower complaints. Member States should ensure that authorities competent for the supervision of credit purchases and credit servicers have effective and accessible procedures to deal with borrowers' complaints.
Recital 54			
63	(54) Both the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council <sup>1</sup> and Regulation (EC) No 45/2001 of the European Parliament and of the Council <sup>2</sup> apply to the processing of personal data for the purposes of this Directive. In particular, where personal data is processed for the purposes of this Directive, the precise purpose should be specified, the relevant legal basis referred to, the relevant security requirements laid down in Regulation (EU) 2016/679 complied with, and the principles of necessity, proportionality, purpose limitation and proportionate data retention period respected. Also, personal data protection by design and data protection by default should be embedded in all data processing systems developed and used within the framework of this Directive. Equally, administrative cooperation and mutual assistance between the competent authorities of the Member States should be compatible with the rules on the protection of personal data laid down in Regulation (EU) 2016/679 of the European Parliament and of the Council, and in accordance	(54) Both the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council <sup>1</sup> and Regulation- <del>(<a href="#">ECEU</a>) No 45/2001</del> <a href="#">2018/1725</a> of the European Parliament and of the Council <sup>2</sup> apply to the processing of personal data for the purposes of this Directive. In particular, where personal data is processed for the purposes of this Directive, the precise purpose should be specified, the relevant legal basis referred to, the relevant security requirements laid down in Regulation (EU) 2016/679 complied with, and the principles of necessity, proportionality, purpose limitation, <a href="#">transparent</a> and proportionate data retention period respected. Also, personal data protection by design and data protection by default should be embedded in all data processing systems developed and used within the framework of this Directive. Equally, administrative cooperation and mutual assistance between the competent authorities of the Member States should be compatible with the rules on the protection of personal data laid down in Regulation (EU) 2016/679 of the European	(54) Both the provisions of Regulation (EU) 2016/679 of the European Parliament and of the Council <sup>1</sup> and Regulation ( <del><a href="#">ECEU</a></del> ) <del>No 45/2001</del> <a href="#">2018/1725</a> of the European Parliament and of the Council <sup>2</sup> apply to the processing of personal data for the purposes of this Directive. In particular, where personal data is processed for the purposes of this Directive, the precise purpose should be specified, the relevant legal basis referred to, the relevant security requirements laid down in Regulation (EU) 2016/679 complied with, and the principles of necessity, proportionality, purpose limitation, <a href="#">transparent</a> and proportionate data retention period respected. Also, personal data protection by design and data protection by default should be embedded in all data processing systems developed and used within the framework of this Directive. Equally, administrative cooperation and mutual assistance between the competent authorities of the Member States should be compatible with the rules on the protection of personal data laid down in Regulation (EU) 2016/679 of the European

	Commission Proposal	Council Mandate	EP Mandate
	<p>with national data protection rules implementing Union legislation.</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).</p> <p>2. Regulation (EC) No 45/2001 of the European Parliament and of the Council of 18 December 2000 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data (OJ L 8, 12.1.2001, p. 1).</p>	<p>Parliament and of the Council, and in accordance with national data protection rules implementing Union legislation.</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).</p> <p>2. Regulation (<del>EC</del><b>EU</b>) <del>No 45/2001</del><b>2018/1725</b> of the European Parliament and of the Council of <del>18 December 2000</del><b>23 October 2018</b> on the protection of <del>individuals</del><b>natural persons</b> with regard to the processing of personal data by the <del>Community</del><b>Union</b> institutions, <del>bodies, offices and agencies and bodies</del> and on the free movement of such data, <del>and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC</del><b>Text with EEA relevance</b> (<del>OJ L 8, 12.1.2001, p. 1</del>).</p>	<p>Parliament and of the Council, and in accordance with national data protection rules implementing Union legislation.</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).</p> <p>2. Regulation (<del>EC</del><b>EU</b>) <del>No 45/2001</del><b>2018/1725</b> of the European Parliament and of the Council of <del>18 December 2000</del><b>23 October 2018</b> on the protection of <del>individuals</del><b>natural persons</b> with regard to the processing of personal data by the <del>Community</del><b>Union</b> institutions and bodies, <del>offices and agencies</del> and on the free movement of such data, <del>and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC</del> (<del>OJ L 295, 21.11.2018, p. 39</del>) (<del>OJ L 8, 12.1.2001, p. 1</del>).</p>
Recital 55			
64	<p>(55) In order to ensure that the level of protection of the consumer is not affected in the event of an assignment to a third party of the creditor's rights under a mortgage credit agreement or of the agreement itself, an amendment to Directive 2014/17/EU should be introduced to establish that, in cases of a transfer of credit covered by that Directive, the consumer is entitled to plead against the credit purchaser any defence which was available to him against the original creditor and to be informed of the assignment.</p>	<p>(55) In order to ensure that the level of protection of the consumer is not affected in the event of an assignment to a third party of the creditor's rights under a mortgage credit agreement or of the agreement itself, an amendment to Directive 2014/17/EU should be introduced to establish that, in cases of a transfer of credit covered by that Directive, the consumer is entitled to plead against the credit purchaser any defence which was available to him against the original creditor and to be informed of the assignment.</p>	<p>(55) In order to ensure that the level of protection of the consumer is not affected in the event of an assignment to a third party of the creditor's rights under a mortgage credit agreement or of the agreement itself, an amendment to Directive 2014/17/EU should be introduced to establish that, in cases of a transfer of credit covered by that Directive, the consumer is entitled to plead against the credit purchaser any defence which was available to him against the original creditor and to be informed of the assignment.</p>
Recital 56			
65	<p>(56) In accordance with the Joint Political Declaration of 28 September 2011 of Member</p>	<p>(56) In accordance with the Joint Political Declaration of 28 September 2011 of Member</p>	<p>(56) In accordance with the Joint Political Declaration of 28 September 2011 of Member</p>

	Commission Proposal	Council Mandate	EP Mandate
	States and the Commission on explanatory documents, Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified,	States and the Commission on explanatory documents, Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified,	States and the Commission on explanatory documents, Member States have undertaken to accompany, in justified cases, the notification of their transposition measures with one or more documents explaining the relationship between the components of a directive and the corresponding parts of national transposition instruments. With regard to this Directive, the legislator considers the transmission of such documents to be justified,
Recital 56a			
65a		<u><i>(56a) The European Data Protection Supervisor has been consulted and provided its opinion on 24 January 2019.</i></u>	<u><i>(56a) The European Data Protection Supervisor has been consulted and provided its opinion on 24 January 2019.</i></u>
Recital 56b			
65b		<u><i>(56b) The efficient functioning of this Directive will need to be reviewed, as the establishment of the internal secondary market of the non-performing loans with a high level of consumer protection will progress. The Commission is well placed to analyse specific cross-border issues that cannot be identified or properly addressed by individual Member States, such as the risk of money laundering and terrorist financing that could arise in relation to credit servicing and credit purchasers' activities and the cooperation between competent authorities from different Member States. It is therefore appropriate that in its review of this directive the Commission include also a thorough assessment of the money-laundering and terrorist financing risks</i></u>	<u><i>(56b) The efficient functioning of this Directive will need to be reviewed as the establishment of the internal secondary market of the non-performing loans with a high level of consumer protection will progress. The Commission is well placed to analyse specific cross-border issues that cannot be identified or properly addressed by individual Member States, such as the risk of money laundering and terrorist financing that could arise in relation to credit servicing and credit purchasers' activities and the cooperation between competent authorities from different Member States. It is therefore appropriate that in its review of this Directive the Commission include also a thorough assessment of the money laundering and terrorist financing risks</i></u>

	Commission Proposal	Council Mandate	EP Mandate
		<u><i>associated with the activities performed by the credit servicers and credit purchasers and the administrative cooperation between competent authorities.</i></u>	<u><i>associated with the activities performed by credit servicers and credit purchasers and the administrative cooperation between competent authorities.</i></u>
Formula			
66	HAVE ADOPTED THIS DIRECTIVE:	HAVE ADOPTED THIS DIRECTIVE:	HAVE ADOPTED THIS DIRECTIVE:
Title I			
67	Title I Subject matter, scope and definitions	Title I Subject matter, scope and definitions	Title I Subject matter, scope and definitions
Article 1			
68	Article 1 Subject matter	Article 1 Subject matter	Article 1 Subject matter
Article 1, first paragraph, introductory part			
69	This Directive lays down a common framework and requirements for:	This Directive lays down a common framework and requirements for:	<u>1.</u> This Directive lays down a common framework and requirements for:
Article 1(1), point(a)			
70	(a) credit servicers acting on behalf of a credit institution or a credit purchaser in respect of a credit agreement issued by a credit institution or by its subsidiaries;	(a) credit servicers <del>acting on behalf of a credit institution or of</del> <u>creditor's rights under</u> a credit <del>purchaser in respect of a</del> <u>agreement or of the</u> credit agreement <del>itself</del> issued by a credit institution <u>established in the Union, who act on behalf of a credit purchaser</u> <del>or by its</del>	(a) credit servicers <del>acting on behalf of a</del> <u>of</u> <del>creditor's rights under a non-performing</del> credit <del>institution or a</del> <u>agreement or of the non-</u> <del>performing</del> credit <del>purchaser in respect</del> <u>of agreement itself issued by</u> a credit <del>agreement</del> <u>issued by a credit institution or by its</u>

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		<i>subsidiaries;</i>	<i>subsidiaries</i> <u>institution established in the Union, who act on behalf of a credit purchaser;</u>
Article 1(1), point(b)			
71	(b) credit purchasers of a credit agreement issued by a credit institution or by its subsidiaries;	(b) credit purchasers of <u>creditor's rights under a non-performing</u> <del>credit agreement</del> <u>or of the non-performing credit agreement itself</u> issued by a credit institution <del>or by its subsidiaries</del> <u>established in the Union</u> ;	(b) credit purchasers of <u>creditor's rights under a non-performing</u> <del>credit agreement</del> <u>or of the non-performing agreement itself</u> issued by a credit institution <del>or by its subsidiaries</del> <u>established in the Union</u> ;
Article 1(1), point(c)			
72	(c) a supplementary common accelerated extrajudicial collateral enforcement mechanism in respect of secured credit agreements concluded between creditors and business borrowers which are secured by collateral.	<del>(c) a supplementary common accelerated extrajudicial collateral enforcement mechanism in respect of secured credit agreements concluded between creditors and business borrowers which are secured by collateral.</del>	<del>(c) a supplementary common accelerated extrajudicial collateral enforcement mechanism in respect of secured credit agreements concluded between creditors and business borrowers which are secured by collateral.</del> <b>1</b>
Article 1, first paragraph a			
72a			<u>2. This Directive relates to non-performing credit agreements only. Creditors shall not be allowed to transfer to third parties performing credit agreements concluded with consumers.</u>
Article 2			
73	Article 2 Scope	Article 2 Scope	Article 2 Scope
Article 2(1), introductory part			



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74	1. Articles 3 to 22 and Articles 34 to 43 of this Directive shall apply to:	1. Articles 3 to 22 and Articles 34 to 43 of this Directive shall apply to:	1. Articles 3 to 22 and Articles 34 to 43 of this Directive shall apply to:
Article 2(1), point(a)			
75	(a) a credit servicer of a credit agreement issued by a credit institution established in the Union or by its subsidiaries established in the Union which acts on behalf of a creditor, in accordance with applicable Union or national law.	(a) <del>a credit servicer</del> <u>credit servicers acting on behalf</u> of a credit <del>agreement issued by a credit institution established in the Union or by its subsidiaries established in the Union</del> <u>purchaser in respect of creditor's rights under a credit agreement or of the credit agreement itself, in accordance with applicable</u> Union <del>which acts on behalf of a creditor, in accordance with applicable</del> <u>or national law, issued by a credit institution established in the</u> Union <del>or national law.</del> <u>.</u>	(a) <del>a</del> <u>credit</u> <del>servicer of a credit agreement issued by</del> <u>servicers acting on behalf of</u> a credit <del>institution established in the Union or by its subsidiaries established in the Union which acts on behalf of a creditor</del> <u>purchaser in respect of a creditor's rights under a non-performing credit agreement or of the non-performing credit agreement itself</u> , in accordance with applicable Union or national law, <u>issued by a credit institution established in the Union</u> <del>.</del> <u>.</u>
Article 2(1), point(b)			
76	(b) a credit purchaser of a credit agreement issued by a credit institution established in the Union or by its subsidiaries established in the Union, whereby the credit purchaser assumes the creditor's obligations under the credit agreement, in accordance with applicable Union and national law;	(b) <del>a credit purchaser of a credit agreement issued by a</del> <u>purchasers of creditor's rights under a non-performing</u> credit <del>institution established in the Union or by its subsidiaries established in the Union, whereby the</del> <u>agreement or of the non-performing</u> credit <del>purchaser assumes the creditor's obligations under the credit agreement, in accordance with applicable</del> <u>agreement itself, issued by a credit institution established in the</u> Union <del>and national law.</del> <u>.</u>	(b) <del>a</del> <u>credit</u> <del>purchaser of a credit agreement issued by a</del> <u>purchasers of a creditor's rights under a non-performing</u> credit <del>institution established in the Union or by its subsidiaries established in the Union, whereby the</del> <u>agreement or of the non-performing credit agreement itself, issued by a</u> credit <del>purchaser assumes the creditor's obligations under the credit agreement, in accordance with applicable</del> <u>agreement itself, issued by a credit institution established in the Union</u> <del>.</del> <u>.</u> in accordance with applicable Union and national law;
Article 2(2)			
77			

	Commission Proposal	Council Mandate	EP Mandate
	2. Articles 3, 23 to 33 and 39 to 43 of this Directive shall apply to secured credit agreements concluded between creditors and business borrowers which are secured by any movable and immovable assets owned by the business borrower and which have been posed as collateral to a creditor in order to secure repayment of claims arising from the secured credit agreement.	2. <del>Articles 3, 23 to 33 and 39 to 43 of this Directive shall apply to secured credit agreements concluded between creditors and business borrowers which are secured by any movable and immovable assets owned by the business borrower and which have been posed as collateral to a creditor in order to secure repayment of claims arising from the secured credit agreement.</del>	2. <del>Articles 3, 23 to 33 and 39 to 43 of this Directive shall apply to secured credit agreements concluded between creditors and business borrowers which are secured by any movable and immovable assets owned by the business borrower and which have been posed as collateral to a creditor in order to secure repayment of claims arising from the secured credit agreement.</del> <b>L</b>
Article 2(3)			
78	3. This Directive does not affect the protection granted to consumers, pursuant to Directive 2014/17/EU, Directive 2008/48/EC, Council Directive 93/13/EEC and the national provisions transposing them, with regard to credit agreements falling within its scope.	3. <u>With regard to credit agreements falling within its scope,</u> this Directive <del>does</del> <b>shall</b> not affect <u>neither contract law principles or civil law principles under national law with regard to the transfer of creditor's rights under a credit agreement or of the credit agreement itself, nor</u> the protection granted to consumers <del>;</del> <b>or borrowers</b> pursuant <u>in particular,</u> to Directive 2014/17/EU, Directive 2008/48/EC, Council Directive 93/13/EEC and the national provisions transposing them, <del>with regard to credit agreements falling within its scope</del> <b>or other relevant Union law and national consumer protection laws.</b>	3. <u>With regard to credit agreements falling within its scope,</u> this Directive <del>does</del> <b>shall</b> not affect <u>neither contract law principles nor civil law principles under national law with regard to the transfer of creditor's rights under a credit agreement or of the credit agreement itself, nor</u> the protection granted to consumers <del>;</del> <b>or borrowers,</b> pursuant <u>in particular to Regulation (EU) No 1215/2012 of the European Parliament and of the Council<sup>1</sup>, Regulation (EC) No 593/2008 of the European Parliament and of the Council<sup>2</sup>,</u> <del>to</del> Directive 2014/17/EU, Directive 2008/48/EC, <del>Council</del> Directive 93/13/EEC and the national provisions transposing them, <del>with regard to credit agreements falling within its scope</del> <b>or other relevant Union law and national law relating to consumer protection and borrowers' rights.</b>  <u>1. Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (OJ L 351, 20.12.2012, p. 1).</u> <u>2. Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law</u>

	Commission Proposal	Council Mandate	EP Mandate
			<a href="#"><u>applicable to contractual obligations (Rome I) (OJ L 177, 4.7.2008, p. 6).</u></a>
Article 2, -a paragraph			
78a		<a href="#"><u>-a This Directive shall not affect the restrictions in the Member States national laws regarding the transfer of creditor's rights under a non-performing credit agreement that is not past due, is less than 90 days past due or are not terminated in accordance with national civil law, or the transfer of such a non-performing credit agreement.</u></a>	<a href="#"><u>-a This Directive shall not affect the restrictions in the Member States' national laws regarding the transfer of creditor's rights under a non-performing credit agreement that is not past due, is less than 90 days past due or is not terminated in accordance with national civil law, or the transfer of such a non-performing credit agreement.</u></a>
Article 2, -b paragraph			
78b		<a href="#"><u>-b This Directive shall not affect the requirements in the Member States national laws regarding the servicing of creditor's rights under a credit agreement or of the credit agreement itself, when the credit purchaser is a securitisation special purpose entity, as defined in Article 2 (2) of Regulation (EU) 2017/2402.</u></a>	<a href="#"><u>-b This Directive shall not affect requirements in Member States' national laws regarding the servicing of a creditor's rights under a credit agreement or of the credit agreement itself, when the credit purchaser is a securitisation special purpose entity as defined in point (2) of Article 2 of Regulation (EU) 2017/2402 of the European Parliament and of the Council<sup>1</sup> as long as such national laws:</u> <u>(i) provide the same level of consumer protection;</u> <u>(ii) ensure that competent authorities receive the necessary information from credit servicers;</u> <u>(iii) do not hinder credit servicers from the possibility to passport themselves to other Member States.</u>  <u>1. Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific</u></a>

	Commission Proposal	Council Mandate	EP Mandate
			<a href="#"><u>framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012 (OJ L 347, 28.12.2017, p. 35).</u></a>
Article 2(4), introductory part			
79	4. Articles 3 to 22 and 34 to 43 of this Directive shall not apply to the following:	4. Articles 3 to 22 and 34 to 43 of this Directive shall not apply to the following:	4. Articles 3 to <b>8, from 9 to</b> 22 and 34 to 43 of this Directive shall not apply to the following:
Article 2(4), point(a)			
80	(a) the servicing of a credit agreement carried out by a credit institution established in the Union or its subsidiaries established in the Union;	(a) the servicing of a <del>credit agreement carried out by creditor's rights under</del> a credit <del>institution established in the Union or its subsidiaries established in the Union;</del> <b><u>agreement or the credit agreement itself carried out by</u></b>	(a) the servicing of a <del>credit agreement carried out by creditor's rights under</del> a credit <del>institution established in the Union or its subsidiaries established in the Union;</del> <b><u>agreement or of the credit agreement itself carried out by:</u></b>
Article 2(4), point(a)(i)			
80a		<b><u>i a credit institution established in the Union,</u></b>	<b><u>i a credit institution established in the Union</u> ;</b>
Article 2(4), point(a)(ii)			
80b		<b><u>ii an alternative investment fund manager (AIFM) authorised or registered in accordance with Directive 2011/61/EU or a management company or an investment company authorised in accordance with Directive 2009/65/EC provided that the investment company has not designated a management company under that Directive, on behalf of the fund they manage,</u></b>	<b><u>ii an alternative investment fund manager (AIFM) authorised or registered in accordance with Directive 2011/61/EU, or a management company or an investment company authorised in accordance with Directive 2009/65/EC provided that the investment company has not designated a management company under that Directive, on behalf of the fund they manage;</u></b>

	Commission Proposal	Council Mandate	EP Mandate
Article 2(4), point(a)(iii)			
80c		<i>iii a non-credit institution subject to supervision by a competent authority of a Member State in accordance with Article 20 of Directive 2008/48/EC or Article 35 of Directive 2014/17/EU when performing activities in that Member State.</i>	<i>iii a non-credit institution subject to supervision by a competent authority of a Member State in accordance with Article 20 of Directive 2008/48/EC or Article 35 of Directive 2014/17/EU when performing activities in that Member State.</i>
Article 2(4), point(b)			
81	(b) the servicing of a credit agreement that was not issued by a credit institution established in the Union or its subsidiaries established in the Union, except where the credit agreement issued is replaced by a credit agreement issued by such an institution or its subsidiaries;	(b) the servicing of <u>creditor's rights under a credit agreement or of the credit agreement itself</u> that was not issued by a credit institution established in the Union <del>or its subsidiaries established in the Union, except where, except where the creditor's rights under a credit agreement or</del> the credit agreement <del>issued itself</del> is replaced by a credit agreement issued by such an institution <del>or its subsidiaries</del> ;	(b) the servicing of <u>creditor's rights under a credit agreement or of the credit agreement itself</u> that was not issued by a credit institution established in the Union <del>except where the creditor's rights under a credit agreement or or its subsidiaries established in the Union, except where</del> the credit agreement <del>issued itself</del> is replaced by a credit agreement issued by such an institution <del>or its subsidiaries</del> ;
Article 2(4), point(c)			
82	(c) the purchase of a credit agreement by a credit institution established in the Union or its subsidiaries established in the Union;	(c) the purchase of <u>creditor's rights under a non-performing -a credit agreement by a or the non-performing credit institution established in the Union or its subsidiaries</u> <del>agreement itself by a credit institution</del> established in the Union _;	(c) the purchase of <u>creditor's rights under a non-performing -a credit agreement by a credit institution established in the Union or its subsidiaries or of the non-performing credit agreement itself by a credit institution</u> established in the Union _;
Article 2(4), point(d)			
83	(d) the transfer of credit agreements transferred before the date referred to in the second	(d) the transfer of <u>creditor's rights under a credit agreements</u> <del>agreement or the credit</del>	(d) the transfer of <u>a creditor's right under a credit agreements</u> <del>agreement or of the credit</del>

	Commission Proposal	Council Mandate	EP Mandate
	subparagraph of Article 41(2).	<u>agreement itself</u> transferred before the date referred to in the second subparagraph of Article 41(2).	<u>agreement itself</u> transferred before the date referred to in the second subparagraph of Article 41(2).
Article 2(4a)			
83a		<u>4a. Member States may exempt from the application of this Directive the servicing of creditor's rights under a credit agreement or the credit agreement itself carried out by public notaries and bailiffs as defined by national law or lawyers as defined in art. 1(2)(a) of Directive 98/5/EC of the European Parliament and of the Council of 16 February 1998 to facilitate practice of the profession of lawyer on a permanent basis in a Member State other than that in which the qualification was obtained, when conducting activities referred to in Article 3(9) of this Directive as part of their profession;</u>	<u>4a. Member States may exempt from the application of this Directive the servicing of creditor's rights under a credit agreement or the credit agreement itself carried out by members of a profession, subject to the supervision of each Member State, such as public notaries and bailiffs as defined by national law, or lawyers as defined in point (a) of Article 1(2) of Directive 98/5/EC of the European Parliament and of the Council<sup>1</sup> when conducting activities referred to in Article 3(9) of this Directive as part of their profession.</u>  <u>1. Directive 98/5/EC of the European Parliament and of the Council of 16 February 1998 to facilitate practice of the profession of lawyer on a permanent basis in a Member State other than that in which the qualification was obtained (OJ L 77, 14.3.1998, p. 36).</u>
Article 2(5), introductory part			
84	5. Articles 3, 23 to 33 and 34 to 43 of this Directive shall not apply to:	5. <del>Articles 3, 23 to 33 and 34 to 43 of this Directive shall not apply to:</del>	5. <del>Articles 3, 23 to 33 and 34 to 43 of this Directive shall not apply to:</del> <b>L</b>
Article 2(5), point(a)			
85	(a) secured credit agreements concluded between creditors and borrowers who are consumers as defined in point (a) of Article 3 of Directive	(a) <del>secured credit agreements concluded between creditors and borrowers who are consumers as defined in point (a) of Article 3 of Directive</del>	(a) <del>secured credit agreements concluded between creditors and borrowers who are consumers as defined in point (a) of Article 3 of Directive</del>

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	2008/48/EC;	<del>2008/48/EC;</del>	<del>2008/48/EC;</del> <a href="#">L</a>
Article 2(5), point(b)			
86	(b) secured credit agreements concluded between creditors and business borrowers who are non-profit making companies;	(b) <del>secured credit agreements concluded between creditors and business borrowers who are non-profit making companies;</del>	(b) <del>secured credit agreements concluded between creditors and business borrowers who are non-profit making companies;</del> <a href="#">L</a>
Article 2(5), point(c), introductory part			
87	(c) secured credit agreements concluded between creditors and business borrowers which are secured by the following categories of collateral:	(c) <del>secured credit agreements concluded between creditors and business borrowers which are secured by the following categories of collateral:</del>	(c) <del>secured credit agreements concluded between creditors and business borrowers which are secured by the following categories of collateral:</del> <a href="#">L</a>
Article 2(5), point(c)(i)			
88	(i) financial collateral arrangements as defined in Article 2(1)(a) of Directive 2002/47/EC <sup>1</sup> ;  1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (OJ L 168 , 27.6.2002, p. 43).	(i) <del>financial collateral arrangements as defined in Article 2(1)(a) of Directive 2002/47/EC<sup>1</sup>;</del>  <del>1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (OJ L 168 , 27.6.2002, p. 43).</del>	(i) <del>financial collateral arrangements as defined in Article 2(1)(a) of Directive 2002/47/EC<sup>1</sup>;</del>  <del>1. Directive 2002/47/EC of the European Parliament and of the Council of 6 June 2002 on financial collateral arrangements (OJ L 168 , 27.6.2002, p. 43).</del>
Article 2(5), point(c)(ii)			
89	(ii) immovable residential property which is the primary residence of a business borrower.	(ii) <del>immovable residential property which is the primary residence of a business borrower.</del>	(ii) <del>immovable residential property which is the primary residence of a business borrower.</del> <a href="#">L</a>
Article 3			
90	Article 3 Definitions	Article 3 Definitions	Article 3 Definitions

	Commission Proposal	Council Mandate	EP Mandate
Article 3, first paragraph, introductory part			
91	For the purpose of this Directive, the following definitions shall apply:	For the purpose of this Directive, the following definitions shall apply:	For the <del>purpose</del> <b>purposes</b> of this Directive, the following definitions shall apply:
Article 3(1), point(1)			
92	<p>(1) 'credit institution' means a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013<sup>1</sup>;</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>	<p>(1) 'credit institution' means a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013<sup>1</sup>;</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>	<p>(1) 'credit institution' means a credit institution as defined in point (1) of Article 4(1) of Regulation (EU) No 575/2013<sup>1</sup>;</p> <p><sup>1</sup> Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).</p>
Article 3(1), point(2)			
93	(2) 'creditor' means a credit institution or any legal person who has issued a credit in the course of his trade, business or profession, or a credit purchaser;	(2) 'creditor' means a credit institution <del>or any legal person</del> who has issued a credit <del>in the course of his trade, business or profession,</del> or a credit purchaser;	(2) 'creditor' means a credit institution <del>or any legal person</del> who has issued a credit <del>in the course of his trade, business or profession,</del> or a credit purchaser;
Article 3(1), point(3)			
94	(3) 'borrower' means a legal or natural person who has concluded a credit agreement with a creditor;	(3) 'borrower' means a legal or natural person who has concluded a credit agreement with a creditor, <u>including its legal successor or assignee</u> ;	(3) 'borrower' means a legal or natural person who has concluded a credit agreement with a creditor, <u>including its legal successor or assignee</u> ;
Article 3(1), point(4)			



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95	(4) 'business borrower' means a legal or natural person, other than a consumer, who has concluded a credit agreement with a creditor;	(4) <del>'business borrower' means a legal or natural person, other than a consumer, who has concluded a credit agreement with a creditor;</del>	(4) <del>'business borrower' means a legal or natural person, other than a consumer, who has concluded a credit agreement with a creditor;</del>
Article 3, first paragraph, point (4a)			
95a			<u>(4a) 'borrower experiencing payment difficulties' means a natural or legal person who has concluded a credit agreement that has been qualified or is likely to be qualified as non-performing within the meaning of point 11a;</u>
Article 3(1), point(5)			
96	(5) 'credit agreement' means an agreement as originally issued, modified or replaced, whereby a creditor grants or promises to grant a credit in the form of a deferred payment, a loan or other similar financial accommodation;	(5) 'credit agreement' means an agreement as originally issued, modified or replaced, whereby a creditor grants or promises to grant a credit in the form of a deferred payment, a loan or other similar financial accommodation;	(5) 'credit agreement' means an agreement as originally issued, modified or replaced, whereby a <u>credit institution or any other</u> creditor grants or promises to grant a credit in the form of a deferred payment, a loan or other similar financial accommodation;
Article 3, first paragraph, point (5a)			
96a		<u>(5a) 'credit servicing agreement' means a written contract between a creditor and a credit servicer about the services to be provided by the credit servicer on behalf of the creditor;</u>	<u>(5a) 'credit servicing agreement' means a written contract between a creditor and a credit servicer concerning the services to be provided by the credit servicer on behalf of the creditor;</u>
Article 3(1), point(6), introductory part			
97	(6) 'secured credit agreement' means a credit agreement concluded by a credit institution or	(6) <del>'secured credit agreement' means a credit agreement concluded by a credit institution or</del>	(6) <del>'secured credit agreement' means a credit agreement concluded by a credit institution or</del>

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	another undertaking authorised to issue credit, which is secured by either of the following collateral;	<del>another undertaking authorised to issue credit, which is secured by either of the following collateral;</del>	<del>another undertaking authorised to issue credit, which is secured by either of the following collateral;</del> <b>L</b>
Article 3(1), point(6)(a)			
98	(a) a mortgage, charge, lien or other comparable security right commonly used in a Member State in relation to immovable assets;	(a) <del>a mortgage, charge, lien or other comparable security right commonly used in a Member State in relation to immovable assets;</del>	(a) <del>a mortgage, charge, lien or other comparable security right commonly used in a Member State in relation to immovable assets;</del> <b>L</b>
Article 3(1), point(6)(b)			
99	(b) a pledge, charge, lien or other comparable security right commonly used in a Member State in relation to movable assets;	(b) <del>a pledge, charge, lien or other comparable security right commonly used in a Member State in relation to movable assets;</del>	(b) <del>a pledge, charge, lien or other comparable security right commonly used in a Member State in relation to movable assets;</del> <b>L</b>
Article 3(1), point(7)			
100	(7) 'credit purchaser' means any natural or legal person other than a credit institution or a subsidiary of a credit institution which purchases a credit agreement in the course of his trade, business or profession;	(7) <b>L</b> 'credit purchaser' means any natural or legal person other than a credit institution, or a subsidiary of a credit institution <u>its subsidiary that are established in the Union and are included in the supervision of the credit institution on a consolidated basis pursuant to Regulation (EU) No 575/2013</u> which purchases a <u>creditor's rights under a non-performing credit agreement or the non-performing creditors' rights under a non-performing credit such agreement itself as defined in paragraph 5</u> in the course of his trade, business or profession <u>in accordance with applicable Union and national law</u> ;	(7) 'credit purchaser' means any natural or legal person other than a credit institution or a subsidiary of a credit institution which purchases a <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreement itself</u> in the course of his trade, business or profession, <u>in accordance with applicable Union and national law</u> ;
Article 3, first paragraph, point (7a)			

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100a			<p><u><i>(7a) 'credit service provider' means a third party used by a credit servicer to perform any of the activities listed in point (7b);</i></u></p>
Article 3, first paragraph, point (7b)			
100b			<p><u><i>(7b) 'credit servicer' means a legal person who, in the course of its business, manages and enforces the rights and obligations related to the creditor's rights under a non-performing credit agreement or to the non-performing credit agreement itself on behalf of the creditor or on behalf of itself, and carries out at least one or more of the following activities:</i></u></p> <p><u><i>(a) collecting or recovering payments due related to the creditor's rights under a credit agreement or to the credit agreement itself from the borrower where it is not a payment service as defined in Annex I of Directive 2015/2366, in accordance with national law;</i></u></p> <p><u><i>(b) renegotiating, in accordance with the requirements provided in the national law, of the terms and conditions related to the creditor's rights under a credit agreement or of the credit agreement itself with borrowers in line with the instructions given by the creditor, where he is not a credit intermediary as defined in point (5) of Article 4 of Directive 2014/17/EU or point (f) of Article 3 of Directive 2008/48/EC;</i></u></p> <p><u><i>(c) administering any complaints in relation to the creditor's rights under a credit agreement or to the credit agreement itself;</i></u></p> <p><u><i>(d) informing the borrower of any changes in interest rates, charges or of payments due related to the creditor's rights under a credit</i></u></p>

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			<u>agreement or the credit agreement itself.</u>
Article 3(1), point(8), introductory part			
101	(8) 'credit servicer' means any natural or legal person, other than a credit institution or its subsidiaries, which carries out one or more of the following activities on behalf of a creditor:	(8) 'credit servicer' means <del>any natural or a</del> legal person <u>who, in the course of its business, manages and enforces the rights and obligations related to the creditor's rights under,</u> <del>other than a credit institution or its subsidiaries,</del> <u>which agreement or the credit agreement itself on behalf of the creditor and</u> carries out <u>at least</u> one or more of the following activities <del>on behalf of a creditor:</del>	(8) <del>'credit servicer' means any natural or legal person, other than a credit institution or its subsidiaries, which carries out one or more of the following activities on behalf of a creditor:</del>
Article 3(1), point(8)(a)			
102	(a) monitors the performance of the credit agreement;	(a) <del>monitors the performance of</del> <u>collecting or recovering payments due related to the creditor's rights under a credit agreement or to</u> the credit agreement <u>itself from the borrower where it is not a 'payment service' as defined in Annex I of Directive 2015/2366, in accordance with national law;</u>	(a) <del>monitors the performance of the credit agreement;</del>
Article 3(1), point(8)(b)			
103	(b) collects and manages information about the status of the credit agreement, of the borrower and of any collateral used to secure the credit agreement;	(b) <del>collects and manages information about the status</del> <u>renegotiating, in accordance with the requirements provided in the national law,</u> of the <u>terms and conditions related to the creditor's rights under a</u> credit agreement; <u>or</u> of the <del>borrower and of any collateral used to secure the credit agreement itself with borrowers in line with the instructions given by the creditor,</del>	(b) <del>collects and manages information about the status of the credit agreement, of the borrower and of any collateral used to secure the credit agreement;</del>

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		<u>where he is not a 'credit <del>agreement</del>intermediary' as defined in Article 4(5) of Directive 2014/17/EU Article 3(f) of Directive 2008/48/EC</u> ;	
Article 3(1), point(8)(c)			
104	(c) informs the borrower of any changes in interest rates, charges or of payments due under the credit agreement;	(c) <del>informs the borrower of any changes in interest rates, charges or of payments due</del> <u>under administering any complaints in relation to the creditor's rights under a credit agreement or to</u> the credit agreement <u>itself</u> ;	(c) <del>informs the borrower of any changes in interest rates, charges or of payments due under the credit agreement;</del> <b>L</b>
Article 3(1), point(8)(d)			
105	(d) enforces the rights and obligations under the credit agreement on behalf of the creditor, including administering repayments;	(d) <del>enforces the rights and obligations under the credit agreement on behalf of</del> <u>informing the borrower of any changes in interest rates, charges or of payments due related to</u> the creditor, <del>including administering repayments;</del> <u>'s rights under a credit agreement or the credit agreement itself.</u>	(d) <del>enforces the rights and obligations under the credit agreement on behalf of the creditor, including administering repayments;</del> <b>L</b>
Article 3(1), point(8)(e)			
106	(e) renegotiates the terms and conditions of the credit agreement with borrowers, where they are not a 'credit intermediary' as defined in Article 4(5) of Directive 2014/17/EU or Article 3(f) of Directive 2008/48/EC;	(e) <del>renegotiates the terms and conditions of the credit agreement with borrowers, where they are not a 'credit intermediary' as defined in Article 4(5) of Directive 2014/17/EU or Article 3(f) of Directive 2008/48/EC;</del>	(e) <del>renegotiates the terms and conditions of the credit agreement with borrowers, where they are not a 'credit intermediary' as defined in Article 4(5) of Directive 2014/17/EU or Article 3(f) of Directive 2008/48/EC;</del> <b>L</b>
Article 3(1), point(8)(f)			
107			

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	(f) handles borrowers' complaints.	(f) <del>handles borrowers' complaints.</del>	(f) <del>handles borrowers' complaints.</del>
Article 3(1), point(9)			
108	(9) 'home Member State' means the Member State in which the credit servicer is domiciled or established.	(9) 'home Member State' means, <u>in respect to the credit servicer</u> , the Member State in which <u>its registered office is situated or, if under its national law it has no registered office, the Member State in which its head office is situated or, in respect to the credit servicer purchaser, the Member State in which the credit purchaser or his representative</u> is domiciled or established.	(9) 'home Member State' means, <u>in respect to the credit servicer</u> , the Member State in which <u>its registered office is situated or, if under its national law it has no registered office, the Member State in which its head office is situated or, in respect to the credit servicer purchaser, the Member State in which the credit purchaser</u> is domiciled or established.
Article 3(1), point(10)			
109	(10) 'host Member State' means a Member State, other than the home Member State, in which a credit servicer has established a branch, has appointed an agent or where a credit servicer provides services.	(10) 'host Member State' means a Member State, other than the home Member State, in which a credit servicer has established a branch, has appointed <del>an agent</del> <u>a credit service provider referred to in Article 10</u> or where <del>a credit servicer provides services</del> <u>provides services, respectively where the borrower is domiciled or established.</u>	(10) 'host Member State' means a Member State, other than the home Member State, in which a credit servicer has established a branch, has appointed <del>an agent</del> <u>a credit service provider referred to in Article 10</u> or where <del>a credit servicer provides services</del> <u>the borrower is domiciled or established at the time of concluding the credit agreement.</u>
Article 3(1), point(11)			
110	(11) 'consumer' means a consumer as defined in point (a) of Article 3 of Directive 2008/48/EC.	(11) 'consumer' means a <del>consumer as defined in point (a) of Article 3 of Directive 2008/48/EC</del> <u>natural person who, in credit agreements covered by this Directive, is acting for purposes which are outside his trade, business or profession.</u>	(11) 'consumer' means a <del>consumer as defined in point (a) of Article 3 of Directive 2008/48/EC</del> <u>natural person who, in credit agreements covered by this Directive, is acting for purposes which are outside his trade, business or profession.</u>
Article 3, first paragraph, point (-a)			

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110a		<u><i>(-a) 'non-performing credit agreement' means a credit agreement that is classified as non-performing exposure in accordance with Regulation (EU) No 575/2013.</i></u>	<u><i>(-a) non-performing credit agreement' means a credit claim that meets the criteria set by Annex V, Part 2, paragraph 213 of Commission Implementing Regulation (EU) No 680/2014<sup>1</sup> to be considered as a non-performing exposure.</i></u>  <u><i>1. Commission Implementing Regulation (EU) No 680/2014 of 16 April 2014 laying down implementing technical standards with regard to supervisory reporting of institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council</i></u>
Title II			
111	Title II Credit servicers	Title II Credit servicers	Title II Credit servicers
Title II, Chapter I			
112	Chapter I Authorisation of credit servicers	Chapter I Authorisation of credit servicers	Chapter I Authorisation of credit servicers
Article 4			
113	Article 4 General requirements	Article 4 General requirements	Article 4 General requirements
Article 4(1)			
114	1. Member States shall require a credit servicer to obtain an authorisation in a home Member State before commencing its activities within its territory in accordance with the requirements set	1. Member States shall require a credit servicer to obtain an authorisation in a home Member State before commencing its activities within its territory in accordance with the requirements set	1. Member States shall require a credit servicer to obtain an authorisation in a home Member State before commencing its activities within its territory in accordance with the requirements set

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	out in the national provisions transposing this Directive.	out in the national provisions transposing this Directive.	out in the national provisions transposing this Directive.
Article 4(1a)			
114a			<u><i>1a. Member States that already have in place equivalent or stricter regimes than those established in this Directive for credit servicing activities may recognise in their national law provisions transposing this Directive the possibility for existing entities providing credit servicing activities to be automatically recognised as authorised credit servicers.</i></u>
Article 4(2)			
115	2. Member States shall confer the power to grant such authorisations upon the competent authorities designated pursuant to Article 20(3).	2. Member States shall confer the power to grant such authorisations upon the competent authorities designated pursuant to Article 20(3).	2. Member States shall confer the power to grant such authorisations upon the competent authorities designated pursuant to Article 20(3).
Article 5			
116	Article 5 Requirements for granting an authorisation	Article 5 Requirements for granting an authorisation	Article 5 Requirements for granting an authorisation
Article 5(1), introductory part			
117	1. Member States shall lay down the following requirements for the granting of an authorisation as referred to in Article 4(1):	1. Member States shall lay down the following requirements for the granting of an authorisation as referred to in Article 4(1):	1. Member States shall <u><i>as a minimum</i></u> lay down the following requirements for the granting of an authorisation as referred to in Article 4(1):
Article 5(1), point(a)			



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118	(a) the applicant is a citizen of the Union or a legal person as referred to in Article 54 of the Treaty on the Functioning of the European Union;	(a) the applicant is <del>a citizen of the Union or</del> a legal person as referred to in Article 54 of the Treaty on the Functioning of the European Union <u>and its registered office or, if under its national law it has no registered office, its head office is in the Member State in which he is seeking authorisation;</u>	(a) the applicant is <del>a citizen of the Union or</del> a legal person as referred to in Article 54 of the Treaty on the Functioning of the European Union <u>and its registered office or, if under its national law it has no registered office, its head office is in the Member State in which he is seeking authorisation;</u>
Article 5(1), point(b), introductory part			
119	(b) where the applicant is a legal person, the members of its management or administrative organ and the persons who hold qualifying holdings in the applicant, within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013, or where the applicant is a natural person, shall have the following characteristics:	(b) <del>where the applicant is a legal person,</del> the members of its management or administrative organ <del>and the persons who hold qualifying holdings in the applicant, within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013, or where the applicant is a natural person, shall have the following</del> <u>characteristics: are of sufficiently good repute by proving that they</u>	(b) <del>where the applicant is a legal person,</del> the members of its management or administrative organ <del>and the persons who hold qualifying holdings in the applicant, within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013, or where the applicant is a natural person, shall have the following</del> <u>characteristics are of sufficiently good repute by proving that:</u>
Article 5(1), point(b)(i)			
120	(i) are of sufficiently good repute;	(i) <del>are of sufficiently good repute;</del>	(i) <del>are of sufficiently good repute;</del>
Article 5(1), point(b)(ii)			
121	(ii) have a clean police record or other national equivalent in relation to serious criminal offences relating to property, to financial activities or to physical integrity;	(ii) have a clean police record or other national equivalent in relation to serious criminal offences relating to property, to financial activities, <u>money laundering, fraud, tax crimes, violation of professional secrecy</u> or to physical integrity;	(ii) <u>they</u> have a clean police record or other national equivalent in relation to <del>serious</del> <u>relevant</u> criminal offences, <u>in particular</u> relating to property, to <u>banking,</u> financial, <u>insurance</u> activities or <u>concerning securities markets or securities payment instruments, including laws on money laundering, market manipulation,</u>

	Commission Proposal	Council Mandate	EP Mandate
			<u>insider dealing, usury, fraud, tax crimes, violation of professional secrecy or to physical integrity, and any other offences under legislation relating to companies, bankruptcy, insolvency or consumer protection;</u>
Article 5(1), point(b)(-a)			
121a			<u>(-a) the cumulative effects of minor incidents do not impinge on their good repute;</u>
Article 5(1), point(b)(-b)			
121b			<u>(-b) they have always been transparent, open and cooperative in their past business dealings with supervisory and regulatory authorities;</u>
Article 5(1), point(b)(iii)			
122	(iii) are not currently subject to any insolvency procedure or have previously been declared bankrupt unless reinstated in accordance with national law;	(iii) are not <del>currently</del> subject to any <u>on-going</u> insolvency procedure or have previously been declared bankrupt unless reinstated in accordance with national law; <u>and</u>	(iii) <u>they</u> are not <del>currently</del> subject to any <u>ongoing</u> insolvency procedure or have previously been declared bankrupt unless reinstated in accordance with national law; <u>and</u>
Article 5(1), point(b)(-a)			
122a		<u>(-a) the management, taken as a whole, has adequate knowledge and experience to conduct the business in a competent and responsible manner.</u>	<u>(-c) the management, as a whole, has adequate knowledge and experience to conduct the business in a competent and responsible manner.</u>
Article 5(1), point (ba)			

	Commission Proposal	Council Mandate	EP Mandate
122b		<i><u>(ba) the persons who hold qualifying holdings in the applicant, within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013 are of sufficiently good repute by fulfilling the requirements in point (ii) and (iii) of subparagraph (b) of this paragraph;</u></i>	<i><u>(ba) the persons who hold qualifying holdings in the applicant, within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013 are of sufficiently good repute, by fulfilling the requirements in points (ii) to (iiia) of subparagraph (b) of this paragraph;</u></i>
Article 5(1), point(c)			
123	(c) the applicant has appropriate governance arrangements and internal control mechanisms in place which ensure respect for borrower rights and compliance with personal data protection rules in accordance with the laws governing the credit agreement,	(c) the applicant has appropriate governance arrangements and internal control mechanisms in place which ensure respect for borrower rights and compliance with <u>the laws governing the creditor's rights under a credit agreement or</u> <del>personal data protection rules in accordance with the laws governing</del> the credit agreement, <u>itself and with Regulation (EU) 2016/679;</u>	(c) the applicant has appropriate governance arrangements and internal control mechanisms in place which ensure respect for borrower rights and compliance <u>with the laws governing a creditor's rights under a credit agreement or</u> <del>with personal data protection rules in accordance with the laws governing</del> the credit agreement <u>itself and with Regulation (EU) 2016/679,</u>
Article 5(1), point(d)			
124	(d) the applicant applies an appropriate policy ensuring the fair and diligent treatment of the borrowers, including by taking into account their financial situation and, where available, the need for such borrowers to be referred to debt advice or social services;	(d) the applicant applies an appropriate policy ensuring <u>compliance with rules for the protection and</u> the fair and diligent treatment of the borrowers, including by taking into account their financial situation and, where available, the need for such borrowers to be referred to debt advice or social services;	(d) the applicant applies an appropriate policy ensuring <u>compliance with rules for the protection of consumers and transparency of</u> the fair and diligent treatment of the borrowers, including by taking into account their financial situation and, where available, the need for such borrowers to be referred to debt advice or social services;
Article 5(1), point(e)			
125	(e) the applicant has adequate and specific internal procedures in place which ensure the recording and handling of borrower complaints.	(e) the applicant has adequate and specific internal procedures in place which ensure the recording and handling of borrower complaints.;	(e) the applicant has adequate and specific internal procedures in place which ensure the recording and handling of borrower complaints.

	Commission Proposal	Council Mandate	EP Mandate
Article 5(1), point (ea)			
125a		<u><i>(ea) the applicant has adequate anti-money laundering and counter terrorism procedures in place, where national legislation transposing Directive 2015/849/EU designates credit servicers as obliged entities for the purposes of preventing and combating money laundering and terrorist financing.</i></u>	<u><i>(ea) the applicant has sufficient suitable employees who speak the language of the Member State where the borrower resides at the time of the conclusion of the credit agreement;</i></u>
Article 5(1), point (eb)			
125b			<u><i>(eb) the applicant has adequate anti-money laundering and counter terrorism procedures in place, where the home or host Member State national measures transposing Directive 2015/849/EU designate credit servicers as obliged entities for the purpose of preventing and combating money laundering and terrorist financing;</i></u>
Article 5(1), point (ec)			
125c			<u><i>(ec) the applicant's management system allows the applicant to meet its commitments, such as a sufficient initial capital or account segregation;</i></u>
Article 5(1), point (ed)			
125d			<u><i>(ed) there are no obstacles to the effective supervision of the applicant stemming from the structure of its group;</i></u>

	Commission Proposal	Council Mandate	EP Mandate
Article 5(1), point (ee)			
125e			<u>(ee) the applicant is subject by virtue of applicable national law to:</u>
Article 5(1), point (e), point (i)			
125f			<u>(i) robust governance arrangements, which include adequate internal control mechanisms and sound administration and accounting procedures;</u>
Article 5(1), point (ii)			
125g			<u>(ii) adequate own funds and liquidity requirements or account segregation;</u>
Article 5(1), point (e), point (iii)			
125h			<u>(iii) appropriate measures for taking up, managing, monitoring and mitigating the risks it is or might be exposed to;</u>
Article 5(1), point (e), point (iv)			
125i			<u>(iv) reporting and public disclosure requirements.</u>
Article 5(1a)			
125j			

	Commission Proposal	Council Mandate	EP Mandate
			<u><i>1a. EBA shall issue guidelines to specify the conditions referred to in paragraph 1, points (ec) and (ed) and the minimum requirements referred to in paragraph 1, point (ee) of this Article. Those guidelines shall be adapted in accordance with Article 16 of Regulation (EU) No 1093/2010.</i></u>
Article 5(1b)			
125k			<u><i>1b. EBA shall, after consulting all relevant stakeholders and reflecting all interests involved, issue guidelines in accordance with Article 16 of Regulation (EU) No 1093/2010 for the requirements set out in point (b)(iii) of paragraph 1 of this Article.</i></u>
Article 5(2)			
126	2. The competent authorities of the home Member State shall refuse an authorisation referred to in Article 4(1), where the applicant does not comply with the requirements set out in paragraph 1.	2. The competent authorities of the home Member State shall refuse an authorisation referred to in Article 4(1), where the applicant does not comply with the requirements set out in paragraph 1.	2. The competent authorities of the home Member State shall refuse an authorisation referred to in Article 4(1), where the applicant does not comply with the requirements set out in paragraph 1.
Article 5(2a)			
126a		<u><i>2a. EBA shall, after consulting all relevant stakeholders and reflecting all interests involved, issue guidelines in accordance with Article 16 of Regulation (EU) No. 1093/2010 for the requirements mentioned under paragraph 1(b) point (iv) of this Article.</i></u>	<u><i>2a. Member States shall ensure that where competent authorities of the host Member State have determined that the applicant does not fulfil the conditions laid down in this Article, they shall send a communication containing all relevant information to the home Member State.</i></u>

	Commission Proposal	Council Mandate	EP Mandate
Article 6			
127	Article 6 Procedure for granting or refusing an authorisation	Article 6 Procedure for granting or refusing an authorisation	Article 6 Procedure for granting or refusing an authorisation
Article 6(1)			
128	1. Member States shall establish a procedure for the authorisation of credit servicers which enables an applicant to submit an application and provide all the information necessary for the competent authority of the home Member State to verify that the applicant has satisfied all the conditions laid down in the national measures transposing Article 5(1).	1. Member States shall establish a procedure for the authorisation of credit servicers which enables an applicant to submit an application and provide all the information necessary for the competent authority of the home Member State to verify that the applicant has satisfied all the conditions laid down in the national measures transposing Article 5(1).	1. Member States shall establish a procedure for the authorisation of credit servicers which enables an applicant to submit an application and provide all the information necessary for the competent authority of the home Member State to verify that the applicant has satisfied all the conditions laid down in the national measures transposing Article 5(1).
Article 6(2), introductory part			
129	2. The application for authorisation, referred to in paragraph 1, shall be accompanied by the following:	2. The application for authorisation, referred to in paragraph 1, shall be accompanied by the following:	2. The application for authorisation, referred to in paragraph 1, shall be accompanied by the following:
Article 6(2), point(a)			
130	(a) evidence of the applicant's legal status and its instrument of constitution, where appropriate;	(a) evidence of the applicant's legal status and <del>its instrument of constitution, where appropriate</del> <u>copy of the act of incorporation and of the company by-laws</u> ;	(a) evidence of the applicant's legal status and <del>its instrument of constitution, where appropriate</del> <u>copy of the act of incorporation and of the company by-laws</u> ;
Article 6(2), point(b)			
131	(b) the address of the applicant's head office or	(b) the address of the applicant's head office or	(b) the address of the applicant's head office or

	Commission Proposal	Council Mandate	EP Mandate
	its registered office;	its registered office;	its registered office;
Article 6(2), point(c)			
132	(c) the identity of the members of applicant's management or administrative organ who hold qualifying holdings within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013;	(c) the identity of the members of applicant's management or administrative organ <u>and the persons</u> who hold qualifying holdings within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013;	(c) the identity of the members of applicant's management or administrative organ <u>and the person who holds</u> <del>who hold</del> qualifying holdings within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013;
Article 6(2), point(d)			
133	(d) evidence that the applicant and the persons referred to in point (c) of this Article, comply with the conditions laid down in Article 5(1)(b);	(d) evidence that the applicant <del>and the persons referred to in point (c) of this Article, comply</del> <u>complies</u> with the conditions laid down in Article 5(1)(b);	(d) evidence that the applicant <del>and the persons referred to in point (c) of this Article, comply</del> <u>with fulfils</u> the conditions laid down in Article 5(1)(b);
Article 6(2), point (da)			
133a		<u>(dd) evidence that the persons referred to in point (c) of this paragraph, comply with the conditions laid down in Article 5(1)(bb);</u>	<u>(da) evidence that the persons referred to in point (c) of this paragraph fulfils the conditions laid down in point (ba) of Article 5(1);</u>
Article 6(2), point(e)			
134	(e) evidence of the governance arrangements and internal control mechanisms referred to in Article 5(1)(c);	(e) evidence of the governance arrangements and internal control mechanisms referred to in Article 5(1)(c);	(e) evidence of the governance arrangements and internal control mechanisms referred to in <u>point (c) of Article 5(1)</u> <del>(e)5(1)</del> ;
Article 6(2), point(f)			
135	(f) evidence of the policy referred to in Article	(f) evidence of the policy referred to in Article	(f) evidence of the policy referred to in <u>point (d)</u>



	Commission Proposal	Council Mandate	EP Mandate
	5(1)(d);	5(1)(d);	<u>of</u> Article <del>5(1)(d)</del> <u>5(1)</u> ;
Article 6(2), point(g)			
136	(g) evidence of the internal procedures referred to in Article 5(1)(e);	(g) evidence of the internal procedures referred to in Article 5(1)(e);	(g) evidence of the internal procedures referred to in <u>point (e) of</u> Article <del>5(1)(e)</del> <u>5(1)</u> ;
Article 6(2), point (ga)			
136a		<u>(ga) evidence of the procedures referred to in Article 5(1)(ea);</u>	<u>(ga) evidence of the procedures referred to in point (eb) of Article 5(1);</u>
Article 6(2), point(h)			
137	(h) any outsourcing agreement as referred to in Article 10(1).	(h) any outsourcing agreement as referred to in Article 10(1).	(h) any outsourcing agreement as referred to in Article 10(1).
Article 6(3)			
138	3. Member States shall ensure that the competent authorities of a home Member State assess, within 20 working days of receipt of the application for authorisation, whether that application is complete. Where the application is considered incomplete, the competent authorities shall set a deadline by which the applicant is to provide any further additional information and they shall notify the applicant when they consider an application to be complete.	3. Member States shall ensure that the competent authorities of a home Member State assess, within <del>20 working</del> <u>30</u> days of receipt of the application for authorisation, whether that application is complete. <del>Where the application is considered incomplete, the competent authorities shall set a deadline by which the applicant is to provide any further additional information and they shall notify the applicant when they consider an application to be complete.</del>	3. Member States shall ensure that the competent authorities of a home Member State assess, within <del>20</del> <u>30</u> working days of receipt of the application for authorisation, whether that application is complete. <del>Where the application is considered incomplete, the competent authorities shall set a deadline by which the applicant is to provide any further additional information and they shall notify the applicant when they consider an application to be complete.</del> <b>█</b>
Article 6(4)			
139			

	Commission Proposal	Council Mandate	EP Mandate
	4. Member States shall ensure that competent authorities of the home Member State assess, within 30 working days from the date of receipt of a complete application, whether the applicant complies with the national provisions transposing this Directive. The competent authorities shall, on conclusion of that assessment, adopt a fully reasoned decision either granting or refusing the authorisation which shall be notified to the applicant within five working days.	4. Member States shall ensure that <del>competent authorities of the home Member State assess</del> , within <del>30 working days from the date</del> <b>90 days</b> of receipt of a complete application <u>or, if the application is considered incomplete, of required information,</u> <del>whether the applicant complies with the national provisions transposing this Directive.</del> the competent authorities <del>shall, on conclusion of that assessment, adopt a fully reasoned decision either granting or refusing</del> <b>of the home Member State notify the applicant whether</b> the authorisation <del>which shall be notified to the applicant within five working days</del> <b>is granted or refused and, where applicable, provide reasons for refusal.</b>	4. Member States shall ensure that <del>competent authorities of the home Member State assess</del> , within <del>30 working days from the date</del> <b>90 days</b> of receipt of a complete application <u>or, if the application is considered incomplete, of required information,</u> <del>whether the applicant complies with the national provisions transposing this Directive.</del> the competent authorities <del>shall, on conclusion of that assessment, adopt a fully reasoned decision either granting or refusing</del> <b>of the home Member State notify the applicant whether</b> the authorisation <del>which shall be notified to the applicant within five working days</del> <b>is granted or refused and, where applicable, provide reasons for refusal.</b>
Article 6(5)			
140	5. Member States shall ensure that an applicant has the right of appeal before a tribunal either where the competent authorities of the home Member State decide to refuse an application for authorisation pursuant to Article 5(2) or where no decision is taken by the competent authorities in respect of an application for authorisation, within six months of lodging a complete application.	5. Member States shall ensure that an applicant has the right of appeal before a tribunal either where the competent authorities of the home Member State decide to refuse an application for authorisation pursuant to Article 5(2) or where, <u>within the time limit provided for in Paragraph 4 of this Article</u> , no decision is taken by the competent authorities in respect of <del>an</del> <b>the</b> application <del>for authorisation, within six months of lodging a complete application.</del>	5. Member States shall ensure that an applicant has the right of appeal before a tribunal either where the competent authorities of the home Member State decide to refuse an application for authorisation pursuant to Article 5(2) or where, <u>within the time limit provided for in paragraph 4 of this Article</u> , no decision is taken by the competent authorities in respect of an application <del>for authorisation, within six months of lodging a complete application.</del>
Article 7			
141	Article 7 Withdrawal of authorisation	Article 7 Withdrawal of authorisation	Article 7 Withdrawal of authorisation
Article 7(1), introductory part			

	Commission Proposal	Council Mandate	EP Mandate
142	1. Member States shall ensure that the competent authorities of the home Member State may withdraw the authorisation granted to a credit servicer, where such a credit servicer either:	1. Member States shall ensure that the competent authorities of the home Member State <del>may</del> <u>have</u> <u>the necessary supervisory, investigatory and sanctioning powers in accordance with Article 21 in order to</u> withdraw the authorisation granted to a credit servicer, where such a credit servicer either:	1. Member States shall ensure that the competent authorities of the home Member State <del>may</del> <u>have</u> <u>the necessary supervisory, investigatory and sanctioning powers in accordance with Article 21 in order to</u> withdraw the authorisation granted to a credit servicer, where such a credit servicer either:
Article 7(1), point(a)			
143	(a) does not make use of the authorisation within 12 months of its grant;	(a) does not make use of the authorisation within 12 months of its grant;	(a) does not make use of the authorisation within 12 months of its grant;
Article 7(1), point(b)			
144	(b) expressly renounces the authorisation;	(b) expressly renounces the authorisation;	(b) expressly renounces the authorisation;
Article 7(1), point(c)			
145	(c) has ceased to engage in the activities of a credit servicer for more than six months;	(c) has ceased to engage in the activities of a credit servicer for more than six months;	(c) has ceased to engage in the activities of a credit servicer for more than <del>six</del> <u>12</u> months;
Article 7(1), point(d)			
146	(d) has acquired an authorisation through false statements or other irregular means;	(d) has acquired an authorisation through false statements or other irregular means;	(d) has acquired an authorisation through false statements or other irregular means;
Article 7(1), point(e)			
147	(e) no longer meets the conditions set out in Article 5(1);	(e) no longer <del>meets</del> <u>fulfills</u> the conditions set out in Article 5(1);	(e) no longer <del>meets</del> <u>fulfills</u> the conditions set out in Article 5(1);

	Commission Proposal	Council Mandate	EP Mandate
Article 7(1), point(f)			
148	(f) commits a serious breach of the applicable rules, including the national law provisions transposing this Directive.	(f) commits a serious breach of the applicable rules, including the national law provisions transposing this Directive <u>or of consumer protection rules</u> .	(f) commits a serious breach of the applicable rules, including the national law provisions transposing this Directive, <u>or of other consumer protection rules</u> .
Article 7(1a)			
148a			<u>1a. Member States shall ensure that where competent authorities of the host Member State have determined that a credit servicer acts in a way that falls under points (e) or (f) of the first paragraph, they shall send a communication containing all relevant information to the competent authorities of the home Member State.</u>
Article 7(2)			
149	2. Where an authorisation is withdrawn in accordance with paragraph 1, Member States shall ensure that the competent authorities of the home Member State shall immediately inform the competent authorities in the host Member States if the credit servicer provides services under Article 11.	2. Where an authorisation is withdrawn in accordance with paragraph 1, Member States shall ensure that the competent authorities of the home Member State shall immediately inform the competent authorities in the host Member States if the credit servicer provides services under Article 11.	2. Where an authorisation is withdrawn in accordance with paragraph 1, Member States shall ensure that the competent authorities of the home Member State shall immediately inform the competent authorities in the host Member States if the credit servicer provides services under Article 11.
Article 8			
150	Article 8 Register of authorised credit servicers	Article 8 Register of authorised credit servicers	Article 8 Register of authorised credit servicers

	Commission Proposal	Council Mandate	EP Mandate
Article 8(1)			
151	1. Member States shall ensure that competent authorities establish and maintain a national register of all authorised credit servicers authorised to provide services within their territory, including credit servicers providing services under Article 11.	1. Member States shall ensure that competent authorities establish and maintain <u>at least a list or, where considered more appropriate,</u> a national register of all <del>authorised</del> credit servicers authorised to provide services within their territory, including credit servicers providing services under Article 11.	1. Member States shall ensure that competent authorities establish and maintain <u>at least a list or, where considered more appropriate,</u> a national register of all <del>authorised</del> credit servicers authorised to provide services within their territory, including credit servicers providing services under Article 11. <u>Where applicable, and at the request of a competent authority, EBA shall provide for best-practices guidelines in order to guarantee a level playing field across the Union.</u>
Article 8(2)			
152	2. The register shall be made publicly accessible online and shall be updated on a regular basis.	2. The <del>register</del> <u>list or register</u> shall be made publicly accessible online <u>on the websites of the competent authorities</u> and shall be updated on a regular basis.	2. The <u>list or</u> register shall be made publicly accessible online <u>on the website of the competent authority</u> and shall be updated on a regular basis.
Article 8(3)			
153	3. In case an authorisation has been withdrawn, the competent authorities shall update the register without delay.	3. In case an authorisation has been withdrawn, the competent authorities shall update the <u>list or</u> register without delay.	3. In case an authorisation has been withdrawn, the competent authorities shall update the <u>list or</u> register without delay.
Article 8a			
153a			<u>Article 8a</u> <u>Borrowers' protection</u>

	Commission Proposal	Council Mandate	EP Mandate
Article 8a(1)			
153b			<u>1. Member States shall require that creditors, in their relationships with debtors, act in good faith, fairly, professionally and respect their privacy.</u>
Article 8a(2), introductory part			
153c			<u>2. Member States shall ensure that creditors comply with the following requirements:</u>
Article 8a(2), point (a)			
153d			<u>(a) the information provided by creditors to borrowers shall not be misleading, unclear or false;</u>
Article 8a(2), point (b)			
153e			<u>(b) creditors shall protect the personal information and privacy of borrowers and shall not communicate that information to persons other than the borrower, including family members or employers, unless authorised to do so by the borrower;</u>
Article 8a(2), point (c)			
153f			<u>(c) creditors shall not communicate to borrowers in a way that constitutes harassment, coercion, or undue influence.</u>

	Commission Proposal	Council Mandate	EP Mandate
Article 8a(3)			
153g			<u>3. Member States shall ensure that fees and penalties charged to borrowers by creditors do not exceed the costs directly related to the management of the debt.</u>
Article 8a(4), introductory part			
153h			<u>4. Member States shall ensure that, in advance of any debt collection, the creditor sends to the borrower a mandatory notification that provides unequivocal evidence of the debt relied on in a credit agreement falling under this Directive. The notification shall not exceed three pages in length and shall include, in language which is clear and understandable for the general public, at least the following:</u>
Article 8a(4), point (a)			
153i			<u>(a) the evidence of the debt relied on in a credit contract;</u>
Article 8a(4), point (b)			
153j			<u>(b) the identification of the creditor including its contact details;</u>
Article 8a(4), point (c)			
153k			<u>(c) where relevant, the identification of the credit servicer and its rights;</u>

	Commission Proposal	Council Mandate	EP Mandate
Article 8a(4), point (d)			
153l			<u>(d) the legal base of the debts, details of the amounts requested, and their source (capital, interest, penalties, procedural costs);</u>
Article 8a(4), point (e)			
153m			<u>(e) a key selection of the borrower's rights description, including necessarily the protection against harassment and misleading behaviour;</u>
Article 8a(4), point (f)			
153n			<u>(f) a contact reference point from where to receive information and advice for borrowers experiencing payment difficulties;</u>
Article 8a(4), point (g)			
153o			<u>(g) where relevant, the information under points (a) to (f) in respect of costs or agreements that do not fall under this Directive but that nevertheless form part of the debt collection.</u>
Article 8a(5)			
153p			<u>5. Member States shall require that in the event of a transfer of a creditor's rights under a credit agreement, or of the credit agreement itself, to a credit purchaser, the borrower is notified in due</u>



	Commission Proposal	Council Mandate	EP Mandate
			<u><i>time about the transfer and that all relevant Union and national law concerning in particular the enforcement of contracts, consumer protection, borrower's rights and criminal law continues to apply to the credit purchaser or the credit servicer.</i></u>
Article 8a(6)			
153q			<u><i>6. Member States shall require that creditors undertake, with due diligence, to make best efforts to exercise, where appropriate, reasonable forbearance in respect of borrowers experiencing payment difficulties.</i></u>
Article 8a(7), introductory part			
153r			<u><i>7. Forbearance measures shall prioritize consumers and include at least the following potential measures that shall be communicated in a standardised format to borrowers experiencing payment difficulties, based on an affordability assessment:</i></u>
Article 8a(7), point (a)			
153s			<u><i>(a) options regarding a partial refinancing of a credit agreement;</i></u>
Article 8a(7), point (b), introductory part			
153t			<u><i>(b) options regarding a potential modification, to the benefit of the borrower, of the existing</i></u>

	Commission Proposal	Council Mandate	EP Mandate
			<u><i>terms and conditions of the credit agreement including, among others:</i></u>
Article 8a(7), point (b)(i)			
153u			<u><i>(i) extending the term of the credit agreement;</i></u>
Article 8a(7), point (b)(ii)			
153v			<u><i>(ii) changing the type of the credit agreement;</i></u>
Article 8a(7), point (b)(iii)			
153w			<u><i>(iii) deferring payment of all or part of the instalment repayment for a period;</i></u>
Article 8a(7), point (b)(iv)			
153x			<u><i>(iv) changing the interest rate up to a certain cap;</i></u>
Article 8a(7), point (b)(v)			
153y			<u><i>(v) offering a payment holiday or grace periods, or both;</i></u>
Article 8a(7), point (b)(vi)			
153z			<u><i>(vi) partial repayments;</i></u>
Article 8a(7), point (b)(vii)			

	Commission Proposal	Council Mandate	EP Mandate
153aa			<u>(vii) currency conversions</u>
Article 8a(7), point (b)(viii)			
153ab			<u>(viii) partial forgiveness and debt consolidation;</u>
Article 8a(8)			
153ac			<u>8. The qualification of credit agreements as non-performing shall be made without prejudice to the creditor's forbearance requirements.</u>
Article 8a(9)			
153ad			<u>9. EBA shall develop draft regulatory technical standards to specify the format of the notification under paragraph 4 and the standardised formats as referred in paragraph 7. EBA shall submit those draft regulatory technical standards to the Commission by ... [one year after the entry into force of this Directive]. Power is delegated to the Commission to adopt the regulatory technical standards referred to in the first subparagraph in accordance with Articles 10 to 14 of Regulation (EU) No 1093/2010.</u>
Article 9			
154	Article 9 Contractual relationship between a credit servicer	Article 9 Contractual relationship between a credit servicer	Article 9 Contractual relationship between a credit servicer

	Commission Proposal	Council Mandate	EP Mandate
	and a creditor	and a creditor	and a creditor
Article 9(1)			
155	1. Member States shall ensure that a credit servicer provides its services in respect of the management and enforcement of a credit agreement on the basis of a written agreement with a creditor.	1. Member States shall ensure that <u>when</u> a credit <u>purchaser does not perform itself the credit servicing activities, the appointed credit servicer</u> provides its services in respect of the management and enforcement of <u>the creditor's rights under a credit agreement or of the credit agreement itself</u> on the basis of a <del>written agreement</del> <u>credit servicing agreement</u> with a creditor.	1. Member States shall ensure that <u>when a credit purchaser does not perform itself the credit servicing activities,</u> a credit servicer <u>appointed in accordance with Article 15(1)</u> provides its services in respect of the management and enforcement of <u>the creditor's rights under a credit agreement or of a credit agreement itself</u> on the basis of a <del>written</del> <u>credit servicing agreement</u> with a creditor.
Article 9(2), introductory part			
156	2. The agreement referred to in the paragraph 1 shall provide for the following:	2. The <del>agreement referred to in the paragraph 1</del> <u>credit servicing agreement</u> shall provide for the following:	2. The <del>agreement referred to in the paragraph 1</del> <u>credit servicing agreement</u> shall provide for the following:
Article 9(2), point(a)			
157	(a) a detailed description of credit servicing activities to be carried out by the credit servicer;	(a) a detailed description of credit servicing activities to be carried out by the credit servicer;	(a) a detailed description of credit servicing activities to be carried out by the credit servicer;
Article 9(2), point(b)			
158	(b) the level of remuneration of the credit servicer or how the remuneration is to be calculated;	(b) the level of remuneration of the credit servicer or how the remuneration is to be calculated;	(b) the level of remuneration of the credit servicer or how the remuneration is to be calculated;
Article 9(2), point(c)			

	Commission Proposal	Council Mandate	EP Mandate
159	(c) the extent to which the credit servicer can represent the creditor in relation to the borrower;	(c) the extent to which the credit servicer can represent the creditor in relation to the borrower;	(c) the extent to which the credit servicer can represent the creditor in relation to the borrower;
Article 9(2), point(d)			
160	(d) an undertaking by the parties to comply with the Union and national law applicable to the credit agreement, including in respect of consumer protection.	(d) an undertaking by the parties to comply with the Union and national law applicable to the <u>creditor's rights under a credit agreement or the credit agreement itself</u> , including in respect of consumer <u>and data</u> protection-;	(d) an undertaking by the parties to comply with the Union and national law applicable to the credit agreement <u>or the creditor's rights</u> , including in respect of consumer <u>and data</u> protection-;
Article 9(2), point (da)			
160a		<u>(da) a clause requiring the fair and diligent treatment of the borrowers.</u>	<u>(da) a clause requiring the fair and diligent treatment of the borrowers.</u>
Article 9(2a)			
160b		<u>2a. Member States may require that the credit servicing agreement also provide a requirement according to which the credit servicer notifies the creditor prior to outsourcing any of its activity as credit servicer.</u>	<u>2a. Member States shall require, where necessary, that a credit servicing agreement also provide a requirement, according to which:</u>
Article 9(2a), point(i)			
160c			<u>(i) the credit servicer notifies the creditor prior to outsourcing any of its activity as credit servicer;</u>
Article 9(2a), point(ii)			

	Commission Proposal	Council Mandate	EP Mandate
160d			<u>(ii) the borrower is informed of the credit servicing agreement as well as of any further outsourcing of credit servicing activities as defined in Article 3(7b) letters a)-d);</u>
Article 9(2a), point (iii)			
160e			<u>(iii) the costs and remuneration of the credit servicer are not charged to the borrower;</u>
Article 9(2a), point (iv)			
160f			<u>(iv) the borrower is entitled to plead against the credit servicer any relevant defence which was available to the borrower in respect of the original creditor.</u>
Article 9(3), introductory part			
161	3. Member States shall ensure that the credit servicer keeps and maintains the following records for at least 10 years from the date of the contract referred to in paragraph 1:	3. Member States shall ensure that the credit servicer keeps and maintains the following records for <u>a period</u> at least <del>10</del> <u>5</u> years from the date <del>of the contract</del> <u>when the agreement</u> referred to in paragraph 1 <u>is terminated or for the statutory limitation period applicable in the home Member State, however, no longer than 10 years:</u>	3. Member States shall ensure that the credit servicer keeps and maintains the following records for at least <del>10</del> <u>five</u> years from the date <del>of the contract</del> <u>when the agreement</u> referred to in paragraph 1 <u>is terminated or for the statutory limitation period applicable in the home Member State, however no longer than 10 years:</u>
Article 9(3), point(a)			
162	(a) all correspondence with both the creditor and the borrower;	(a) <del>all</del> <u>relevant</u> correspondence with both the creditor and the borrower, <u>under the conditions</u>	(a) <del>all</del> <u>relevant</u> correspondence with both the creditor and the borrower, <u>under the conditions</u>

	Commission Proposal	Council Mandate	EP Mandate
		<u>provided for in the applicable national law;</u>	<u>provided for in the applicable national law;</u>
Article 9(3), point(b)			
163	(b) all instructions received from the creditor in respect of each credit agreement that it manages and enforces on behalf of that creditor.	(b) <del>all</del> relevant instructions received from the creditor in respect of each <u>creditor's right under a</u> credit agreement <u>or the credit agreement itself</u> that it manages and enforces on behalf of that creditor-, <u>under the conditions provided for in the applicable national law;</u>	(b) <del>all</del> relevant instructions received from the creditor in respect of each <u>creditor's rights under a</u> credit agreement <u>or the credit agreement itself</u> that it manages and enforces on behalf of that creditor-, <u>under the conditions provided for in the applicable national law;</u>
Article 9(3), point (ba)			
163a		<u>(ba) the credit servicing agreement.</u>	<u>(ba) the credit servicing agreement.</u>
Article 9(4)			
164	4. Member States shall ensure that the credit servicer makes the records referred to in paragraph 3 available to competent authorities upon request.	4. Member States shall ensure that the credit servicer makes the records referred to in paragraph 3 available to competent authorities upon request.	4. Member States shall ensure that the credit servicer makes the records referred to in paragraph 3 available to competent authorities upon request.
Article 10			
165	Article 10 Outsourcing by a credit servicer	Article 10 Outsourcing by a credit servicer	Article 10 Outsourcing by a credit servicer
Article 10(1), introductory part			
166	1. Member States shall ensure that where a credit servicer uses a third party to perform activities that would normally be undertaken by that credit	1. Member States shall ensure that where a credit servicer uses a third party- <u> to perform activities that would normally be undertaken by that credit</u>	1. Member States shall ensure that where a <del>credit servicer uses a third party to perform</del> <u>third party performs a credit servicer activity related to any</u>

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	<p>servicer ('credit service provider'), the credit servicer remains fully responsible for complying with all obligations under the national provisions transposing this Directive. The outsourcing of those credit servicing activities shall be subject to the following conditions:</p>	<p><del>servicer</del> (<u>any of the activities listed in Article 3(9)</u> ('credit service provider'), the credit servicer remains fully responsible for complying with all obligations under the national provisions transposing this Directive.</p> <p><u>For the purpose of the first subparagraph a written outsourcing agreement between the credit servicer and the credit service provider shall be concluded, which shall provide that the credit service provider is obliged to comply with the applicable legal provisions, including national law transposing this Directive, and the relevant Union or national law applicable to the creditor's rights under a credit agreement or the credit agreement itself. The contractual relationship between the credit servicer and the creditor and obligations of the credit servicer towards the creditor or borrowers shall not be altered by the outsourcing agreement with the credit service provider. The compliance of a of those credit servicing activities servicer with the requirements of its authorisation as set out in Article 5(1) shall not be affected by the outsourcing of the credit servicing activities. The outsourcing be subject to the following conditions: credit service provider shall not prevent the supervision by competent authorities of a credit servicer in accordance with Articles 12 and 20.</u></p>	<p><u>of the</u> activities <u>listed in point (7b) of Article 3</u> that would normally be undertaken by that credit servicer ('credit service provider'), the credit servicer remains fully responsible for complying with all obligations under the national provisions transposing this Directive. The outsourcing of those credit servicing activities shall be subject to the following conditions:</p>
Article 10(1), point(a)			
167	<p>(a) the conclusion of a written outsourcing agreement between the credit servicer and the credit service provider under which the credit service provider is obliged to comply with</p>	<p>(a) <del>the conclusion of a written outsourcing agreement between the credit servicer and the credit service provider under which the credit service provider is obliged to comply with</del></p>	<p>(a) the conclusion of a written outsourcing agreement between the credit servicer and the credit service provider under which the credit service provider is obliged to comply with <u>the</u></p>



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	relevant Union or national law applicable to the credit agreement;	<i>relevant Union or national law applicable to the credit agreement;</i>	<u>applicable legal provisions, including provisions of national law transposing this Directive, and the relevant Union or national law applicable to the creditor's rights under a credit agreement or to the credit agreement itself;</u>
Article 10(1), point(b)			
168	(b) the obligations of credit servicers under this Directive may not be delegated;	(b) <i>the obligations of credit servicers under this Directive may not be delegated;</i>	(b) the obligations of credit servicers under this Directive may not be delegated;
Article 10(1), point(c)			
169	(c) the contractual relationship and obligations of the credit servicer towards its clients are not altered;	(c) <i>the contractual relationship and obligations of the credit servicer towards its clients are not altered;</i>	(c) the contractual relationship <u>between the credit servicer and the creditor</u> and obligations of the credit servicer towards <del>its clients are not</del> <u>the creditor or the borrowers shall not be</u> altered <u>by the outsourcing agreement with the credit service provider;</u>
Article 10(1), point(d)			
170	(d) the conditions for the authorisation of the credit servicer as set out in Article 5(1) are not affected;	(d) <i>the conditions for the authorisation of the credit servicer as set out in Article 5(1) are not affected;</i>	(d) the <del>conditions for the authorisation of the credit servicer</del> <u>compliance of a credit servicer with the requirements of its authorisation</u> as set out in Article 5(1) <del>are not</del> <u>shall not be</u> affected <u>by the outsourcing of the credit servicing activities;</u>
Article 10(1), point(e)			
171	(e) the outsourcing to the credit service provider does not prevent the supervision by competent authorities of a credit servicer in accordance with	(e) <i>the outsourcing to the credit service provider does not prevent the supervision by competent authorities of a credit servicer in accordance with</i>	(e) the outsourcing to the credit service provider <u>does shall</u> not prevent the supervision by competent authorities of a credit servicer in

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	Articles 12 and 20;	<del>Articles 12 and 20;</del>	accordance with Articles 12 and 20;
Article 10(1), point(f)			
172	(f) the credit servicer has direct access to all relevant information concerning the outsourced services to the credit service provider;	(f) <del>the credit servicer has direct access to all relevant information concerning the outsourced services to the credit service provider;</del>	(f) the credit servicer has direct access to all relevant information concerning the outsourced services to the credit service provider;
Article 10(1), point(g)			
173	(g) the credit servicer retains the expertise and resources to be able to provide the outsourced activities, after the outsourcing agreement is terminated.	(g) <del>the credit servicer retains the expertise and resources to be able to provide the outsourced activities, after the outsourcing agreement is terminated.</del>	(g) the credit servicer retains the expertise and resources to be able to provide the outsourced activities, after the outsourcing agreement is terminated.
Article 10(1), new subparagraph			
173a		<u>The outsourcing of those activities stated in Article 3(9) shall not be undertaken in such a way as to impair the quality of the credit servicer's internal control, soundness or continuity of its credit services.</u>	<u>The outsourcing of the activities listed in point (7b) of Article 3 shall not be undertaken in such a way as to impair the quality of the credit servicer's internal control, soundness or continuity of its credit services.</u>
Article 10(-2)			
173b		<u>2. Member States shall ensure that, upon request, the credit servicer informs without delay the competent authority of the home, and where applicable the host, Member State about the outsourcing of activities in accordance with paragraph 1.</u>	<u>2. Member States shall ensure that the credit servicer informs without delay the competent authority of the home Member State and, where applicable, the host Member State, prior to the outsourcing of activities in accordance with paragraph 1.</u>
Article 10(2)			

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174	2. Member States shall ensure that the credit servicer keeps and maintains records of all instructions provided to the credit service provider for at least 10 years from the date of the contract referred to in paragraph 1.	<del>23</del> . Member States shall ensure that the credit servicer keeps and maintains records of <del>all</del> <u>relevant</u> instructions provided to the credit service provider, <u>under the conditions provided for in the applicable national law, and the outsourcing agreement</u> for at least <del>10</del> <u>5</u> years from the date <del>of the contract</del> <u>when the agreement</u> referred to in paragraph 1 <u>is terminated or for the statutory limitation period in the Member State, however, no longer than 10 years.</u>	<del>22a</del> . Member States shall ensure that the credit servicer keeps and maintains records of <del>all</del> <u>relevant</u> instructions provided to the credit service provider, <u>under the conditions provided for in the applicable national law, and of the outsourcing agreement for a period of</u> <del>for</del> at least <del>10</del> <u>five</u> years from the date <del>of the contract</del> <u>on which the agreement</u> referred to in paragraph 1 <u>is terminated or for the statutory limitation period in the Member State, up to a maximum period of 10 years.</u>
Article 10(3)			
175	3. Member States shall ensure that the credit servicer and the credit service provider make the information referred to in paragraph 2 available to competent authorities upon request.	<del>34</del> . Member States shall ensure that the credit servicer and the credit service provider make the information referred to in paragraph <del>23</del> available to competent authorities upon request.	3. Member States shall ensure that the credit servicer and the credit service provider make the information referred to in paragraph <del>22a</del> available to competent authorities upon request.
Title II, Chapter II			
176	Chapter II Cross Border Credit Servicing	Chapter II Cross Border Credit Servicing	Chapter II Cross Border Credit Servicing
Article 11			
177	Article 11 Freedom to provide credit servicing activities in a host Member State	Article 11 Freedom to provide credit servicing activities in a host Member State	Article 11 Freedom to provide credit servicing activities in a host Member State
Article 11(1)			
178			

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	1. Member States shall ensure that a credit servicer having obtained an authorisation in accordance with Article 5 in a home Member State has the right to provide in the Union those services that are covered by that authorisation.	1. Member States shall ensure that a credit servicer having obtained an authorisation in accordance with Article 5 in a home Member State has the right to provide in the Union those services that are covered by that <del>authorisation</del> <u>authorization</u> .	1. Member States shall ensure that a credit servicer having obtained an authorisation in accordance with Article 5 in a home Member State has the right to provide in the Union those services that are covered by that authorisation, <u>without prejudice to restrictions and requirements established in the national law of the host Member States in accordance with this Directive, or those established for the renegotiation of the terms and conditions related to the creditor's rights under a credit agreement or of the credit agreement itself.</u>
Article 11, -a paragraph			
178a		<u>-a Paragraph 1 is without prejudice the restrictions and requirements established in the national law of the host Member State in accordance with Article 2 or those established for the renegotiation of the terms and conditions related to the creditor's rights under a credit agreement or of the credit agreement itself.</u>	
Article 11(2), introductory part			
179	2. Member States shall ensure that where the credit servicer authorised in accordance with Article 5 in a home Member State intends to provide services in a host Member State, it shall submit to the competent authority of the home Member State the following information:	2. Member States shall ensure that where the credit servicer authorised in accordance with Article 5 in a home Member State intends to provide services in a host Member State, it shall submit to the competent authority of the home Member State the following information:	2. Member States shall ensure that where the credit servicer authorised in accordance with Article 5 in a home Member State intends to provide services in a host Member State, it shall submit to the competent authority of the home Member State the following information:
Article 11(2), point(a)			
180			

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	(a) the host Member State in which the credit servicer intends to provide services;	(a) the host Member State in which the credit servicer intends to provide services;	(a) the host Member State in which the credit servicer intends to provide services;
Article 11(2), point(b)			
181	(b) where applicable, the address of the branch established in the host Member State;	(b) where applicable, the address of the branch established in the host Member State;	(b) where applicable, the address of the branch established in the host Member State;
Article 11(2), point(c)			
182	(c) where applicable, identity and address of an agent appointed in a host Member State;	(c) where applicable, identity and address of <del>an agent appointed</del> <u>the credit service provider</u> in a host Member State;	(c) where applicable, identity and address of <del>an agent appointed</del> <u>a credit service provider</u> in a host Member State;
Article 11(2), point(d)			
183	(d) the identity of the persons responsible for managing the provision of credit servicing activities in the host Member State;	(d) the identity of the persons responsible for managing the provision of credit servicing activities in the host Member State;	(d) the identity of the persons responsible for managing the provision of credit servicing activities in the host Member State;
Article 11(2), point(e)			
184	(e) as the case may be, details of the measures taken to adapt the internal procedures, governance arrangements and internal control mechanisms to ensure compliance with the laws applicable to the credit agreement.	(e) as the case may be, details of the measures taken to adapt the internal procedures, governance arrangements and internal control mechanisms to ensure compliance with the laws applicable to the <u>creditor's rights under a</u> credit agreement <del>- or to</del> <u>the credit agreement itself</u> ;	(e) as the case may be, details of the measures taken to adapt the internal procedures, governance arrangements and internal control mechanisms to ensure compliance with the laws applicable to the <u>creditor's rights under a</u> credit agreement <u>or to the credit agreement itself</u> .
Article 11(2), point (ea)			
184a		<u>(ea) a description of the procedure established</u>	

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		<u><i>in order to comply with the anti-money laundering and counter terrorism rules, where the national legislation of the host Member State transposing Directive 2015/849/EU designates credit servicers as obliged entities for the purposes of preventing and combating money laundering and terrorist financing.</i></u>	
Article 11(3)			
185	3. The competent authorities of the home Member State shall, within 30 working days of the receipt of the information referred to in paragraph 2, communicate that information to the competent authorities of the host Member State which shall acknowledge receipt thereof without delay. The competent authorities of the home Member State shall thereafter inform the credit servicer of such confirmation of receipt.	3. The competent authorities of the home Member State shall, within 30 working days of the receipt of <del>the</del> <u>all</u> information referred to in paragraph 2, communicate that information to the competent authorities of the host Member State which shall acknowledge receipt thereof without delay. The competent authorities of the home Member State shall thereafter inform the credit servicer <del>of such confirmation of</del> <u>about the date the information was communicated to the competent authorities of the host Member State and the date they acknowledge</u> receipt <u>of the information</u> .	3. The competent authorities of the home Member State shall, within 30 working days of the receipt of <del>the</del> <u>all</u> information referred to in paragraph 2, communicate that information to the competent authorities of the host Member State which shall acknowledge receipt thereof without delay. The competent authorities of the home Member State shall thereafter inform the credit servicer of such confirmation of receipt.
Article 11(4)			
186	4. Member States shall ensure that a credit servicer has the right of appeal before a tribunal where the competent authorities of the home Member State fail to communicate the information.	4. Member States shall ensure that a credit servicer has the right of appeal before a tribunal where the competent authorities of the home Member State fail to communicate the information.	4. Member States shall ensure that a credit servicer has the right of appeal before a tribunal where the competent authorities of the home Member State fail to communicate the information.
Article 11(5), introductory part			
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	5. Member States shall ensure that once the competent authorities of a home Member State communicate the information referred to in paragraph 2, the credit servicer may start providing services in the host Member State from the earlier of the following:	5. Member States shall ensure that <del>once the competent authorities of a home Member State communicate the information referred to in paragraph 2,</del> the credit servicer may start providing services in the host Member State from the earlier of the following:	5. Member States shall ensure that <del>once the competent authorities of a home Member State communicate the information referred to in paragraph 2,</del> the credit servicer may start providing services in the host Member State from the earlier of the following:
Article 11(5), point(a)			
188	(a) receipt of the communication from the competent authorities in the host Member State acknowledging receipt of the communication referred to in paragraph 3;	(a) receipt of the communication from the competent authorities in the host Member State acknowledging receipt of the communication referred to in paragraph 3;	(a) receipt of the communication from the competent authorities in the host Member State acknowledging receipt of the communication referred to in paragraph 3;
Article 11(5), point(b)			
189	(b) in the absence of any receipt of a communication referred to in point (a), after the expiry of two months from the date of communication of the information referred to in paragraph 3.	(b) in the absence of any receipt of a communication referred to in point (a), after the expiry of two months from the date of <del>communication of the</del> <u>the submission of all information referred to in paragraph 32 to the competent authority of the host Member State.</u>	(b) in the absence of any receipt of a communication referred to in point (a), after the expiry of two months from the date of <del>communication of the</del> <u>submission of all information referred to in paragraph 32 to the competent authority of the host Member State.</u>
Article 11(6)			
190	6. Member States shall ensure that a credit servicer shall inform the competent authority of the home Member State of change subsequent to the information communicated in accordance with paragraph 3 by means of the procedure set out in paragraphs 3 to 5.	6. Member States shall ensure that a credit servicer shall inform the competent authority of the home Member State of change subsequent to the information communicated in accordance with paragraph <del>32</del> by means of the procedure set out in paragraphs 3 to 5.	6. Member States shall ensure that a credit servicer shall inform the competent authority of the home Member State of change subsequent to the information communicated in accordance with paragraph <del>32</del> by means of the procedure set out in paragraphs 3 to 5.
Article 11(7)			

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191	7. Member States shall ensure that the competent authorities of the host Member State record in the register referred to in Article 8 the credit servicers who are authorised to provide credit servicing activities in their territory and the details of the home Member State.	7. Member States shall ensure that the competent authorities of the host Member State record in the register referred to in Article 8 the credit servicers who are authorised to provide credit servicing activities in their territory and the details of the home Member State.	7. Member States shall ensure that the competent authorities of the host Member State record in the register referred to in Article 8 the credit servicers who are authorised to provide credit servicing activities in their territory and the details of the home Member State.
Article 12			
192	Article 12 Supervision of credit servicers who provide cross-border services	Article 12 Supervision of credit servicers who provide cross-border services	Article 12 Supervision of credit servicers who provide cross-border services
Article 12(1)			
193	1. Member States shall ensure that the competent authorities of the home Member State review and evaluate the ongoing compliance by a credit servicer who provides services in a host Member State with the requirements of this Directive.	1. Member States shall ensure that the competent authorities of the home Member State review and evaluate the ongoing compliance by a credit servicer who provides services in a host Member State with the requirements of this Directive.	1. Member States shall ensure that the competent authorities of the home Member State review and evaluate the ongoing compliance by a credit servicer who provides services in a host Member State with the requirements of this Directive.
Article 12(2)			
194	2. Member States shall ensure that the competent authorities of a home Member State are empowered to supervise, investigate and impose administrative sanctions or penalties and remedial measures on credit servicers in respect of their activities in a host Member State.	2. Member States shall ensure that the competent authorities of a home Member State are empowered to supervise, investigate and impose administrative <del>sanctions or</del> penalties and remedial measures on credit servicers in respect of their activities in a host Member State.	2. Member States shall ensure that the competent authorities of a home Member State are empowered to supervise, investigate and impose administrative <del>sanctions or</del> penalties and remedial measures on credit servicers in respect of their activities in a host Member State.
Article 12(3)			
195			



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	3. Member States shall ensure that the competent authorities of the home Member State will communicate the measures taken in respect of the credit servicer to the competent authorities of the host Member States.	3. Member States shall ensure that the competent authorities of the home Member State will communicate the measures taken in respect of the credit servicer to the competent authorities of the host Member States.	3. Member States shall ensure that the competent authorities of the home Member State will communicate the measures taken in respect of the credit servicer to the competent authorities of the host Member States.
Article 12(4)			
196	4. Member States shall ensure that where a credit servicer which is domiciled or established in a home Member State, has set up a branch or appointed an agent in a host Member State, the competent authorities of the home Member State and the competent authorities of the host Member State shall cooperate closely in the performance of their functions and duties provided for in this Directive, in particular when carrying out checks, investigations and on-site inspections in that branch or in respect of that agent.	4. Member States shall ensure that where a credit servicer which is domiciled or established in a home Member State, <u>provides services</u> , has set up a branch or appointed <del>an agent</del> <u>credit service provider</u> in a host Member State, the competent authorities of the home Member State and the competent authorities of the host Member State shall cooperate closely in the performance of their functions and duties provided for in this Directive, in particular when carrying out checks, investigations and on-site inspections in that branch or in respect of that <u>credit service provider-agent</u> .	4. Member States shall ensure that where a credit servicer which is domiciled or established in a home Member State, has set up a branch or appointed <del>an agent</del> <u>credit service provider</u> in a host Member State, the competent authorities of the home Member State and the competent authorities of the host Member State shall cooperate closely in the performance of their functions and duties provided for in this Directive, in particular when carrying out checks, investigations and on-site inspections in that branch or in respect of that <del>agent</del> <u>credit service provider</u> .
Article 12(5)			
197	5. Member States shall ensure that the competent authorities of the home Member State in the exercise of their functions and duties provided for in this Directive shall ask the competent authorities of the host Member State for their assistance in carrying out an on-site inspection of a branch set up in or of an agent appointed in a host Member State.	5. Member States shall ensure that the competent authorities of the home Member State in the exercise of their functions and duties provided for in this Directive shall ask the competent authorities of the host Member State for their assistance in carrying out an on-site inspection of a branch set up in or of <del>an agent</del> <u>credit service provider</u> appointed in a host Member State. <u>The on-site inspection of a branch or of a credit service provider shall be conducted in accordance with the law of the Member State</u>	5. Member States shall ensure that the competent authorities of the home Member State in the exercise of their functions and duties provided for in this Directive shall ask the competent authorities of the host Member State for their assistance in carrying out an on-site inspection of a branch set up in or of <del>an agent</del> <u>credit service provider</u> appointed in a host Member State. <u>The on-site inspection of a branch or of a credit service provider shall be conducted in accordance with the law of the Member State</u>

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		<u>where the inspection is carried out.</u>	<u>where the inspection is carried out.</u>
Article 12(6)			
198	6. Member States shall further ensure that the competent authorities of the host Member State shall be entitled to decide on the most appropriate measures to be taken in each individual case in order to meet the request of assistance by the competent authorities of the home Member State.	6. Member States shall further ensure that the competent authorities of the host Member State shall be entitled to decide on the most appropriate measures to be taken in each individual case in order to meet the request of assistance by the competent authorities of the home Member State.	6. Member States shall further ensure that the competent authorities of the host Member State shall be entitled to decide on the most appropriate measures to be taken in each individual case in order to meet the request of assistance by the competent authorities of the home Member State.
Article 12(7)			
199	7. Where the competent authorities of the host Member State decides to conduct on-site inspections on behalf of the competent authorities of the home Member State, they shall inform the competent authorities of the home Member State of the results thereof without delay.	7. Where the competent authorities of the host Member State <del>decides</del> <u>decide</u> to conduct on-site inspections on behalf of the competent authorities of the home Member State, they shall inform the competent authorities of the home Member State of the results thereof without delay.	7. Where the competent authorities of the host Member State <del>decides</del> <u>decide</u> to conduct on-site inspections on behalf of the competent authorities of the home Member State, they shall inform the competent authorities of the home Member State of the results thereof without delay.
Article 12(8)			
200	8. On their own initiative, the competent authorities of the host Member State may conduct checks, inspections and investigations in respect of credit servicing activities provided within their territory by a credit servicer authorised in a home Member State. The competent authorities of the host Member State shall provide the results of these checks, inspections and investigations to the competent authorities of the home Member State without delay.	8. On their own initiative, the competent authorities of the host Member State may conduct checks, inspections and investigations in respect of credit servicing activities provided within their territory by a credit servicer authorised in a home Member State. The competent authorities of the host Member State shall provide the results of these checks, inspections and investigations to the competent authorities of the home Member State without delay.	8. On their own initiative, the competent authorities of the host Member State may conduct checks, inspections and investigations in respect of credit servicing activities provided within their territory by a credit servicer authorised in a home Member State. The competent authorities of the host Member State shall provide the results of these checks, inspections and investigations to the competent authorities of the home Member State without delay.
Article 12(9)			

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201	9. Member States shall ensure that where the competent authorities of the host Member State have evidence that a credit servicer providing services within its territory, in accordance with Article 11, is in breach of the obligations arising from the national provisions transposing this Directive, it shall transmit that evidence to the competent authorities of the home Member State and request that they take appropriate measures.	9. Member States shall ensure that where the competent authorities of the host Member State have evidence that a credit servicer providing services within its territory, in accordance with Article 11, is in breach of the <u>applicable rules, including</u> obligations arising from the national provisions transposing this Directive, it shall transmit that evidence to the competent authorities of the home Member State and request that they take appropriate measures.	9. Member States shall ensure that where the competent authorities of the host Member State have evidence that a credit servicer providing services within its territory, in accordance with Article 11, is in breach of the <u>requirements laid down in Article 5 of this Directive, and of the applicable rules, including</u> obligations arising from the national provisions transposing this Directive, it shall transmit that evidence to the competent authorities of the home Member State and request that they take appropriate measures.
Article 12(10)			
202	10. Member States shall ensure that the competent authorities of the home Member State communicate details of any administrative or other procedure initiated in respect of the evidence provided by the host Member State, or about sanctions or penalties and remedial measures taken against the credit servicer or a reasoned decision why no measures were taken, to the competent authorities of the host Member State who referred the evidence no later than two months from the request referred to in paragraph 8. Where a procedure has been initiated, the competent authorities of the home Member State shall regularly inform the competent authorities of the host Member State about its status.	10. Member States shall ensure that the competent authorities of the home Member State communicate details of any administrative or other procedure initiated in respect of the evidence provided by the host Member State, or about <del>sanctions or</del> penalties and remedial measures taken against the credit servicer or a reasoned decision why no measures were taken, to the competent authorities of the host Member State who referred the evidence no later than two months from the request referred to in paragraph 8. Where a procedure has been initiated, the competent authorities of the home Member State shall regularly inform the competent authorities of the host Member State about its status.	10. Member States shall ensure that the competent authorities of the home Member State communicate details of any administrative or other procedure initiated in respect of the evidence provided by the host Member State, or about <del>sanctions or</del> penalties and remedial measures taken against the credit servicer or a reasoned decision why no measures were taken, to the competent authorities of the host Member State who referred the evidence no later than two months from the request referred to in paragraph 8. Where a procedure has been initiated, the competent authorities of the home Member State shall regularly inform the competent authorities of the host Member State about its status.
Article 12(11)			
203	11. Member States shall ensure that where, after having informed the home Member State no	11. Member States shall ensure that where, after having informed the home Member State no	11. <del>Member States shall ensure that where, after having informed the home Member State no</del>

	Commission Proposal	Council Mandate	EP Mandate
	<p>adequate measures were taken in a reasonable time or despite measures taken by the competent authorities of the home Member State or in an urgent case, the credit servicer continues to be in breach of the obligations under this Directive, the competent authorities of the host Member State are entitled to take appropriate administrative sanctions or penalties and remedial measures in order to ensure compliance with the provisions of this Directive within its territory after informing without delay the competent authorities of the home Member State.</p>	<p>adequate measures were taken in a reasonable time or despite measures taken by the competent authorities of the home Member State or in an urgent case, <u>where immediate action is necessary to address a serious threat to the collective interests of the borrowers, given that</u> the credit servicer continues to be in breach of the <u>applicable rules, including its</u> obligations under this Directive, the competent authorities of the host Member State are entitled to take appropriate administrative <del>sanctions or</del> penalties and remedial measures in order to ensure compliance with the <del>provisions of this Directive within its territory after informing without delay</del> <u>applicable rules after informing without delay the competent authorities of the home Member State. In addition, the competent authorities of the host Member State may prohibit further activities of such credit servicers in its Member State until an adequate decision is taken by</u> the competent <del>authorities</del> <u>authority</u> of the home Member State <u>or a remedial measure is taken by the credit servicer.</u></p>	<p><del>adequate measures were taken in a reasonable time or despite measures taken by the competent authorities of the home Member State or in an urgent case, the credit servicer continues to be in breach of the obligations under this Directive, the competent authorities of the host Member State are entitled to take appropriate administrative sanctions or penalties and remedial measures in order to ensure compliance with the provisions of this Directive within its territory after informing without delay the competent authorities of the home Member State.</del></p>
Article 12(11a), introductory part			
203a			<p><u>11a. Where a credit servicer continues to be in breach of the applicable rules, including its obligations under this Directive, and after having informed the home Member State, Member States shall ensure that the competent authorities of the host Member State are entitled to adopt appropriate administrative penalties and remedial measures in order to ensure compliance with this Directive when any of the following apply:</u></p>

	Commission Proposal	Council Mandate	EP Mandate
Article 12(11a), point (a)			
203b			<u><i>(a) no adequate and effective steps were taken by the credit servicer to rectify the breach in a reasonable time; or</i></u>
Article 12(11a), point (b)			
203c			<u><i>(b) despite remedial measures already being taken by the competent authorities of the home Member State; or</i></u>
Article 12(11a), point (c)			
203d			<u><i>(c) in an urgent case, where immediate action is necessary in order to address a serious threat to the collective interests of the borrowers.</i></u>
Article 12(11a), new subparagraph			
203e			<u><i>In addition, the competent authorities of the host Member State may prohibit further activities of a credit servicer that is in breach of its obligations under this Directive in that Member State until an adequate decision is taken by the competent authority of the home Member State or the credit servicer takes steps to remedy the breach.</i></u>
Title III			
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	Commission Proposal	Council Mandate	EP Mandate
	Title III Credit purchasers	Title III Credit purchasers	Title III Credit purchasers
Article 13			
205	Article 13 Right to information regarding the credit agreement	Article 13 Right to information regarding the <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreement itself</u>	Article 13 Right to information regarding <u>a creditor's rights under a non-performing credit agreement or the non-performing <del>the</del> credit agreement itself</u>
Article 13(1)			
206	1. Member States shall ensure that a creditor shall provide all necessary information to a credit purchaser to enable that credit purchaser assess the value of the credit agreement and the likelihood of recovery of the value of that agreement prior to entering into a contract for the transfer of that credit agreement.	1. Member States shall ensure that a creditor <del>shall provide all</del> <u>provides the</u> necessary information <u>regarding the creditor's rights under a non-performing credit agreement or the non-performing credit agreement itself and, if applicable, the collateral,</u> to a credit purchaser to enable that credit purchaser <del>to</del> assess the value of the <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreements itself</u> and the likelihood of recovery of the value of that agreement prior to entering into a contract for the transfer of that <u>creditor's rights under a non-performing credit agreement or of that non-performing credit agreement while ensuring the protection of information made available by the creditor and the confidentiality of business data.</u>	1. Member States shall ensure that a creditor <del>shall provide all</del> <u>provides the credit purchaser with</u> necessary information to a <u>reasonable extent regarding the creditor's rights under a non-performing credit <del>purchaser</del> agreement or the non-performing credit agreement itself and, if applicable, the collateral, so as</u> to enable <del>that</del> <u>the</u> credit purchaser <del>assess</del> <u>to conduct its own assessment of</u> the value of the <u>creditor's rights under a non-performing credit agreement or of the non-performing credit agreement itself</u> and the likelihood of recovery of the value of that agreement prior to entering into a contract for the transfer of that <u>creditor's rights under a non-performing credit agreement or of that non-performing credit agreement, while ensuring the protection of information made available by the creditor and of the confidentiality of business data.</u>
Article 13(2), introductory part			
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	Commission Proposal	Council Mandate	EP Mandate
	<p>2. Member States shall require a credit institution or the subsidiary of a credit institution that transfers a credit agreement to a credit purchaser to inform the competent authorities designated in accordance with Article 20(3) of this Directive and Article 4 of Directive 2013/36/EU<sup>1</sup> of the following:</p> <p>1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).</p>	<p>2. <u>On a quarterly basis</u> Member States shall require <del>a credit institution or the subsidiary of a credit institutions that transfer a creditor's rights under a non-performing credit institution that transfers a</del> <u>agreement or the non-performing credit agreement agreements itself</u> to a credit purchaser to inform the competent authorities designated in accordance with Article 20(3) of this Directive and Article 4 of Directive 2013/36/EU<sup>1</sup>, <u>for each transfer about the legal entity identifier (LEI) of the credit purchaser or, where applicable, of its representative designated in accordance with Article 17, or where such identifier does not exist about:</u></p> <p><u>(i) the identity of the credit purchaser or members of the credit purchaser's management or administrative organ and the persons who hold qualifying holdings in the credit purchaser within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013 and</u></p> <p><u>(ii) the address of the credit purchaser or, where applicable, its representative designated in accordance with Article 17, its head office or its registered office.</u></p> <p><u>Additionally, the credit institution shall inform about at least-of</u> the following:</p> <p>1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).</p>	<p>2. <u>On a biannual basis</u>, Member States shall require <del>a credit institution or the subsidiary of a</del> <u>credit institutions that transfer a creditor's rights under a non-performing credit institution that transfers a</u> <u>agreement or the non-performing credit agreement itself</u> to a credit purchaser to inform the competent authorities designated in accordance with Article 20(3) of this Directive and Article 4 of Directive 2013/36/EU<sup>1</sup> of <u>at least</u> the following:</p> <p><u>(-a) the legal entity identifier (LEI) of the credit purchaser or, where such identifier does not exist, of:</u></p> <p><u>(i) the identity of the credit purchaser or members of the purchaser's management or administrative organ and the persons who hold qualifying holdings in the purchaser within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013; and</u></p> <p><u>(ii) the address of the credit purchaser;</u></p> <p>1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).</p>
Article 13(2), point(a)			
208	(a) the type of asset securing the credit	<del>(a)</del> <u>(b)</u> the <del>type of asset securing the credit</del>	(a) the <del>type of asset securing the credit</del>

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	agreement, including information on whether it is a credit agreement concluded with consumers;	<del>agreement, including information on whether it is a credit agreement concluded with consumers</del> <u>aggregated outstanding balance of the creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred;</u>	<del>agreement, including information on whether it is a credit agreement concluded with consumers</del> <u>aggregate outstanding balance of the creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred;</u>
Article 13(2), point(b)			
209	(b) the value of the credit agreement;	<del>(b) the value of the credit agreement</del> <u>(d) the number and size of creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred;</u>	(b) the <del>value</del> <u>number and size</u> of the <u>creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred;</u>
Article 13(2), point(c)			
210	(c) the identity and address of the borrower and of the credit purchaser and, where applicable, of its representative designated in accordance with Article 17.	<del>(c) the identity and address of the borrower and of the credit purchaser and, where applicable, of its representative designated in accordance with Article 17</del> <u>(e) on whether the transfer includes creditor's rights under the non-performing credit agreements or non-performing credit agreements concluded with consumers and the types of assets securing them, when applicable.</u>	(c) <u>whether the transfer includes the creditor's rights under the non-performing credit agreements or non-performing credit agreements concluded with consumers and the types of assets securing them, when applicable.</u>
Article 13(3)			
211	3. The competent authorities referred to in paragraph 2 shall communicate without delay the information referred to in that paragraph and any other information that they might consider to be necessary for carrying out their task according to this Directive to the competent authorities of the	3. The competent authorities <del>referred to in paragraph 2</del> <u>designated in accordance with Article 20(3) of this Directive</u> shall communicate without delay the information referred to in that paragraph and any other information that they might consider to be necessary for carrying out	3. The competent authorities <del>referred to in paragraph 2</del> <u>designated in accordance with Article 20(3)</u> shall communicate without delay the information referred to in that paragraph and any other information that they might consider to be necessary for carrying out their task according to



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	Member State where the credit purchaser or its representative, designated in accordance with Article 17, is established and of the Member State where the borrower is established or resident.	their task according to this Directive to the competent authorities of the <u>home</u> Member State <del>whereof</del> the credit purchaser or its representative, designated in accordance with Article 17, <del>is established and of the Member State where the borrower is established or resident.</del>	this Directive to the competent authorities of the <u>home</u> Member State <del>whereof</del> the credit purchaser <del>or its representative, designated in accordance with Article 17, is established and of the Member State where the borrower is established or resident</del> .
Article 13(4)			
212	4. The provisions laid down in paragraphs 1,2 and 3 shall be applied in accordance with Regulation (EU) 2016/679 and Regulation (EC) No 45/2001.	4. The provisions laid down in paragraphs 1,2 and 3 shall be applied in accordance with Regulation (EU) 2016/679 and Regulation (EC) No 45/2001.	4. The provisions laid down in paragraphs 1,2 and 3 shall be applied in accordance with Regulation (EU) 2016/679 and Regulation (EC) No 45/2001.
Article 14			
213	Article 14 Technical standards for NPL data	Article 14 Technical standards for <del>NPL data</del> <u>data formats</u>	Article 14 Technical standards for <del>NPL data</del> <u>data formats</u>
Article 14(1)			
214	1. EBA shall develop draft implementing technical standards that specify the formats to be used by creditors who are credit institutions for the provision of information as set out in Article 13(1), in order to provide detailed information on their credit exposures in the banking book to credit purchasers for the screening, financial due diligence and valuation of the credit agreement.	1. EBA shall develop draft implementing technical standards that specify the formats to be used by creditors who are credit institutions for the provision of information as set out in Article 13(1), in order to provide detailed information on their credit exposures in the banking book to credit purchasers for the screening, financial due diligence and valuation of the <u>creditor's rights under a non-performing credit agreement or of the non-performing credit agreement itself. EBA shall specify in the implementing technical standards the required data fields for creditor's rights under a non-performing credit agreement</u>	1. <u>Within four months from ... [the date of entry into force of this Directive], EBA shall carry out a review of the data templates that provide information about credit exposures in the banking book. After a public consultation of stakeholders and competent authorities,</u> EBA shall develop draft implementing technical standards that specify the formats to be used by creditors who are credit institutions for the provision of information as set out in Article 13(1), in order to provide detailed information on their credit exposures in the banking book to credit purchasers for the <del>screening</del> <u>analysis</u> ,

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		<u><i>or for the non-performing credit agreement itself in order to meet the information requirements as set out in Article 13(1).</i></u>	financial due diligence and valuation of the <u><i>creditor's rights under a non-performing credit agreement or the non-performing credit agreement itself. EBA shall specify in the implementing technical standards the required data fields for creditor's rights under a non-performing credit agreement or for the non-performing credit agreement itself in order to meet the information requirements laid down in Article 13(1).</i></u>
Article 14(2)			
215	2. EBA shall submit those draft implementing technical standards to the Commission by [31 December 2018].	2. EBA shall submit those draft implementing technical standards to the Commission by <u><i>12 months from the entry into force of the Directive [31 December 2018].</i></u>	2. EBA shall submit those draft implementing technical standards to the Commission by <u><i>... [31 December 2018] 12 months from date of the entry into force of the Directive</i></u> .
Article 14(3)			
216	3. Power is conferred on the Commission to adopt the implementing technical standards referred to in the paragraph 1, in accordance with Article 15 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council <sup>1</sup> .  1. Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).	3. Power is conferred on the Commission to adopt the implementing technical standards referred to in the paragraph 1, in accordance with Article 15 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council <sup>1</sup> .  1. Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).	3. Power is conferred on the Commission to adopt the implementing technical standards referred to in the paragraph 1, in accordance with Article 15 of Regulation (EU) No 1093/2010 of the European Parliament and of the Council <sup>1</sup> .  1. Regulation (EU) No 1093/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Banking Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/78/EC (OJ L 331, 15.12.2010, p. 12).
Article 15			
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	Commission Proposal	Council Mandate	EP Mandate
	Article 15 Obligations of credit purchasers	Article 15 Obligations of credit purchasers	Article 15 Obligations of credit purchasers
Article 15(1)			
218	<p>1. Member States shall ensure that the representative of a credit purchaser referred to in Article 17(1) appoints a credit institution established in the Union or its subsidiary established in the Union or an authorised credit servicer to perform credit servicing activities in respect of credit agreements concluded with consumers.</p>	<p>1. Member States shall ensure that the representative of a credit purchaser referred to in Article 17(1) <u>appoints an entity mentioned in Article 2(4)(a)(i) and (iii) or</u> <del>appoints</del> a credit <del>institution established in the Union or its subsidiary established in the Union or an authorised</del> <u>servicer to perform credit servicing activities in respect of creditor's rights under a credit agreement or of the credit agreement itself, concluded with consumers, except in case the representative is an entity mentioned in Article 2(4)(a)(i) and (iii) or a</u> credit servicer. <u>Member States may extend the requirement in the previous subparagraph of this Article in relation to:</u></p> <p><u>a) other</u> <del>to perform credit servicing activities in respect of</del> credit agreements <u>than those</u> concluded with consumers;</p> <p><u>b) credit purchasers established in the Union, who are not entities mentioned in Article 2(4)(a)(i) and (iii) or credit servicers.</u></p>	<p>1. Member States shall ensure that <del>the representative of</del> a credit purchaser <del>referred to in Article 17(1) appoints, who is not itself</del> a credit <del>institution established in the Union or its subsidiary established in the Union or an authorised</del> <u>servicer, appoints an entity referred in points (a)(i) and (ii) of Article 2(4) or a</u> credit servicer to perform credit servicing activities in respect of <u>non-performing</u> credit agreements <del>concluded with consumers</del> <u>or of a creditor's rights under a non-performing credit agreement.</u></p>
Article 15(2)			
219	<p>2. Member States shall ensure that a credit purchaser is not subject to any additional requirements for the purchase of credit agreements other than as provided for by the national measures transposing this Directive.</p>	<p>2. Member States shall ensure that a credit purchaser is not subject to any additional <u>administrative</u> requirements for the purchase of <u>creditor's rights under a non-performing credit agreement or the non-performing</u> credit agreements <u>itself</u> other than as provided for by the</p>	<p>2. Member States shall ensure that a credit purchaser is not subject to any additional <u>administrative</u> requirements for the purchase of <u>a creditor's rights under a non-performing</u> credit <del>agreements</del> <u>agreement or of the non-performing credit agreement itself,</u> other than as provided for</p>

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		<p>national measures transposing this Directive, <u>consumer protection law or governing contract law. Member States shall ensure that relevant Union and national law concerning in particular the enforcement of contracts, consumer protection and criminal law continues to apply to the credit purchaser upon the transfer of the creditor's rights under a credit agreement or the credit agreement itself to the credit purchaser. The level of protection provided under Union and national law to consumers shall not be affected by the transfer of the creditor's rights under a credit agreement or the credit agreement itself to the credit purchaser.</u></p>	<p>by the national measures transposing this Directive, <u>or by provisions of applicable consumer protection law or contract law. Member States shall ensure that relevant Union and national law concerning in particular the enforcement of contracts, consumer protection, borrowers' rights, credit origination, bank secrecy rules and criminal law continues to apply to the credit purchaser upon the transfer of the creditor's rights under a credit agreement or of the credit agreement itself to the credit purchaser. The level of protection provided under Union and national law to consumers and other borrowers shall not be affected by the transfer of the creditor's rights under a credit agreement or of the credit agreement itself to the credit purchaser.</u></p>
Article 15(2a)			
219a		<p><u>2a. This Directive is without prejudice to national powers regarding credit registers, including the power to require information to credit purchasers regarding the creditor's rights under a credit agreement or the credit agreement itself and its performance.</u></p>	<p><u>2a. This Directive is without prejudice to national powers regarding credit registers, including the power to require information to credit purchasers regarding the creditor's rights under a credit agreement or the credit agreement itself and its performance.</u></p>
Article 15(2b)			
219b			<p><u>2b. This Directive does not affect Member States' laws extending the scope of the Directive or imposing additional requirements on those credit purchasers that do not hold a licence in accordance with Regulation No 575/2013 and Directive 2013/36/EU.</u></p>

	Commission Proposal	Council Mandate	EP Mandate
Article 15(2c)			
219c		<u>2c. Member States may allow credit purchasers to engage natural persons to service the credits they acquired. Those natural persons should be subject to a national regulation and supervision regime and should not benefit from the freedom to provide services in another Member State in accordance with this Directive.</u>	<u>2c. Member States may allow credit purchasers to engage natural persons to service the credits that they have acquired. Those natural persons should be subject to a national regulation and supervision regime and should not benefit from the freedom to provide services in another Member State provided for in this Directive.</u>
Article 15(2d)			
219d			<u>2d. Member States shall ensure that the appointed credit servicer, upon the transfer to the credit servicer of the creditor's rights under a credit agreement or of the credit agreement itself, assumes responsibility for the necessary information and notification requirements to the competent authority.</u>
Article 16			
220	Article 16 Use of credit servicers, credit institutions or their subsidiaries	Article 16 <u>Article 16</u> Use of credit servicers, <u>or</u> credit institutions <del>or their subsidiaries</del>	Article 16 <del>Use of credit servicers, credit institutions or their subsidiaries</del>
Article 16(1)			
221	1. Member States shall require the credit purchaser or, where applicable, their representative designated in accordance with	1. <del>Member States shall require</del> <u>Where</u> the credit purchaser or, where applicable, <del>their</del> <u>its</u> representative designated in accordance with	1. <del>Member States shall require the credit purchaser or, where applicable, their representative designated in accordance with</del>

	Commission Proposal	Council Mandate	EP Mandate
	<p>Article 17, to inform the competent authorities of the Member State where the credit purchaser or their representative is domiciled or established of the identity and address of the credit institution, its subsidiary or the credit servicer that they have engaged to perform credit servicing activities in relation to the transferred credit agreement.</p>	<p>Article 17, <u>decides to engage an entity mentioned in Article 2(4)(a)(i) and (iii) or a credit servicer to perform</u><del>to inform the competent authorities of the Member State where the credit purchaser or their representative is domiciled or established of the identity and address of the servicing activities referred to in Article 3 (9) in relation to the transferred creditor's rights under a non-performing credit institution, its subsidiary or agreement itself, Member States shall require</del> the credit <del>servicer that they have engaged to perform credit servicing activities in relation to the transferred credit agreement</del><u>purchaser to inform the competent authorities of the home Member State of the identity and address of the entity mentioned in Article 2(4)(a)(i) and (iii) or the credit servicer</u>.</p>	<p><del>Article 17, to inform the competent authorities of the Member State where the credit purchaser or their representative is domiciled or established of the identity and address of the credit institution, its subsidiary or the credit servicer that they have engaged to perform credit servicing activities in relation to the transferred credit agreement.</del></p>
Article 16(2)			
222	<p>2. Where the credit purchaser or the representative designated in accordance with Article 17 engages a different credit institution or subsidiary to service the credit or a different credit servicer, it shall notify the competent authorities referred to in paragraph 1 thereof at least two weeks in advance of that change and shall indicate the identity and address of the new credit institution, its subsidiary or credit servicer that they have engaged to perform credit servicing activities in relation to the transferred credit agreement.</p>	<p>2. Where the credit purchaser or the representative designated in accordance with Article 17 engages a different <u>an entity mentioned in Article 2(4)(a)(i) and (iii)</u> <del>credit institution or subsidiary</del> to service the credit or a different credit servicer, it shall notify the competent authorities <del>referred to in paragraph 1 of the home Member State</del> thereof at least <del>two weeks in advance</del> <u>the day</u> of that change and shall indicate the identity and address of the new <u>entity mentioned in Article 2(4)(a)(i) and (iii)</u> <del>credit institution, its subsidiary</del> or credit servicer that they have engaged to perform credit servicing activities in relation to the transferred <u>creditor's rights under a non-performing</u> credit agreement</p>	<p><del>2. Where the credit purchaser or the representative designated in accordance with Article 17 engages a different credit institution or subsidiary to service the credit or a different credit servicer, it shall notify the competent authorities referred to in paragraph 1 thereof at least two weeks in advance of that change and shall indicate the identity and address of the new credit institution, its subsidiary or credit servicer that they have engaged to perform credit servicing activities in relation to the transferred credit agreement.</del></p>

	Commission Proposal	Council Mandate	EP Mandate
		<u>or the non-performing credit agreement itself.</u>	
Article 16(3)			
223	3. Member States shall require the competent authorities of the Member State where the credit purchaser or, where applicable, their representative designated, in accordance with Article 17, is domiciled or established to transmit without undue delay to the competent authorities responsible for the supervision of the credit institution, its subsidiary or credit servicer referred to in the paragraphs 1 and 2, the information received in accordance with Article 13(3).	3. Member States shall require the competent authorities of the <u>home</u> Member State <del>whereof</del> the credit purchaser or, where applicable, their representative designated, in accordance with Article 17, <del>is domiciled or established</del> to transmit without undue delay to the competent authorities responsible for the supervision of the credit institution, <del>its subsidiary</del> or credit servicer referred to in the paragraphs 1 and 2, the information received in accordance with Article 13(3).	3. <del>Member States shall require the competent authorities of the Member State where the credit purchaser or, where applicable, their representative designated, in accordance with Article 17, is domiciled or established to transmit without undue delay to the competent authorities responsible for the supervision of the credit institution, its subsidiary or credit servicer referred to in the paragraphs 1 and 2, the information received in accordance with Article 13(3).</del>
Article 17			
224	Article 17 Representative of credit purchasers not established in the Union	Article 17 Representative of credit purchasers not established in the Union	Article 17 <del>Representative of credit purchasers not established in the Union</del>
Article 17(1)			
225	1. Member States shall provide that where a transfer of the credit agreement is concluded, a credit purchaser that is not domiciled or established in the Union has designated in writing a representative who is domiciled or established in the Union.	1. Member States shall provide that where a transfer of the <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreements itself</u> is concluded, a credit purchaser that is not domiciled or established in the Union has designated in writing a representative who is domiciled or established in the Union.	1. <del>Member States shall provide that where a transfer of the credit agreement is concluded, a credit purchaser that is not domiciled or established in the Union has designated in writing a representative who is domiciled or established in the Union.</del>
Article 17(2)			

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226	2. The representative referred to in paragraph 1 shall be addressed in addition to or instead of the credit purchaser by competent authorities on all issues related to the ongoing compliance with this Directive and be fully responsible for compliance with the obligations imposed on the credit purchaser under the national provisions transposing this Directive.	2. The representative referred to in paragraph 1 shall be addressed in addition to or instead of the credit purchaser by competent authorities on all issues related to the ongoing compliance with this Directive and be fully responsible for compliance with the obligations imposed on the credit purchaser under the national provisions transposing this Directive.	2. <del>The representative referred to in paragraph 1 shall be addressed in addition to or instead of the credit purchaser by competent authorities on all issues related to the ongoing compliance with this Directive and be fully responsible for compliance with the obligations imposed on the credit purchaser under the national provisions transposing this Directive.</del> <b>L</b>
Article 18			
227	Article 18 Credit purchasers directly enforcing a credit agreement	Article 18 <del>Credit purchasers directly enforcing a credit agreement</del>	Article 18 <del>Credit purchasers directly enforcing a credit agreement</del> <b>L</b>
Article 18(1), introductory part			
228	1. Member States shall ensure that a credit purchaser or, where applicable, its representative designated in accordance with Article 17, communicates to the competent authorities of the Member State where the credit purchaser or, where applicable its representative is domiciled or established that it intends to directly enforce a credit agreement by providing the following information:	1. <del>Member States shall ensure that a credit purchaser or, where applicable, its representative designated in accordance with Article 17, communicates to the competent authorities of the Member State where the credit purchaser or, where applicable its representative is domiciled or established that it intends to directly enforce a credit agreement by providing the following information:</del>	1. <del>Member States shall ensure that a credit purchaser or, where applicable, its representative designated in accordance with Article 17, communicates to the competent authorities of the Member State where the credit purchaser or, where applicable its representative is domiciled or established that it intends to directly enforce a credit agreement by providing the following information.</del> <b>L</b>
Article 18(1), point(a)			
229	(a) the type of asset securing the credit agreement, including information on whether it is a credit agreement concluded with consumers;	(a) <del>the type of asset securing the credit agreement, including information on whether it is a credit agreement concluded with consumers;</del>	(a) <del>the type of asset securing the credit agreement, including information on whether it is a credit agreement concluded with consumers;</del> <b>L</b>



	Commission Proposal	Council Mandate	EP Mandate
Article 18(1), point(b)			
230	(b) the value of the credit agreement;	(b) <del>the value of the credit agreement;</del>	(b) <del>the value of the credit agreement;</del> <b>█</b>
Article 18(1), point(c)			
231	(c) the identity and address of the borrower and of the credit purchaser or of its representative designated in accordance with Article 17.	(c) <del>the identity and address of the borrower and of the credit purchaser or of its representative designated in accordance with Article 17.</del>	(c) <del>the identity and address of the borrower and of the credit purchaser or of its representative designated in accordance with Article 17.</del> <b>█</b>
Article 18(2)			
232	2. Member States shall require the competent authorities referred to in paragraph 1, to transmit without undue delay the information received in accordance with paragraph 1 to the competent authorities of the Member State where the borrower is established.	2. <del>Member States shall require the competent authorities referred to in paragraph 1, to transmit without undue delay the information received in accordance with paragraph 1 to the competent authorities of the Member State where the borrower is established.</del>	2. <del>Member States shall require the competent authorities referred to in paragraph 1, to transmit without undue delay the information received in accordance with paragraph 1 to the competent authorities of the Member State where the borrower is established.</del> <b>█</b>
Article 19			
233	Article 19 Transfer of a credit agreement by a credit purchaser	Article 19 Transfer of a <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreements itself</u> by a credit purchaser <u>and communication to the competent authority</u>	Article 19 Transfer of a <u>creditor's rights under a non-performing credit agreement or the non-performing credit agreement itself</u> by a credit purchaser <u>and communication to the competent authority</u>
Article 19(1)			
234	1. Member States shall require a credit purchaser or, where applicable, its representative designated in accordance with Article 17, that transfers a	1. Member States shall require a credit purchaser or, where applicable, its representative designated in accordance with Article 17, that transfers a	1. <u>When a credit purchaser █ transfers a creditor's rights under a non-performing credit agreement or the non-performing credit</u>

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	<p>credit agreement to another credit purchaser to inform the competent authorities referred to in Article 18(1) of the transfer, the identity and address of the new credit purchaser and, where applicable, its representative designated in accordance with Article 17.</p>	<p><u>creditor's rights under a non-performing credit agreement or the non-performing credit agreements itself</u> to another credit purchaser to inform the competent authorities <u>of the home Member State on a quarterly basis for each transfer about the new credit purchaser's legal entity identifier (LEI) and, where applicable, of its representative designated in accordance with referred to in Article 18(1) 17, or where such identifier does not exist about:</u></p> <p><u>(i) the identity of the transfer, the identity and new credit purchaser or members of the new purchaser's management or administrative organ and the persons who hold qualifying holdings in the new purchaser within the meaning of point (36) of Article 4(1) of Regulation (EU) No 575/2013 and</u></p> <p><u>(ii) the address of the new credit purchaser and/or, where applicable, its representative designated in accordance with Article 17, its head office or its registered office.</u></p> <p><u>Additionally, on an aggregated level the credit purchaser shall inform about at least the following:</u></p> <p><u>(a) the aggregated outstanding balance of the creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred;</u></p> <p><u>(b) the number and size of the creditor's rights under the non-performing credit agreements or of the non-performing credit agreements transferred ;</u></p> <p><u>(c) on whether the transfer includes creditor's rights under non-performing credit agreements or non-performing credit agreements concluded with consumers and the types of assets securing them, when applicable.</u></p>	<p><u>agreement itself to another credit purchaser, who is not a credit servicer itself,</u> Member States shall require <u>the appointed credit servicer to inform the competent authorities of the home Member State on a quarterly basis for each transfer about the new credit purchaser's legal entity identifier (LEI)</u> or, where <del>applicable, its representative designated in accordance with such</del> <u>identifier does not exist, about:</u></p> <p><u>(i) the identity of the new credit purchaser or of members of the new purchaser's management or administrative organ and the persons who hold qualifying holdings in the new purchaser within the meaning of point (36) of Article 17, that transfers a credit agreement to another 4(1) of Regulation (EU) No 575/2013; and</u></p> <p><u>(ii) the address of the new purchaser.</u></p> <p><u>Additionally, on an aggregated level, the credit purchaser shall inform at least the following:</u></p> <p><u>(a) the aggregated outstanding balance of the creditor's rights under the non-performing credit agreements or the competent authorities referred to in Article 18(1) of the transfer, the identity and address non-performing credit agreements transferred;</u></p> <p><u>(b) the number and the size of the creditor's rights under the non-performing credit agreements or of the new non-performing credit purchaser and, where applicable, its representative designated in accordance with Article 17 agreements transferred;</u></p> <p><u>(c) whether the transfer includes creditor's rights under non-performing credit agreements or non-performing credit agreements concluded with consumers and the types of assets securing them, when applicable.</u></p>

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Article 19(2)			
235	2. Member States shall ensure that the competent authorities referred to in paragraph 1 shall transmit without undue delay the information received in accordance with Article 13(3) to the competent authorities of the Member State where the new credit purchaser and, where applicable, its representative is domiciled or established.	2. Member States shall ensure that the competent authorities referred to in paragraph 1 shall transmit without undue delay the information received <del>in accordance with Article 13(3)</del> to the competent authorities of the Member State where the new credit purchaser and, where applicable, its representative is domiciled or established.	2. Member States shall ensure that the competent authorities referred to in paragraph 1 shall transmit without undue delay the information received <del>in accordance with Article 13(3)</del> to the competent authorities of the Member State where the new credit purchaser <del>and, where applicable, its representative</del> is domiciled or established.
TITLE IV			
236	TITLE IV Supervision	TITLE IV Supervision	TITLE IV Supervision
Article 20			
237	Article 20 Supervision by competent authorities	Article 20 Supervision by competent authorities	Article 20 Supervision by competent authorities
Article 20(1)			
238	1. Member States shall ensure that credit servicers and, where applicable, credit service providers to whom activities have been outsourced in accordance with Article 10, comply with the national provisions transposing this Directive on an on-going basis and shall ensure that those activities are subject to adequate supervision by the competent authorities of the home Member State in order to assess such compliance.	1. Member States shall ensure that credit servicers and, where applicable, credit service providers to whom activities have been outsourced in accordance with Article 10, comply with the national provisions transposing this Directive on an on-going basis and shall ensure that those activities are subject to adequate supervision by the competent authorities of the home Member State in order to assess such compliance.	1. Member States shall ensure that credit servicers and, where applicable, credit service providers to whom activities have been outsourced in accordance with Article 10, comply with the national provisions transposing this Directive on an on-going basis and shall ensure that those activities are subject to adequate supervision by the competent authorities of the home Member State in order to assess such compliance.

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Article 20(2)			
239	2. The Member State where the credit purchasers or, where applicable, their representative designated in accordance to Article 17, are domiciled or established shall ensure that the competent authorities referred to in paragraph 1 are responsible for the supervision of the obligations set in Articles 15-19 in respect of credit purchasers or, where applicable their representatives designated in accordance to Article 17.	2. The Member State where the credit purchasers or, where applicable, their representative designated in accordance to Article 17, are domiciled or established shall ensure that the competent authorities referred to in paragraph 1 are responsible for the supervision of the obligations set in Articles 15-19 in respect of credit purchasers or, where applicable their representatives designated in accordance to Article 17.	2. <del>The Member State where the credit purchasers or, where applicable, their representative designated in accordance to Article 17, are domiciled or established shall ensure that the competent authorities referred to in paragraph 1 are responsible for the supervision of the obligations set in Articles 15-19 in respect of credit purchasers or, where applicable their representatives designated in accordance to Article 17.</del> <b>L</b>
Article 20(3)			
240	3. Member States shall designate the competent authorities responsible for carrying out the functions and duties under the national provisions transposing this Directive.	3. Member States shall designate the competent authorities responsible for carrying out the functions and duties under the national provisions transposing this Directive.	3. Member States shall designate the competent authorities responsible for carrying out the functions and duties under the national provisions transposing this Directive.
Article 20(4)			
241	4. Where Member States designate more than one competent authority pursuant to paragraph 3, they shall determine their respective tasks.	4. Where Member States designate more than one competent authority pursuant to paragraph 3, they shall determine their respective tasks <u>and designate one of them as single point of entry for all necessary exchanges and interactions with competent authorities of either home or host Member States.</u>	4. Where Member States designate more than one competent authority pursuant to paragraph 3, they shall determine their respective tasks <u>and designate one of them as single point of entry for all necessary exchanges and interactions with competent authorities of either home or host Member States.</u>
Article 20(5), introductory part			
242			

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	5. Member States shall ensure that appropriate measures are in place to enable the competent authorities designated pursuant to paragraph 3 to obtain from credit purchasers or their representatives, credit servicers, credit service providers to whom a credit servicer outsources activities under Article 10, borrowers and any other persons or public authority the information necessary to carry out the following:	5. Member States shall ensure that appropriate measures are in place to enable the competent authorities designated pursuant to paragraph 3 to obtain from credit purchasers or their representatives, credit servicers, credit service providers to whom a credit servicer outsources activities under Article 10, borrowers and any other persons or public authority the information necessary to carry out the following:	5. Member States shall ensure that appropriate measures are in place to enable the competent authorities designated pursuant to paragraph 3 to obtain from credit purchasers or their representatives, credit servicers, credit service providers to whom a credit servicer outsources activities under Article 10, borrowers and any other persons or public authority the information necessary to carry out the following:
Article 20(5), point(a)			
243	(a) assess the ongoing compliance with the requirements laid down in the national provisions transposing this Directive;	(a) assess the ongoing compliance with the requirements laid down in the national provisions transposing this Directive;	(a) assess the ongoing compliance with the requirements laid down in the national provisions transposing this Directive;
Article 20(5), point(b)			
244	(b) investigate possible breaches of those requirements;	(b) investigate possible breaches of those requirements;	(b) investigate possible breaches of those requirements;
Article 20(5), point(c)			
245	(c) impose administrative penalties and remedial measures in accordance with the provisions transposing Article 22.	(c) impose administrative penalties and remedial measures in accordance with the provisions transposing Article 22.	(c) impose administrative penalties and remedial measures in accordance with the provisions transposing Article 22.
Article 20(5a)			
245a			<u><i>5a. The competent authorities shall verify whether the requirements set out in Article 5 are fulfilled, whether they have reasonable grounds to suspect that money laundering or terrorist</i></u>

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			<u><i>financing is being or has been committed or attempted or whether there is an increased risk thereof in connection with that institution.</i></u>
Article 20(6)			
246	6. Member States shall ensure that the competent authorities designated pursuant to paragraph 3, have the expertise, resources, operational capacity and powers necessary for the exercise of their functions and duties laid down in this Directive.	6. Member States shall ensure that the competent authorities designated pursuant to paragraph 3, have the expertise, resources, operational capacity and powers necessary for the exercise of their functions and duties laid down in this Directive.	6. Member States shall ensure that the competent authorities designated pursuant to paragraph 3, have the expertise, resources, operational capacity and powers necessary for the exercise of their functions and duties laid down in this Directive.
Article 21			
247	Article 21 Supervisory role and powers of competent authorities	Article 21 Supervisory role and powers of competent authorities	Article 21 Supervisory role and powers of competent authorities
Article 21(1), introductory part			
248	1. Member States shall ensure that competent authorities of the home Member State designated pursuant to Article 20(3), are given all supervisory, investigatory and sanctioning powers necessary for the exercise of their functions and duties laid down in this Directive, including the following:	1. Member States shall ensure that competent authorities of the home Member State designated pursuant to Article 20(3), are given all supervisory, investigatory and sanctioning powers necessary for the exercise of their functions and duties laid down in this Directive, including <u>at least</u> the following:	1. Member States shall ensure that competent authorities of the home Member State designated pursuant to Article 20(3), are given all supervisory, investigatory and sanctioning powers necessary for the exercise of their functions and duties laid down in this Directive, including <u>at least</u> the following:
Article 21(1), point(a)			
249	(a) the power to grant or refuse an authorisation pursuant to Article 5;	(a) the power to grant or refuse an authorisation pursuant to Article 5;	(a) the power to grant or refuse an authorisation pursuant to Article 5;

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Article 21(1), point(b)			
250	(b) the power to withdraw an authorisation pursuant to Article 7;	(b) the power to withdraw an authorisation pursuant to Article 7;	(b) the power to withdraw an authorisation pursuant to Article 7;
Article 21(1), point (ba)			
250a			<u>(ba) the power to prohibit certain activities;</u>
Article 21(1), point(c)			
251	(c) the power to conduct on-site and off-site inspections;	(c) the power to conduct on-site and off-site inspections;	(c) the power to conduct on-site and off-site inspections;
Article 21(1), point(d)			
252	(d) the power to impose administrative sanctions or penalties and remedial measures in accordance with the provisions transposing Article 22;	(d) the power to impose administrative <del>sanctions</del> <del>or</del> penalties and remedial measures in accordance with the provisions transposing Article 22;	(d) the power to impose administrative <del>sanctions</del> <del>or</del> penalties and remedial measures in accordance with the provisions transposing Article 22;
Article 21(1), point(e)			
253	(e) the power to review outsourcing agreements entered into by credit servicers with credit service providers in accordance with Article 10(1).	(e) the power to review outsourcing agreements entered into by credit servicers with credit service providers in accordance with Article 10(1);	(e) the power to review outsourcing agreements entered into by credit servicers with credit service providers in accordance with Article 10(1).
Article 21(1), point (ea)			
253a		<u>(ea) the power to require a credit servicer to remove members of its management or administrative organ when they fail to comply</u>	<u>(ea) the power to require a credit servicer to remove members of its management or administrative organ when they fail to comply</u>

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		<u>with the requirements set out in Article 5(1)(b);</u>	<u>with the requirements set out in point (b) of Article 5(1);</u>
Article 21(1), point (eb)			
253b		<u>(eb) the power to require credit servicers to modify or update the internal governance arrangements and internal control mechanisms of a credit servicer in order to effectively ensure respect for borrower rights in accordance with the laws governing the credit agreement;</u>	<u>(eb) the power to require credit servicers to modify or update their internal governance arrangements and internal control mechanisms in order to effectively ensure respect for borrowers' rights in accordance with the laws governing the credit agreement;</u>
Article 21(1), point (ec)			
253c		<u>(ec) the power to require credit servicers to modify or update the policies adopted by credit servicers to ensure the fair and diligent treatment of the borrowers, and the recording and handling of borrower complaints;</u>	<u>(ec) the power to require credit servicers to modify or update their policies adopted to ensure the fair and diligent treatment of borrowers, and the recording and handling of borrower complaints;</u>
Article 21(1), point (ed)			
253d		<u>(ed) the power to request further information pertaining to the transfer of the creditor's rights under the non-performing credit agreements or of the non-performing credit agreements themselves.</u>	<u>(ed) the power to request further information pertaining to the transfer of a creditor's rights under the non-performing credit agreements or of the non-performing credit agreements themselves.</u>
Article 21(2)			
254	2. Member States shall ensure that the competent authorities of the home Member State evaluate, at least once a year, the implementation by a credit	2. Member States shall ensure that the competent authorities of the home Member State evaluate, <del>at least once a year</del> <u>by applying a risk based</u>	2. Member States shall ensure that the competent authorities of the home Member State evaluate, <del>at least once a year</del> <u>by applying a risk-based</u>



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	servicer of the requirements set in points (c) (d) and (e) of Article 5(1).	<u>approach</u> , the implementation by a credit servicer of the requirements set in points (c), <u>(d), (e) and (ea)</u> <del>-(d) and (e)</del> of Article 5(1).	<u>approach</u> , the implementation by a credit servicer of the requirements set in points (c), <u>(d), (e) and (eb)</u> <del>-(d) and (e)</del> of Article 5(1).
Article 21(3)			
255	3. Member States shall determine the extent of the evaluation referred to in paragraph 2, having regard to the size, nature, scale and complexity of the activities of the credit servicer concerned.	3. Member States shall determine the extent of the evaluation referred to in paragraph 2, having regard to the size, nature, scale and complexity of the activities of the credit servicer concerned.	3. Member States shall determine the extent of the evaluation referred to in paragraph 2, having regard to the size, nature, scale and complexity of the activities of the credit servicer concerned.
Article 21(4)			
256	4. The competent authorities of the home Member State shall regularly, and at least once a year, inform the competent authorities of host Member States of the results of the evaluation referred to in paragraph 2, including details of any administrative penalties or remedial measures taken.	4. The competent authorities of the home Member State shall <del>regularly, and at least once a year, -</del> inform the competent authorities of host Member States, <u>upon request,</u> -of the results of the evaluation referred to in paragraph 2, including details of any administrative penalties or remedial measures taken.	4. The competent authorities of the home Member State shall <del>regularly, and at least once a year, -</del> inform the competent authorities of host Member States of the results of the evaluation referred to in paragraph 2, including details of any administrative penalties or remedial measures taken.
Article 21(5)			
257	5. Member States shall ensure that when carrying out the evaluation referred to in paragraph 2, the competent authorities of the home and host Member States exchange all information necessary to enable them to carry out their respective tasks laid down in this Directive.	5. Member States shall ensure that when carrying out the evaluation referred to in paragraph 2, the competent authorities of the home and host Member States exchange all information necessary to enable them to carry out their respective tasks laid down in this Directive.	5. Member States shall ensure that when carrying out the evaluation referred to in paragraph 2, the competent authorities of the home and host Member States exchange all information necessary to enable them to carry out their respective tasks laid down in this Directive.
Article 21(6)			
258	6. Member States shall ensure that the competent	6. Member States shall ensure that the competent	6. Member States shall ensure that the competent

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	authority of the home Member State is able to require a credit servicer, credit service provider or credit purchaser or its representative appointed in accordance with Article 17 that does not meet the requirements of the national provisions transposing this Directive to take at an early stage, all necessary actions or steps in order to comply with those provisions.	authority of the home Member State is able to require a credit servicer, credit service provider or credit purchaser or its representative appointed in accordance with Article 17 that does not meet the requirements of the national provisions transposing this Directive to take at an early stage, all necessary actions or steps in order to comply with those provisions.	authority of the home Member State is able to require a credit servicer, credit service provider or credit purchaser <del>or its representative appointed in accordance with Article 17</del> that does not meet the requirements of the national provisions transposing this Directive to take at an early stage, all necessary actions or steps in order to comply with those provisions.
Article 22			
259	Article 22 Administrative penalties and remedial measures	Article 22 Administrative penalties and remedial measures	Article 22 Administrative penalties and remedial measures
Article 22(1), introductory part			
260	1. Member States shall lay down rules establishing appropriate administrative penalties and remedial measures applicable in at least the following situations:	1. <u>Without prejudice to the right of Member States to lay down criminal penalties</u> , Member States shall lay down rules establishing appropriate administrative penalties and remedial measures applicable in at least the following situations:	1. <u>Without prejudice to the right of Member States to lay down criminal penalties</u> , Member States shall lay down rules establishing appropriate administrative penalties and remedial measures applicable in at least the following situations:
Article 22(1), point(a)			
261	(a) a credit servicer fails to enter or enters into an outsourcing agreement in breach of the provisions transposing Article 10 or the credit service provider to whom the functions were outsourced commits a serious breach of the applicable legal rules, including the national law transposing this Directive;	(a) a credit servicer fails to <del>enter</del> <u>comply with the requirement set out in the national measures transposing Article 9 of this Directive</u> or enters into an outsourcing agreement in breach of the provisions transposing Article 10 or the credit service provider to whom the functions were outsourced commits a serious breach of the applicable legal rules, including the national law transposing this Directive;	(a) a credit servicer fails to <del>enter</del> <u>comply with the requirement set out in the national measures transposing Article 9 of this Directive</u> or enters into an outsourcing agreement in breach of the provisions transposing Article 10 or the credit service provider to whom the functions were outsourced commits a serious breach of the applicable legal rules, including the national law transposing this Directive;

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Article 22(1), point(b)			
262	(b) a credit servicer's governance arrangements and internal control mechanisms fail to ensure respect for borrower rights and compliance with personal data protection rules;	(b) a credit servicer's governance arrangements and internal control mechanisms <u>as set out in Article 5(1)(c)</u> fail to ensure respect for borrower rights and compliance with personal data protection rules;	(b) a credit servicer's governance arrangements and internal control mechanisms <u>as set out in Article 5(1)(c)</u> fail to ensure respect for borrower rights and compliance with personal data protection rules;
Article 22(1), point(c)			
263	(c) a credit servicer's policy is inadequate for the proper treatment of borrowers as set in Article 5(1)(d);	(c) a credit servicer's policy is inadequate for the proper treatment of borrowers as set in Article 5(1)(d);	(c) a credit servicer's policy is inadequate for the proper treatment of borrowers as set in Article 5(1)(d);
Article 22(1), point(d)			
264	(d) a credit servicer's internal procedures fail to provide for the recording and handling of borrower complaints according to the obligations set in the national measures transposing this directive;	(d) a credit servicer's internal procedures <u>as set out in Article 5(1)(e)</u> fail to provide for the recording and handling of borrower complaints according to the obligations set in the national measures transposing this directive;	(d) a credit servicer's internal procedures <u>as set out in Article 5(1)(e)</u> fail to provide for the recording and handling of borrower complaints according to the obligations set in the national measures transposing this directive;
Article 22(1), point(e)			
265	(e) a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to communicate the information provided for by national measures transposing Article 16, 18 and 19;	(e) a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to communicate the information provided for by national measures transposing Article 16, 18 and 19;	(e) <del>a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to communicate the information provided for by national measures transposing Article 16, 18 and 19;</del>
Article 22(1), point(f)			

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266	(f) a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to comply with the requirement of the national measures transposing Article 15;	(f) a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to comply with the requirement of the national measures transposing Article 15;	(f) <del>a credit purchaser or, where applicable, its representative designated in accordance with Article 17 fails to comply with the requirement of the national measures transposing Article 15;</del> <b>L</b>
Article 22(1), point(g)			
267	(g) a credit purchaser fails to comply with the requirement of the national measures transposing Article 17.	(g) a credit purchaser fails to comply with the requirement of the national measures transposing Article 17; <b>i</b>	(g) <del>a credit purchaser fails to comply with the requirement of the national measures transposing Article 17.</del> <b>L</b>
Article 22(1), point (ga)			
267a		<u>(ga) a credit institution fails to communicate information set out in the national measures transposing Article 13 of this Directive;</u>	<u>(ga) a credit institution fails to communicate information set out in the national measures transposing Article 13 of this Directive;</u>
Article 22(1), point (gb)			
267b		<u>(gb) a credit servicer allows one or more persons not complying with the requirements as set in Article 5(1)(b) to become or remain a member of its management or administrative organ;</u>	<u>(gb) a credit servicer allows one or more persons not complying with the requirements set out in point (b) of Article 5(1) to become or remain a member of its management or administrative organ;</u>
Article 22(1), point (gc)			
267c		<u>(gc) a credit servicer fails to comply with the requirement set out in the national measures transposing Article 35 of this Directive.</u>	<u>(gc) a credit servicer fails to comply with the requirements set out in the national measures transposing Article 35of this Directive;</u>
Article 22(1), point (gd)			

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267d			<u><i>(gd) a creditor fails to comply with the requirements of debt collection set out in Article 8a(1) to (5).</i></u>
Article 22(2), introductory part			
268	2. The penalties and measures referred to in paragraph 1 shall be effective, proportionate and dissuasive and shall include at least the following:	2. The penalties and measures referred to in paragraph 1 shall be effective, proportionate and dissuasive and shall include at least the following:	2. The penalties and measures referred to in paragraph 1 shall be effective, proportionate and dissuasive and shall include at least the following:
Article 22(2), point(a)			
269	(a) a cancellation of an authorisation to carry out activities as a credit servicer;	(a) a <del>cancelation</del> <u>withdrawal</u> of an authorisation to carry out activities as a credit servicer;	(a) a <del>cancelation</del> <u>withdrawal</u> of an authorisation to carry out activities as a credit servicer;
Article 22(2), point(b)			
270	(b) an order requiring the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17 to remedy the breach, and to cease the conduct and to desist from a repetition of that conduct;	(b) an order requiring the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17 to remedy the breach, and to cease the conduct and to desist from a repetition of that conduct;	(b) an order requiring the credit servicer or credit purchaser <del>or, where applicable, its representative designated in accordance with Article 17</del> to remedy the breach, and to cease the conduct and to desist from a repetition of that conduct;
Article 22(2), point(c)			
271	(c) administrative pecuniary penalties.	(c) administrative pecuniary penalties.	(c) administrative pecuniary penalties.
Article 22(3)			
272	3. Member States shall also ensure that administrative penalties and remedial measures	3. Member States shall also ensure that administrative penalties and remedial measures	3. Member States shall also ensure that administrative penalties and remedial measures

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	are effectively implemented.	are effectively implemented.	are effectively implemented.
Article 22(4), introductory part			
273	4. Member States shall ensure that when determining the type of administrative penalties or other remedial measures and the amount of those administrative pecuniary penalties that competent authorities take into account all the following circumstances, where relevant:	4. Member States shall ensure that when determining the type of administrative penalties or other remedial measures and the amount of those administrative_ pecuniary penalties that competent authorities take into account <i>all the following relevant</i> circumstances, <i>where relevant including the following</i> :	4. Member States shall ensure that when determining the type of administrative penalties or other remedial measures and the amount of those administrative pecuniary penalties that competent authorities take into account <i>all the following relevant</i> circumstances, <i>where relevant including the following</i> :
Article 22(4), point(a)			
274	(a) the gravity and the duration of the breach;	(a) the gravity and the duration of the breach;	(a) the gravity and the duration of the breach;
Article 22(4), point(b)			
275	(b) the degree of responsibility of the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach;	(b) the degree of responsibility of the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach;	(b) the degree of responsibility of the credit servicer or credit purchaser <i>or, where applicable, its representative designated in accordance with Article 17,</i> responsible for the breach;
Article 22(4), point(c)			
276	(c) the financial strength of the credit servicer or credit purchaser responsible for the breach, including by reference to the total turnover of a legal person or the annual income of a natural person;	(c) the financial strength of the credit servicer or credit purchaser responsible for the breach, including by reference to the total turnover of a legal person or the annual income of a natural person;	(c) the financial strength of the credit servicer or credit purchaser responsible for the breach, including by reference to the total turnover of a legal person or the annual income of a natural person;
Article 22(4), point(d)			

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277	(d) the importance of profits gained or losses avoided because of the breach by the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach, insofar as they can be determined;	(d) the importance of profits gained or losses avoided because of the breach by the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach, insofar as they can be determined;	(d) the importance of profits gained or losses avoided because of the breach by the credit servicer or credit purchaser <del>or, where applicable, its representative designated in accordance with Article 17,</del> responsible for the breach, insofar as they can be determined;
Article 22(4), point(e)			
278	(e) the losses caused to third parties by the breach, insofar as those losses can be determined;	(e) the losses caused to third parties by the breach, insofar as those losses can be determined;	(e) the losses caused to third parties by the breach, insofar as those losses can be determined;
Article 22(4), point(f)			
279	(f) the level of cooperation by the credit servicer or credit purchaser responsible for the breach with the competent authorities;	(f) the level of cooperation by the credit servicer or credit purchaser responsible for the breach with the competent authorities;	(f) the level of cooperation by the credit servicer or credit purchaser responsible for the breach with the competent authorities;
Article 22(4), point(g)			
280	(g) previous breaches by the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach;	(g) previous breaches by the credit servicer or credit purchaser or, where applicable, its representative designated in accordance with Article 17, responsible for the breach;	(g) previous breaches by the credit servicer or credit purchaser <del>or, where applicable, its representative designated in accordance with Article 17,</del> responsible for the breach;
Article 22(4), point(h)			
281	(h) any actual or potential systemic consequences of the breach.	(h) any actual or potential systemic consequences of the breach.	(h) any actual or potential systemic consequences of the breach.
Article 22(5)			

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282	5. Where the situations referred to in paragraph 1 apply to legal persons, Member States shall also ensure that competent authorities apply the administrative penalties and remedial measures set out in paragraph 2 to members of the management or administrative organ, and to other individuals who under national law are responsible for the breach.	5. <del>Where the situations referred to in paragraph 1 apply to legal persons,</del> Member States shall also ensure that competent authorities <u>can</u> apply the administrative penalties and remedial measures set out in paragraph 2 to members of the management or administrative organ, and to other individuals who under national law are responsible for the breach.	5. <del>Where the situations referred to in paragraph 1 apply to legal persons,</del> <u>Member States shall also ensure that competent authorities <u>can</u> apply the administrative penalties and remedial measures set out in paragraph 2 to members of the management or administrative organ, and to other individuals who under national law are responsible for the breach.</u>
Article 22(6)			
283	6. Member States shall ensure that before taking any decision imposing administrative penalties or remedial measures set out in paragraph 2 of this Article, the competent authorities give the concerned credit servicer, credit purchaser or where applicable, its representative designated in accordance with Article 17, the opportunity to be heard.	6. Member States shall ensure that before taking any decision imposing administrative penalties or remedial measures set out in paragraph 2 of this Article, the competent authorities give the concerned credit servicer, credit purchaser or where applicable, its representative designated in accordance with Article 17, the opportunity to be heard.	6. Member States shall ensure that before taking any decision imposing administrative penalties or remedial measures set out in paragraph 2 of this Article, the competent authorities give the concerned credit servicer, <del>credit purchaser or where applicable, its representative designated in accordance with Article 17,</del> <u>or credit purchaser</u> <u>the opportunity to be heard.</u>
Article 22(7)			
284	7. Member States shall ensure that any decision imposing administrative sanctions or remedial measures as set out in paragraph 2 is properly reasoned and is subject to the right of appeal.	7. Member States shall ensure that any decision imposing administrative <del>sanctions</del> <u>penalties</u> or remedial measures as set out in paragraph 2 is properly reasoned and is subject to the right of appeal.	7. Member States shall ensure that any decision imposing administrative <del>sanctions</del> <u>penalties</u> or remedial measures as set out in paragraph 2 is properly reasoned and is subject to the right of appeal.
Article 22, -a paragraph			
284a		<u>-a Member States may decide not to lay down rules for administrative penalties for infringements which are subject to criminal</u>	<u>-a Member States may decide not to lay down rules for administrative penalties for infringements which are subject to criminal</u>



	Commission Proposal	Council Mandate	EP Mandate
		<u><i>penalties under their national law. In that case, Member States shall communicate to the Commission the relevant criminal law provisions.</i></u>	<u><i>penalties under their national law. In that case, Member States shall communicate to the Commission the relevant criminal law provisions.</i></u>
TITLE V			
285	TITLE V Accelerated Extrajudicial Collateral Enforcement	TITLE V <del><i>Accelerated Extrajudicial Collateral Enforcement</i></del>	TITLE V <del><i>Accelerated Extrajudicial Collateral Enforcement</i></del> L
Article 23			
286	Article 23 Conditions for the voluntary use of Accelerated Extrajudicial Collateral Enforcement	Article 23 <del><i>Conditions for the voluntary use of Accelerated Extrajudicial Collateral Enforcement</i></del>	Article 23 <del><i>Conditions for the voluntary use of Accelerated Extrajudicial Collateral Enforcement</i></del> L
Article 23(1), first subparagraph, introductory part			
287	1. Member States shall ensure that this accelerated extrajudicial collateral enforcement mechanism may be exercised by a creditor where all of the following conditions are fulfilled:	1. <del><i>Member States shall ensure that this accelerated extrajudicial collateral enforcement mechanism may be exercised by a creditor where all of the following conditions are fulfilled:</i></del>	1. <del><i>Member States shall ensure that this accelerated extrajudicial collateral enforcement mechanism may be exercised by a creditor where all of the following conditions are fulfilled:</i></del> L
Article 23(1), first subparagraph, point(a)			
288	(a) the mechanism has been agreed in writing, or in a notarised format if so provided by the Member State, by the creditor and business borrower and that agreement specifies the enforcement event and the period of time in which the business borrower may execute payment following that event in order to avert the	(a) <del><i>the mechanism has been agreed in writing, or in a notarised format if so provided by the Member State, by the creditor and business borrower and that agreement specifies the enforcement event and the period of time in which the business borrower may execute payment following that event in order to avert the</i></del>	(a) <del><i>the mechanism has been agreed in writing, or in a notarised format if so provided by the Member State, by the creditor and business borrower and that agreement specifies the enforcement event and the period of time in which the business borrower may execute payment following that event in order to avert the</i></del> L

	Commission Proposal	Council Mandate	EP Mandate
	execution of this accelerated extrajudicial collateral enforcement;	<i>execution of this accelerated extrajudicial collateral enforcement;</i>	<i>execution of this accelerated extrajudicial collateral enforcement;</i> <b>L</b>
Article 23(1), first subparagraph, point(b)			
289	(b) the business borrower has been clearly informed about the application and consequences of this accelerated extrajudicial collateral enforcement prior to the conclusion of the agreement referred to in point (a);	(b) <i>the business borrower has been clearly informed about the application and consequences of this accelerated extrajudicial collateral enforcement prior to the conclusion of the agreement referred to in point (a);</i>	(b) <i>the business borrower has been clearly informed about the application and consequences of this accelerated extrajudicial collateral enforcement prior to the conclusion of the agreement referred to in point (a);</i> <b>L</b>
Article 23(1), first subparagraph, point(c), introductory part			
290	(c) within 4 weeks of the enforcement event, or such later point in time where so negotiated by the creditor and the business borrower, the creditor has notified the business borrower, in writing, of all of the following:	(c) <i>within 4 weeks of the enforcement event, or such later point in time where so negotiated by the creditor and the business borrower, the creditor has notified the business borrower, in writing, of all of the following:</i>	(c) <i>within 4 weeks of the enforcement event, or such later point in time where so negotiated by the creditor and the business borrower, the creditor has notified the business borrower, in writing, of all of the following;</i> <b>L</b>
Article 23(1), first subparagraph, point(c)(i)			
291	(i) the creditor's intention to realise the assets through this accelerated extrajudicial collateral enforcement mechanism to satisfy the contractual obligations of the secured credit agreement;	(i) <i>the creditor's intention to realise the assets through this accelerated extrajudicial collateral enforcement mechanism to satisfy the contractual obligations of the secured credit agreement;</i>	(i) <i>the creditor's intention to realise the assets through this accelerated extrajudicial collateral enforcement mechanism to satisfy the contractual obligations of the secured credit agreement;</i> <b>L</b>
Article 23(1), first subparagraph, point(c)(ii)			
292	(ii) the type of enforcement measure to be applied as referred to in Articles 25 and 26;	(ii) <i>the type of enforcement measure to be applied as referred to in Articles 25 and 26;</i>	(ii) <i>the type of enforcement measure to be applied as referred to in Articles 25 and 26;</i> <b>L</b>
Article 23(1), first subparagraph, point(c)(iii)			

	Commission Proposal	Council Mandate	EP Mandate
293	(iii) the time period for the execution of payment before the use of the accelerated extrajudicial collateral enforcement mechanism referred to in point (a);	(iii) <del>the time period for the execution of payment before the use of the accelerated extrajudicial collateral enforcement mechanism referred to in point (a);</del>	(iii) <del>the time period for the execution of payment before the use of the accelerated extrajudicial collateral enforcement mechanism referred to in point (a);</del> <b>L</b>
Article 23(1), first subparagraph, point(c)(iv)			
294	(iv) the default amount of the secured credit agreement due pursuant to the contractual obligations of the secured credit agreement;	(iv) <del>the default amount of the secured credit agreement due pursuant to the contractual obligations of the secured credit agreement;</del>	(iv) <del>the default amount of the secured credit agreement due pursuant to the contractual obligations of the secured credit agreement;</del> <b>L</b>
Article 23(1), first subparagraph, point(d)			
295	(d) the business borrower has not executed the full payment as stipulated in the creditor's notification referred to in point (c).	(d) <del>the business borrower has not executed the full payment as stipulated in the creditor's notification referred to in point (c).</del>	(d) <del>the business borrower has not executed the full payment as stipulated in the creditor's notification referred to in point (c).</del> <b>L</b>
Article 23(1), second subparagraph			
296	For the purposes of paragraph 1, the agreement referred to in paragraph 1(a) shall include a directly enforceable title.	<del>For the purposes of paragraph 1, the agreement referred to in paragraph 1(a) shall include a directly enforceable title.</del>	<del>For the purposes of paragraph 1, the agreement referred to in paragraph 1(a) shall include a directly enforceable title.</del> <b>L</b>
Article 23(1), third subparagraph			
297	For the purposes of paragraph 1(a), Member States may establish that in cases where a business borrower has paid at least 85% of the amount of the secured credit agreement, the period referred to therein may be extended by at least six months.	<del>For the purposes of paragraph 1(a), Member States may establish that in cases where a business borrower has paid at least 85% of the amount of the secured credit agreement, the period referred to therein may be extended by at least six months.</del>	<del>For the purposes of paragraph 1(a), Member States may establish that in cases where a business borrower has paid at least 85% of the amount of the secured credit agreement, the period referred to therein may be extended by at least six months.</del> <b>L</b>

	Commission Proposal	Council Mandate	EP Mandate
Article 23(2)			
298	2. Member States shall ensure that the business borrower is not permitted to dispose of the assets pledged as collateral as of receipt of the notification referred to in paragraph 1(c) and is subject to a general duty to cooperate and to furnish all relevant information where this accelerated extrajudicial collateral enforcement mechanism is exercisable in accordance with paragraph 1.	2. <del>Member States shall ensure that the business borrower is not permitted to dispose of the assets pledged as collateral as of receipt of the notification referred to in paragraph 1(c) and is subject to a general duty to cooperate and to furnish all relevant information where this accelerated extrajudicial collateral enforcement mechanism is exercisable in accordance with paragraph 1.</del>	2. <del>Member States shall ensure that the business borrower is not permitted to dispose of the assets pledged as collateral as of receipt of the notification referred to in paragraph 1(c) and is subject to a general duty to cooperate and to furnish all relevant information where this accelerated extrajudicial collateral enforcement mechanism is exercisable in accordance with paragraph 1.</del>
Article 23(3)			
299	3. Member States shall ensure that the creditor affords the business borrower a reasonable period of time for execution of payment and makes reasonable efforts to avoid the use of this accelerated extrajudicial collateral enforcement mechanism.	3. <del>Member States shall ensure that the creditor affords the business borrower a reasonable period of time for execution of payment and makes reasonable efforts to avoid the use of this accelerated extrajudicial collateral enforcement mechanism.</del>	3. <del>Member States shall ensure that the creditor affords the business borrower a reasonable period of time for execution of payment and makes reasonable efforts to avoid the use of this accelerated extrajudicial collateral enforcement mechanism.</del>
Article 24			
300	Article 24 Enforcement	Article 24 <del>Enforcement</del>	Article 24 <del>Enforcement</del>
Article 24(1)			
301	1. Member States shall ensure that collateral may be realised pursuant to this accelerated extrajudicial collateral enforcement mechanism.	1. <del>Member States shall ensure that collateral may be realised pursuant to this accelerated extrajudicial collateral enforcement mechanism.</del>	1. <del>Member States shall ensure that collateral may be realised pursuant to this accelerated extrajudicial collateral enforcement mechanism.</del>
Article 24(2), first subparagraph, introductory part			

	Commission Proposal	Council Mandate	EP Mandate
302	2. Member States shall provide for at least one or both of the following means to realise the collateral as referred to in paragraph 1 for each type of security right and collateral:	2. <del>Member States shall provide for at least one or both of the following means to realise the collateral as referred to in paragraph 1 for each type of security right and collateral:</del>	2. <del>Member States shall provide for at least one or both of the following means to realise the collateral as referred to in paragraph 1 for each type of security right and collateral:</del> <b>L</b>
Article 24(2), first subparagraph, point(a)			
303	(a) public auction;	(a) <del>public auction;</del>	(a) <del>public auction;</del> <b>L</b>
Article 24(2), first subparagraph, point(b)			
304	(b) private sale.	(b) <del>private sale.</del>	(b) <del>private sale.</del> <b>L</b>
Article 24(2), second subparagraph			
305	For each of these means, Member States may provide that a notary, bailiff or other public official is appointed where appropriate to ensure an efficient and expedited distribution of sale proceeds and transfer of the collateral to an acquirer, or safeguard the borrower's rights.	<del>For each of these means, Member States may provide that a notary, bailiff or other public official is appointed where appropriate to ensure an efficient and expedited distribution of sale proceeds and transfer of the collateral to an acquirer, or safeguard the borrower's rights.</del>	<del>For each of these means, Member States may provide that a notary, bailiff or other public official is appointed where appropriate to ensure an efficient and expedited distribution of sale proceeds and transfer of the collateral to an acquirer, or safeguard the borrower's rights.</del> <b>L</b>
Article 24(3)			
306	3. Where Member States establish the extrajudicial enforcement procedure by means of appropriation, the right of the creditor to retain the asset in or towards satisfaction of business borrower's liability shall be governed by the applicable laws in each Member State. Member States shall ensure that in the case of appropriation the positive difference to be paid	3. <del>Where Member States establish the extrajudicial enforcement procedure by means of appropriation, the right of the creditor to retain the asset in or towards satisfaction of business borrower's liability shall be governed by the applicable laws in each Member State. Member States shall ensure that in the case of appropriation the positive difference to be paid</del>	3. <del>Where Member States establish the extrajudicial enforcement procedure by means of appropriation, the right of the creditor to retain the asset in or towards satisfaction of business borrower's liability shall be governed by the applicable laws in each Member State. Member States shall ensure that in the case of appropriation the positive difference to be paid</del>

	Commission Proposal	Council Mandate	EP Mandate
	out to the business borrower shall be the difference between sum outstanding of the secured credit agreement and the valuation of the asset.	<del>out to the business borrower shall be the difference between sum outstanding of the secured credit agreement and the valuation of the asset.</del>	<del>out to the business borrower shall be the difference between sum outstanding of the secured credit agreement and the valuation of the asset.</del> <b>L</b>
Article 24(4), introductory part			
307	4. For the purposes of the realisation referred to in paragraph 2, Member States shall ensure that the creditor organises a valuation of the assets, in order to determine the reserve price in cases of public auction and private sale, and that the following conditions are met:	<del>4. For the purposes of the realisation referred to in paragraph 2, Member States shall ensure that the creditor organises a valuation of the assets, in order to determine the reserve price in cases of public auction and private sale, and that the following conditions are met:</del>	<del>4. For the purposes of the realisation referred to in paragraph 2, Member States shall ensure that the creditor organises a valuation of the assets, in order to determine the reserve price in cases of public auction and private sale, and that the following conditions are met:</del> <b>L</b>
Article 24(4), point(a)			
308	(a) the creditor and the business borrower agree on the valuer to be appointed;	<del>(a) the creditor and the business borrower agree on the valuer to be appointed;</del>	<del>(a) the creditor and the business borrower agree on the valuer to be appointed;</del> <b>L</b>
Article 24(4), point(b)			
309	(b) the valuation is conducted by an independent valuer;	<del>(b) the valuation is conducted by an independent valuer;</del>	<del>(b) the valuation is conducted by an independent valuer;</del> <b>L</b>
Article 24(4), point(c)			
310	(c) the valuation is fair and realistic;	<del>(c) the valuation is fair and realistic;</del>	<del>(c) the valuation is fair and realistic;</del> <b>L</b>
Article 24(4), point(d)			
311	(d) the valuation is conducted specifically for the purposes of the realisation of the collateral after	<del>(d) the valuation is conducted specifically for the purposes of the realisation of the collateral after</del>	<del>(d) the valuation is conducted specifically for the purposes of the realisation of the collateral after</del>

	Commission Proposal	Council Mandate	EP Mandate
	the enforcement event;	<i>the enforcement event;</i>	<i>the enforcement event;</i> <b>L</b>
Article 24(4), point(e)			
312	(e) the business borrower has the right to challenge the valuation before a court in accordance with Article 29.	(e) <i>the business borrower has the right to challenge the valuation before a court in accordance with Article 29.</i>	(e) <i>the business borrower has the right to challenge the valuation before a court in accordance with Article 29.</i> <b>L</b>
Article 24(5)			
313	5. For the purposes of point (a), where the parties cannot agree upon the appointment of a valuer for the purposes of realising the collateral referred to in paragraph 2, a valuer shall be appointed by a decision of a judicial court, in accordance with the national law of the Member State in which the business borrower is established or is domiciled.	5. <i>For the purposes of point (a), where the parties cannot agree upon the appointment of a valuer for the purposes of realising the collateral referred to in paragraph 2, a valuer shall be appointed by a decision of a judicial court, in accordance with the national law of the Member State in which the business borrower is established or is domiciled.</i>	5. <i>For the purposes of point (a), where the parties cannot agree upon the appointment of a valuer for the purposes of realising the collateral referred to in paragraph 2, a valuer shall be appointed by a decision of a judicial court, in accordance with the national law of the Member State in which the business borrower is established or is domiciled.</i> <b>L</b>
Article 25			
314	Article 25 Public auction	Article 25 <i>Public auction</i>	Article 25 <i>Public auction</i> <b>L</b>
Article 25(1), introductory part			
315	1. Member States shall ensure that the realisation of collateral by means of public auction is conducted in accordance with the following elements:	1. <i>Member States shall ensure that the realisation of collateral by means of public auction is conducted in accordance with the following elements:</i>	1. <i>Member States shall ensure that the realisation of collateral by means of public auction is conducted in accordance with the following elements:</i> <b>L</b>
Article 25(1), point(a)			

	Commission Proposal	Council Mandate	EP Mandate
316	(a) the creditor has publicly communicated the time and place of the public auction at least 10 days prior to that auction;	(a) <del>the creditor has publicly communicated the time and place of the public auction at least 10 days prior to that auction;</del>	(a) <del>the creditor has publicly communicated the time and place of the public auction at least 10 days prior to that auction;</del> <b>L</b>
Article 25(1), point(b)			
317	(b) the creditor has made reasonable efforts to attract the highest number of potential buyers;	(b) <del>the creditor has made reasonable efforts to attract the highest number of potential buyers;</del>	(b) <del>the creditor has made reasonable efforts to attract the highest number of potential buyers;</del> <b>L</b>
Article 25(1), point(c)			
318	(c) the creditor has notified the business borrower, and any third party with an interest in or right to the asset, of the public auction, including its time and place, at least 10 days prior to that auction;	(c) <del>the creditor has notified the business borrower, and any third party with an interest in or right to the asset, of the public auction, including its time and place, at least 10 days prior to that auction;</del>	(c) <del>the creditor has notified the business borrower, and any third party with an interest in or right to the asset, of the public auction, including its time and place, at least 10 days prior to that auction;</del> <b>L</b>
Article 25(1), point(d)			
319	(d) a valuation of the asset has been conducted prior to the public auction;	(d) <del>a valuation of the asset has been conducted prior to the public auction;</del>	(d) <del>a valuation of the asset has been conducted prior to the public auction;</del> <b>L</b>
Article 25(1), point(e)			
320	(e) the reserve price of the asset is at least equal to the valuation amount determined prior to the public auction;	(e) <del>the reserve price of the asset is at least equal to the valuation amount determined prior to the public auction;</del>	(e) <del>the reserve price of the asset is at least equal to the valuation amount determined prior to the public auction;</del> <b>L</b>
Article 25(1), point(f), introductory part			
321	(f) the asset may be sold at a reduction of no	(f) <del>the asset may be sold at a reduction of no</del>	(f) <del>the asset may be sold at a reduction of no</del>







	Commission Proposal	Council Mandate	EP Mandate
	more than 20% of the valuation amount where both of the following apply:	<i>more than 20% of the valuation amount where both of the following apply:</i>	<i>more than 20% of the valuation amount where both of the following apply:</i> <a href="#">L</a>
Article 25(1), point(f)(i)			
322	(i) no buyer has made an offer in line with the requirements referred to in points (e) and (f) at the public auction;	(i) <i>no buyer has made an offer in line with the requirements referred to in points (e) and (f) at the public auction;</i>	(i) <i>no buyer has made an offer in line with the requirements referred to in points (e) and (f) at the public auction;</i> <a href="#">L</a>
Article 25(1), point(f)(ii)			
323	(ii) there is a threat of imminent deterioration of the asset.	(ii) <i>there is a threat of imminent deterioration of the asset.</i>	(ii) <i>there is a threat of imminent deterioration of the asset.</i> <a href="#">L</a>
Article 25(2)			
324	2. Where the asset has not been sold by public auction, Member States may provide for the realisation of the collateral by private sale.	2. <i>Where the asset has not been sold by public auction, Member States may provide for the realisation of the collateral by private sale.</i>	2. <i>Where the asset has not been sold by public auction, Member States may provide for the realisation of the collateral by private sale.</i> <a href="#">L</a>
Article 25(3)			
325	3. Where a Member State provides for a second public auction, points (a) to (e) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.	3. <i>Where a Member State provides for a second public auction, points (a) to (e) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.</i>	3. <i>Where a Member State provides for a second public auction, points (a) to (e) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.</i> <a href="#">L</a>
Article 26			
326	Article 26 Private sale	Article 26 <i>Private sale</i>	Article 26 <i>Private sale</i> <a href="#">L</a>

	Commission Proposal	Council Mandate	EP Mandate
Article 26(1), introductory part			
327	1. Member States shall ensure that the realisation of collateral by means of private sale is conducted in accordance with the following elements:	1. <del>Member States shall ensure that the realisation of collateral by means of private sale is conducted in accordance with the following elements:</del>	1. <del>Member States shall ensure that the realisation of collateral by means of private sale is conducted in accordance with the following elements:</del> <b>L</b>
Article 26(1), point(a)			
328	(a) the creditor has made reasonable efforts, including adequate public advertising, to attract potential buyers;	(a) <del>the creditor has made reasonable efforts, including adequate public advertising, to attract potential buyers;</del>	(a) <del>the creditor has made reasonable efforts, including adequate public advertising, to attract potential buyers;</del> <b>L</b>
Article 26(1), point(b)			
329	(b) the creditor has notified the business borrower, and any relevant third party with an interest in or right to the asset, of its intention to sell the asset at least 10 days prior to offering the asset for sale;	(b) <del>the creditor has notified the business borrower, and any relevant third party with an interest in or right to the asset, of its intention to sell the asset at least 10 days prior to offering the asset for sale;</del>	(b) <del>the creditor has notified the business borrower, and any relevant third party with an interest in or right to the asset, of its intention to sell the asset at least 10 days prior to offering the asset for sale;</del> <b>L</b>
Article 26(1), point(c)			
330	(c) a valuation of the asset has been conducted prior to the private sale, and or a public auction in accordance with point (c) of Article 25(1);	(c) <del>a valuation of the asset has been conducted prior to the private sale, and or a public auction in accordance with point (c) of Article 25(1);</del>	(c) <del>a valuation of the asset has been conducted prior to the private sale, and or a public auction in accordance with point (c) of Article 25(1);</del> <b>L</b>
Article 26(1), point(d)			
331	(d) the guide price of the asset is at least equal to the amount established in the valuation referred to in point (c), at the time of offering the asset for private sale;	(d) <del>the guide price of the asset is at least equal to the amount established in the valuation referred to in point (c), at the time of offering the asset for private sale;</del>	(d) <del>the guide price of the asset is at least equal to the amount established in the valuation referred to in point (c), at the time of offering the asset for private sale;</del> <b>L</b>

	Commission Proposal	Council Mandate	EP Mandate
Article 26(1), point(e), introductory part			
332	(e) the asset may be sold at a reduction of no more than 20% of value where both of the following apply:	(e) <del>the asset may be sold at a reduction of no more than 20% of value where both of the following apply:</del>	(e) <del>the asset may be sold at a reduction of no more than 20% of value where both of the following apply:</del>
Article 26(1), point(e)(i)			
333	(i) no buyer has made an offer in line with the requirements referred to in points (d) and (e) within 30 days;	(i) <del>no buyer has made an offer in line with the requirements referred to in points (d) and (e) within 30 days;</del>	(i) <del>no buyer has made an offer in line with the requirements referred to in points (d) and (e) within 30 days;</del>
Article 26(1), point(e)(ii)			
334	(ii) there is a threat of imminent deterioration of the asset.	(ii) <del>there is a threat of imminent deterioration of the asset.</del>	(ii) <del>there is a threat of imminent deterioration of the asset.</del>
Article 26(2)			
335	2. Where the asset has not been sold by private sale within 30 days of offering the asset for sale, Member States shall ensure that the creditor publicly advertises the sale for an additional period of at least 30 days before concluding any sale.	2. <del>Where the asset has not been sold by private sale within 30 days of offering the asset for sale, Member States shall ensure that the creditor publicly advertises the sale for an additional period of at least 30 days before concluding any sale.</del>	2. <del>Where the asset has not been sold by private sale within 30 days of offering the asset for sale, Member States shall ensure that the creditor publicly advertises the sale for an additional period of at least 30 days before concluding any sale.</del>
Article 26(3)			
336	3. Where a Member State provides for a second attempt at private sale, points (a) to (d) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.	3. <del>Where a Member State provides for a second attempt at private sale, points (a) to (d) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.</del>	3. <del>Where a Member State provides for a second attempt at private sale, points (a) to (d) of paragraph 1 shall apply but the asset may be sold at a further reduction, as determined by Member States.</del>

	Commission Proposal	Council Mandate	EP Mandate
Article 27			
337	Article 27 Competing security rights	Article 27 <del>Competing security rights</del>	Article 27 <del>Competing security rights</del> <b>L</b>
Article 27, first paragraph			
338	Member States shall provide that the priority attached to competing security rights in the same collateral is not affected by the enforcement of one of those rights by means of the national provisions transposing this Directive.	<del>Member States shall provide that the priority attached to competing security rights in the same collateral is not affected by the enforcement of one of those rights by means of the national provisions transposing this Directive.</del>	<del>Member States shall provide that the priority attached to competing security rights in the same collateral is not affected by the enforcement of one of those rights by means of the national provisions transposing this Directive.</del> <b>L</b>
Article 28			
339	Article 28 Right to challenge the enforcement	Article 28 <del>Right to challenge the enforcement</del>	Article 28 <del>Right to challenge the enforcement</del> <b>L</b>
Article 28, first paragraph			
340	Member States shall ensure that the business borrower has the right to challenge the use of this accelerated extrajudicial collateral enforcement mechanism before a national court where the sale of the assets provided as collateral has not been conducted in accordance with the national provisions transposing Articles 24(3), 25 and 26, or the valuation of the assets has not been conducted in accordance with the national provisions transposing Article 24(4).	<del>Member States shall ensure that the business borrower has the right to challenge the use of this accelerated extrajudicial collateral enforcement mechanism before a national court where the sale of the assets provided as collateral has not been conducted in accordance with the national provisions transposing Articles 24(3), 25 and 26, or the valuation of the assets has not been conducted in accordance with the national provisions transposing Article 24(4).</del>	<del>Member States shall ensure that the business borrower has the right to challenge the use of this accelerated extrajudicial collateral enforcement mechanism before a national court where the sale of the assets provided as collateral has not been conducted in accordance with the national provisions transposing Articles 24(3), 25 and 26, or the valuation of the assets has not been conducted in accordance with the national provisions transposing Article 24(4).</del> <b>L</b>
Article 29			

	Commission Proposal	Council Mandate	EP Mandate
341	Article 29 Restitution of the exceeding amount	Article 29 <i>Restitution of the exceeding amount</i>	Article 29 <i>Restitution of the exceeding amount</i> 
Article 29, first paragraph			
342	Member States shall ensure that the creditor is required to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset.	<i>Member States shall ensure that the creditor is required to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset.</i>	<i>Member States shall ensure that the creditor is required to pay the business borrower any positive difference between the sum outstanding of the secured credit agreement and the proceeds of the sale of the asset.</i> 
Article 30			
343	Article 30 Settlement of the outstanding amount	Article 30 <i>Settlement of the outstanding amount</i>	Article 30 <i>Settlement of the outstanding amount</i> 
Article 30, first paragraph			
344	Without prejudice to articles 19 to 23 of the Directive (EU) 20XX/XX of the European Parliament and of the Council <sup>1</sup> , in cases where the amount realised after the use of this accelerated extrajudicial collateral enforcement mechanism is an amount lower than the sum outstanding of the secured credit agreement, Member States may provide for the settlement of all liabilities under that agreement, in accordance with applicable national laws.  <sup>1</sup> Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).	<i>Without prejudice to articles 19 to 23 of the Directive (EU) 20XX/XX of the European Parliament and of the Council<sup>1</sup>, in cases where the amount realised after the use of this accelerated extrajudicial collateral enforcement mechanism is an amount lower than the sum outstanding of the secured credit agreement, Member States may provide for the settlement of all liabilities under that agreement, in accordance with applicable national laws.</i>  <sup>1</sup> <i>Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).</i>	<i>Without prejudice to articles 19 to 23 of the Directive (EU) 20XX/XX of the European Parliament and of the Council<sup>1</sup>, in cases where the amount realised after the use of this accelerated extrajudicial collateral enforcement mechanism is an amount lower than the sum outstanding of the secured credit agreement, Member States may provide for the settlement of all liabilities under that agreement, in accordance with applicable national laws.</i>   <sup>1</sup> <i>Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).</i>

	Commission Proposal	Council Mandate	EP Mandate
Article 31			
345	Article 31 Transfer of secured credit agreements to third parties	Article 31 <del>Transfer of secured credit agreements to third parties</del>	Article 31 <del>Transfer of secured credit agreements to third parties</del> <b>L</b>
Article 31, first paragraph			
346	Member States shall ensure that where a secured credit agreement which provides for the right to use accelerated extrajudicial collateral enforcement is transferred by the credit institution or its subsidiary to any third party, that third party shall acquire the right to use this accelerated extrajudicial collateral enforcement mechanism in case of the business borrower's default under the same terms and conditions as the credit institution.	<del>Member States shall ensure that where a secured credit agreement which provides for the right to use accelerated extrajudicial collateral enforcement is transferred by the credit institution or its subsidiary to any third party, that third party shall acquire the right to use this accelerated extrajudicial collateral enforcement mechanism in case of the business borrower's default under the same terms and conditions as the credit institution.</del>	<del>Member States shall ensure that where a secured credit agreement which provides for the right to use accelerated extrajudicial collateral enforcement is transferred by the credit institution or its subsidiary to any third party, that third party shall acquire the right to use this accelerated extrajudicial collateral enforcement mechanism in case of the business borrower's default under the same terms and conditions as the credit institution.</del> <b>L</b>
Article 32			
347	Article 32 Restructuring and insolvency proceedings	Article 32 <del>Restructuring and insolvency proceedings</del>	Article 32 <del>Restructuring and insolvency proceedings</del> <b>L</b>
Article 32(1)			
348	1. This Directive shall be without prejudice to the Directive (EU) 20XX/XX of the European Parliament and of the Council <sup>1</sup> .  1. Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of	1. <del>This Directive shall be without prejudice to the Directive (EU) 20XX/XX of the European Parliament and of the Council<sup>1</sup>.</del>  <del>1. Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of</del>	1. <del>This Directive shall be without prejudice to the Directive (EU) 20XX/XX of the European Parliament and of the Council<sup>1</sup>.</del> <b>L</b>  <del>1. Directive (EU) .../... of the European Parliament and of the Council of [...] on preventive restructuring frameworks, second chance and measures to increase the efficiency of</del>

	Commission Proposal	Council Mandate	EP Mandate
	restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).	<del>restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).</del>	<del>restructuring, insolvency and discharge procedures and amending Directive 2012/30/EU (OJ L [...], [...], p. [...]).</del>
Article 32(2)			
349	2. Member States shall ensure that where insolvency proceedings are initiated in respect of a business borrower, the realisation of collateral pursuant to national laws transposing this Directive is subject to a stay of individual enforcement actions in accordance with applicable national laws.	<del>2. Member States shall ensure that where insolvency proceedings are initiated in respect of a business borrower, the realisation of collateral pursuant to national laws transposing this Directive is subject to a stay of individual enforcement actions in accordance with applicable national laws.</del>	<del>2. Member States shall ensure that where insolvency proceedings are initiated in respect of a business borrower, the realisation of collateral pursuant to national laws transposing this Directive is subject to a stay of individual enforcement actions in accordance with applicable national laws.</del> <a href="#">L</a>
Article 33			
350	Article 33 Data collection	Article 33 <del>Data collection</del>	Article 33 <del>Data collection</del> <a href="#">L</a>
Article 33(1)			
351	1. Member States and, in the case of credit institutions competent authorities which supervise credit institutions, shall, on an annual basis, collect information from creditors on the number of secured credit agreements which are enforced through this accelerated extrajudicial collateral enforcement and the timeframes for such enforcement.	<del>1. Member States and, in the case of credit institutions competent authorities which supervise credit institutions, shall, on an annual basis, collect information from creditors on the number of secured credit agreements which are enforced through this accelerated extrajudicial collateral enforcement and the timeframes for such enforcement.</del>	<del>1. Member States and, in the case of credit institutions competent authorities which supervise credit institutions, shall, on an annual basis, collect information from creditors on the number of secured credit agreements which are enforced through this accelerated extrajudicial collateral enforcement and the timeframes for such enforcement.</del> <a href="#">L</a>
Article 33(2), introductory part			
352	2. Member States and, in the case of credit institutions, competent authorities which supervise credit institutions, shall, on an annual	<del>2. Member States and, in the case of credit institutions, competent authorities which supervise credit institutions, shall, on an annual</del>	<del>2. Member States and, in the case of credit institutions, competent authorities which supervise credit institutions, shall, on an annual</del>

	Commission Proposal	Council Mandate	EP Mandate
	basis, collect the following information from creditors:	<del>basis, collect the following information from creditors:</del>	<del>basis, collect the following information from creditors:</del> <a href="#">L</a>
Article 33(2), point(a), introductory part			
353	(a) the number of proceedings pursuant to the national provisions transposing this Directive initiated, pending and realised, including:	(a) <del>the number of proceedings pursuant to the national provisions transposing this Directive initiated, pending and realised, including:</del>	(a) <del>the number of proceedings pursuant to the national provisions transposing this Directive initiated, pending and realised, including:</del> <a href="#">L</a>
Article 33(2), point(a)(i)			
354	(i) the number of proceedings in respect of movable assets,	(i) <del>the number of proceedings in respect of movable assets;</del>	(i) <del>the number of proceedings in respect of movable assets;</del> <a href="#">L</a>
Article 33(2), point(a)(ii)			
355	(ii) the number of proceedings in respect of immovable assets.	(ii) <del>the number of proceedings in respect of immovable assets.</del>	(ii) <del>the number of proceedings in respect of immovable assets.</del> <a href="#">L</a>
Article 33(2), point(b)			
356	(b) the length of the proceedings from notification to settlement, arranged by means of realisation (public sale, private sale, or appropriation);	(b) <del>the length of the proceedings from notification to settlement, arranged by means of realisation (public sale, private sale, or appropriation);</del>	(b) <del>the length of the proceedings from notification to settlement, arranged by means of realisation (public sale, private sale, or appropriation);</del> <a href="#">L</a>
Article 33(2), point(c)			
357	(c) the average costs of each proceedings, in EUR;	(c) <del>the average costs of each proceedings, in EUR;</del>	(c) <del>the average costs of each proceedings, in EUR;</del> <a href="#">L</a>
Article 33(2), point(d)			



	Commission Proposal	Council Mandate	EP Mandate
358	(d) the settlement rates.	(d) <del>the settlement rates.</del>	(d) <del>the settlement rates.</del> <b>L</b>
Article 33(3)			
359	3. Member States shall aggregate the data referred to in paragraph 2 and compile statistics from that aggregate data for the full calendar year beginning DATE [OP: Please insert a date of the January 1 following adoption of this act].	3. <del>Member States shall aggregate the data referred to in paragraph 2 and compile statistics from that aggregate data for the full calendar year beginning DATE [OP: Please insert a date of the January 1 following adoption of this act].</del>	3. <del>Member States shall aggregate the data referred to in paragraph 2 and compile statistics from that aggregate data for the full calendar year beginning DATE [OP: Please insert a date of the January 1 following adoption of this act].</del> <b>L</b>
Article 33(4)			
360	4. The statistics referred to in the first subparagraph shall be communicated to the Commission on annual basis and by 31 March of the calendar year following the year for which data is collected.	4. <del>The statistics referred to in the first subparagraph shall be communicated to the Commission on annual basis and by 31 March of the calendar year following the year for which data is collected.</del>	4. <del>The statistics referred to in the first subparagraph shall be communicated to the Commission on annual basis and by 31 March of the calendar year following the year for which data is collected.</del> <b>L</b>
TITLE VI			
361	TITLE VI Safeguards and duty to cooperate	TITLE VI Safeguards and duty to cooperate	TITLE VI Safeguards and duty to cooperate
Article 34			
362	Article 34 Modification of the credit agreement	Article 34 Modification of the credit agreement	Article 34 Modification of the credit agreement
Article 34, first paragraph, introductory part			
363	Without prejudice to the obligations to inform the	Without prejudice to the obligations to inform the	Without prejudice to the obligations to inform the

	Commission Proposal	Council Mandate	EP Mandate
	consumer pursuant to Directive 2014/17/EU, Directive 2008/48/EC and Directive 93/13/EEC, Member States shall ensure that prior to modifying the terms and conditions of a credit agreement either by consent or by operation of law, the creditor communicates the following information to the consumer:	consumer pursuant to Directive 2014/17/EU, Directive 2008/48/EC and Directive 93/13/EEC, Member States shall ensure that prior to modifying the terms and conditions of <u>the creditor's rights under</u> a credit agreement <u>or of the credit agreement itself</u> either by consent or by operation of law, the creditor communicates the following information to the consumer:	consumer pursuant to Directive 2014/17/EU, Directive 2008/48/EC and Directive 93/13/EEC, Member States shall ensure that prior to <u>substantially</u> modifying the terms and conditions of <u>the creditor's rights under a non-performing</u> credit agreement <u>or of the non-performing credit agreement itself</u> either by consent or by operation of law, the creditor communicates the following information to the consumer:
Article 34(1), point(a)			
364	(a) a clear and comprehensive description of the proposed changes;	(a) a clear and comprehensive description of the proposed changes <u>and the need for debtor consent or, where applicable, of the changes introduced by operation of law;</u>	(a) a clear <u>description of the proposed changes and the need for debtor consent or, where applicable,</u> <del>and comprehensive description</del> of the <del>proposed</del> changes <u>introduced by operation of law;</u>
Article 34(1), point(b)			
365	(b) the timescale for the implementation of those changes;	(b) the timescale for the implementation of those changes;	(b) the timescale for the implementation of those changes;
Article 34(1), point(c)			
366	(c) the grounds of complaint available to the consumer regarding those modifications;	(c) the grounds of complaint available to the consumer regarding those modifications;	(c) the grounds of complaint available to the consumer regarding those modifications;
Article 34(1), point(d)			
367	(d) the time period available for lodging any such complaint;	(d) the time period available for lodging any such complaint;	(d) the time period available for lodging any such complaint;

	<b>Commission Proposal</b>	<b>Council Mandate</b>	<b>EP Mandate</b>
<b>Article 34(1), point(e)</b>			
368	(e) the name and address of the competent authority where that complaint may be submitted.	(e) the name and address of the competent authority where that complaint may be submitted.	(e) the name and address of the competent authority where that complaint may be submitted.
<b>Article 35</b>			
369	Article 35 Complaints	Article 35 Complaints	Article 35 Complaints
<b>Article 35(1), introductory part</b>			
370	1. Member States shall ensure that a credit servicer communicates, without delay, the following information to the borrower:	1. Member States shall ensure that a credit servicer communicates, without delay, the following information to the borrower:	1. Member States shall ensure that a credit servicer communicates, without delay, the following information to the borrower:
<b>Article 35(1), point(a)</b>			
371	(a) the identity of the credit servicer;	(a) the identity of the credit servicer;	(a) the identity of the credit servicer;
<b>Article 35(1), point(b)</b>			
372	(b) a copy of its authorisation granted pursuant to Article 6;	(b) a copy of its authorisation granted pursuant to Article 6;	(b) a copy of its authorisation granted pursuant to Article 6;
<b>Article 35(1), point(c)</b>			
373	(c) the name, address and contact details of the competent authorities of the Member State where the borrower is domiciled or established and where the borrower may submit a complaint.	(c) the name, address and contact details of the competent authorities of the Member State where the borrower is domiciled or established and where the borrower may submit a complaint.	(c) the name, address and contact details of the competent authorities of the Member State where the borrower is domiciled or established and where the borrower may submit a complaint.

	Commission Proposal	Council Mandate	EP Mandate
Article 35(2)			
374	2. The communication referred to in paragraph 1 shall be in writing, or by electronic means where permitted under Union or national law.	2. The communication referred to in paragraph 1 shall be in writing, or by electronic means where permitted under Union or national law.	2. The communication referred to in paragraph 1 shall be in writing, or by electronic means where permitted under Union or national law.
Article 35(3)			
375	3. Member States shall ensure that, in all subsequent communications with the borrower as well as in any communication by phone, the credit servicer includes or states the information listed in points (a) and (c) of paragraph 1.	3. Member States shall ensure that, in all subsequent communications with the borrower as well as in any communication by phone, the credit servicer includes or states the information listed in <del>points (a) and (c)</del> <u>point (a)</u> of paragraph 1.	3. Member States shall ensure that, in all subsequent communications with the borrower as well as in any communication by phone, the credit servicer includes or states the information listed in points (a) and (c) of paragraph 1.
Article 35(4)			
376	4. Member States shall ensure that credit servicers establish and maintain effective and transparent procedures for the handling of complaints received from borrowers.	4. Member States shall ensure that credit servicers establish and maintain effective and transparent procedures for the handling of complaints received from borrowers.	4. Member States shall ensure that credit servicers establish and maintain effective and transparent procedures for the handling of complaints received from borrowers.
Article 35(5)			
377	5. Member States shall ensure that the treatment by credit servicers of complaints from borrowers is free of charge and that credit servicers record the complaints and measures taken to address them.	5. Member States shall ensure that the treatment by credit servicers of complaints from borrowers is free of charge and that credit servicers record the complaints and measures taken to address them.	5. Member States shall ensure that the treatment by credit servicers of complaints from borrowers is free of charge and that credit servicers record the complaints and measures taken to address them.
Article 35(6)			
378	6. Member States shall ensure that the competent authorities establish and publish a procedure for	6. Member States shall ensure that the competent authorities establish and publish a procedure for	6. Member States shall ensure that the competent authorities establish and publish a procedure for

	Commission Proposal	Council Mandate	EP Mandate
	the handling of complaints by borrowers concerning credit purchasers, credit servicers and credit service providers and to ensure that they are treated promptly when received.	the handling of complaints by borrowers concerning credit purchasers, credit servicers and credit service providers and, <u>depending on the nature of the complaints</u> , to ensure that they are treated promptly when received.	the handling of complaints by borrowers concerning credit purchasers, credit servicers and credit service providers and to ensure that they are treated promptly when received.
Article 36			
379	Article 36 Personal data protection	Article 36 Personal data protection	Article 36 Personal data protection
Article 36, first paragraph			
380	The provision of information to individuals about the processing of personal data and the processing of such personal data and any other processing of personal data for the purposes of this Directive shall be carried out in accordance with Regulation (EU) 2016/679 and with Regulation (EC) No 45/2001.	The <del>provision of information to individuals about the processing of personal data and the processing of such personal data and any other processing of personal data</del> for the purposes of this Directive shall be carried out in accordance with Regulation (EU) 2016/679 and with Regulation ( <del>ECEU</del> ) <del>No 45/2001</del> <u>2018/1725</u> .	The provision of information to individuals about the processing of personal data and the processing of such personal data and any other processing of personal data for the purposes of this Directive shall be carried out in accordance with Regulation (EU) 2016/679 and with Regulation (EC) No 45/2001 <u>and for which an industry-wide code of conduct prepared in accordance with Article 40 of Regulation (EU) 2016/679 is preferred.</u>
Article 37			
381	Article 37 Cooperation between competent authorities	Article 37 Cooperation between competent authorities	Article 37 Cooperation between competent authorities
Article 37(1)			
382	1. Member States shall ensure that the competent authorities referred to in Articles 7, 11, 12, 13, 16, 18, 19 and 21 shall cooperate with each other	1. Member States shall ensure that the competent authorities referred to in Articles 7, 11, 12, 13, 16, 18, 19 and 21 shall cooperate with each other	1. Member States shall ensure that the competent authorities referred to in Articles 7, 11, 12, 13, 16, 18, 19 and 21 shall cooperate with each other

	Commission Proposal	Council Mandate	EP Mandate
	whenever necessary for the purpose of carrying out their duties or of exercising their powers under the national provisions transposing this Directive. Those authorities shall also coordinate their actions in order to avoid possible duplication and overlap when applying supervisory powers and administrative penalties and measures to cross-border cases.	whenever necessary for the purpose of carrying out their duties or of exercising their powers under the national provisions transposing this Directive. Those authorities shall also coordinate their actions in order to avoid possible duplication and overlap when applying supervisory powers and administrative penalties and measures to cross-border cases.	whenever necessary for the purpose of carrying out their duties or of exercising their powers under the national provisions transposing this Directive. Those authorities shall also coordinate their actions in order to avoid possible duplication and overlap when applying supervisory powers and administrative penalties and measures to cross-border cases.
Article 37(2)			
383	2. Member States shall ensure that competent authorities shall, on request and without undue delay, provide each other with the information required for the purposes of carrying out their functions and duties under the national provisions transposing this Directive.	2. Member States shall ensure that competent authorities shall, on request and without undue delay, provide each other with the information required for the purposes of carrying out their functions and duties under the national provisions transposing this Directive.	2. Member States shall ensure that competent authorities shall, on request and without undue delay, provide each other with the information required for the purposes of carrying out their functions and duties under the national provisions transposing this Directive.
Article 37(3)			
384	3. Member States shall ensure that competent authorities receiving confidential information in the exercise of their functions and duties under this Directive shall use that information only in the course of their functions and duties.	3. Member States shall ensure that competent authorities receiving confidential information in the exercise of their functions and duties under this Directive shall use that information only in the course of their functions and duties <u>under the national provisions transposing this Directive. The exchange of information shall be subject to the conditions of professional secrecy as referred to in Article 76 of Directive 2014/65/EU.</u>	3. Member States shall ensure that competent authorities receiving confidential information in the exercise of their functions and duties under this Directive shall use that information only in the course of their functions and duties <u>under the national provisions transposing this Directive. The exchange of information shall be subject to the conditions of professional secrecy as referred to in Article 76 of Directive 2014/65/EU of the European Parliament and of the Council<sup>1</sup>.</u>  <u><sup>1</sup> Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (OJ L 173, 12.6.2014, p. 349).</u>

	Commission Proposal	Council Mandate	EP Mandate
Article 37, -a paragraph			
384a		<u><i>-a Member States shall provide that all persons working for or who have worked for the competent authorities and auditors or experts acting on behalf of the competent authorities shall be bound by the obligations of professional secrecy.</i></u>	<u><i>-a Member States shall provide that all persons working for or who have worked for the competent authorities and auditors or experts acting on behalf of the competent authorities shall be bound by the obligations of professional secrecy.</i></u>
Article 37(4)			
385	4. Member States shall take the necessary administrative and organisational measures to facilitate the cooperation provided for in this Article.	4. Member States shall take the necessary administrative and organisational measures to facilitate the cooperation provided for in this Article.	4. Member States shall take the necessary administrative and organisational measures to facilitate the cooperation provided for in this Article.
Article 37(5)			
386	5. The European Banking Authority shall facilitate the exchange of information between competent authorities in the Member States and promote their cooperation.	5. The European Banking Authority shall facilitate the exchange of information between competent authorities in the Member States and promote their cooperation.	5. The European Banking Authority shall facilitate the exchange of information between competent authorities in the Member States and promote their cooperation.
Title VII			
387	Title VII Amendment	Title VII Amendment	Title VII Amendment
Article 38			
388	Article 38 Amendment to Directive 2014/17/EU	Article 38 Amendment to Directive 2014/17/EU	Article 38 Amendment to Directive 2014/17/EU

	<b>Commission Proposal</b>	<b>Council Mandate</b>	<b>EP Mandate</b>
Article 38, first paragraph, introductory part			
389	The following Article 28a is inserted:	The following Article 28a is inserted:	The following Article 28a is inserted:
Article 38(1), Amending Provision, first paragraph			
390	" Article 28a	" Article 28a	" Article 28a
Article 38(1), Amending Provision(1)			
391	1. In the event of an assignment to a third party of the creditor's rights under a credit agreement or of the agreement itself, the consumer shall be entitled to plead against the assignee any defence which was available to him as against the original creditor, including set-off where the latter is permitted in the Member State concerned.	1. In the event of an assignment to a third party of the creditor's rights under a credit agreement or of the agreement itself, the consumer shall be entitled to plead against the assignee any defence which was available to him as against the original creditor, including set-off where the latter is permitted in the Member State concerned.	1. In the event of an assignment to a third party of the creditor's rights under a credit agreement or of the agreement itself, the consumer shall be entitled to plead against the assignee any defence which was available to him as against the original creditor, including set-off where the latter is permitted in the Member State concerned.
Article 38(1), Amending Provision(2)			
392	2. The consumer shall be informed of the assignment referred to in paragraph 1. "	2. The consumer shall be informed of the assignment referred to in paragraph 1. "	2. The consumer shall be informed of the assignment referred to in paragraph 1. "
Title VIII			
393	Title VIII Final provisions	Title VIII Final provisions	Title VIII Final provisions
Article 39			
394			



	Commission Proposal	Council Mandate	EP Mandate
	Article 39 Committee	Article 39 Committee	Article 39 Committee
Article 39(1)			
395	<p>1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>1</sup>.</p> <p><sup>1</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).</p>	<p>1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>1</sup>.</p> <p><sup>1</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).</p>	<p>1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council<sup>1</sup>.</p> <p><sup>1</sup> Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).</p>
Article 39(2)			
396	<p>2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.</p>	<p>2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.</p>	<p>2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply<sup>1</sup>.</p> <p><sup>1</sup> <a href="#"><u>Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).</u></a></p>
Article 40			
397	Article 40 Evaluation	Article 40 Evaluation	Article 40 Evaluation
Article 40(1)			

	Commission Proposal	Council Mandate	EP Mandate
398	<p>1. Five years after the entry into force of this Directive, the Commission shall carry out an evaluation of this Directive and present a Report on the main findings to the European Parliament, the Council and the European Economic and Social Committee.</p>	<p>1. Five years after the entry into force of this Directive, the Commission shall carry out an evaluation of this Directive and present a Report on the main findings to the European Parliament, the Council and the European Economic and Social Committee. <u>The evaluation shall consist at least of the following:</u></p> <p><u>(i) the number of authorised credit servicers in the Union and the number of credit servicers providing their services in a host Member State;</u></p> <p><u>(ii) the number of creditor’s rights under non-performing credit agreements or of the non-performing credit agreements purchased from credit institutions by credit purchasers domiciled or established in the same Member State as the credit institution, in a different Member State than the credit institution or outside of the Union.</u></p> <p><u>(iii) the assessment of the existing money-laundering and terrorist financing risk associated with the activities performed by the credit servicers and credit purchasers;</u></p> <p><u>(iv) the cooperation between competent authorities under Article 37.</u></p>	<p>1. <u>By ....</u>Five years after the entry into force of this Directive, the Commission shall carry out an evaluation of this Directive and present a Report on the main findings to the European Parliament, the Council and the European Economic and Social Committee. <u>The evaluation shall consist at least of the following:</u></p> <p><u>(a) the number of authorised credit servicers in the Union and the number of credit servicers providing their services in a host Member State;</u></p> <p><u>(b) the number of creditor’s rights under non-performing credit agreements or of the non-performing credit agreements purchased from credit institutions by credit purchasers domiciled or established in the same Member State as the credit institution, in a different Member State than the credit institution, or outside of the Union;</u></p> <p><u>(c) the assessment of the existing money laundering and terrorist financing risk associated with the activities performed by the credit servicers and credit purchasers;</u></p> <p><u>(d) the cooperation between competent authorities under Article 37.</u></p>
Article 40(2)			
399	<p>2. Where the evaluation identifies important problems with the functioning of the Directive, the Report should outline how the Commission is intending to address the identified problems, including steps and timings of the potential revision.</p>	<p>2. Where the evaluation identifies important problems with the functioning of the Directive, the Report should outline how the Commission is intending to address the identified problems, including steps and timings of the potential revision.</p>	<p>2. Where the evaluation identifies important problems with the functioning of the Directive, the Report should outline how the Commission is intending to address the identified problems, including steps and timings of the potential revision.</p>
Article 41			

	Commission Proposal	Council Mandate	EP Mandate
400	Article 41 Transposition	Article 41 Transposition	Article 41 Transposition
Article 41(1)			
401	1. Member States shall adopt and publish, by 31 December 2020 at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions.	1. Member States shall adopt and publish, by <del>31 December 2020</del> <u>[24 months from the entry into force]</u> at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions.	1. Member States shall adopt and publish, by <del>31 December 2020</del> ... <u>[24 months from the date of entry into force]</u> at the latest, the laws, regulations and administrative provisions necessary to comply with this Directive. They shall forthwith communicate to the Commission the text of those provisions.
Article 41(2), first subparagraph			
402	2. They shall apply those provisions from 1 January 2021.	2. They shall apply those provisions from <u>the day after 24 months from the entry into force</u> <del>1 January 2021</del> .	2. They shall apply those provisions from <del>1 January 2021</del> <u>the day after ... [24 months from the date of entry into force]</u> .
Article 41(2), second subparagraph			
403	However, Articles 4(1), 7, 9 to 12 shall apply from 1 July 2021.	<del>However, Articles 4(1), 7, 9 to 12 shall apply from 1 July 2021</del> <u>By way of derogation, entities already carrying out in accordance with national law credit servicing activities defined in Article 3 (9) on the date specified in the first subparagraph shall be allowed to continue to carry out those activities in their home Member State until 30 months from the entry into force or until the date on which they obtain an authorisation in accordance with this Directive, whichever is earlier.</u>	<del>However, Articles 4(1), 7, 9 to 12 shall apply from 1 July 2021</del> <u>By way of derogation, entities already carrying out in accordance with national law credit servicing activities defined in Article 3(9) on the date specified in the first subparagraph shall be allowed to continue to carry out those activities in their home Member State until ... [30 months from the date of entry into force of this Directive] or until the date on which they obtain an authorisation in accordance with this Directive, whichever is earlier.</u>

	<b>Commission Proposal</b>	<b>Council Mandate</b>	<b>EP Mandate</b>
Article 41(3)			
404	3. 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.	3. 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.	3. 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 41(4)			
405	4. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.	4. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.	4. Member States shall communicate to the Commission the text of the main provisions of national law which they adopt in the field covered by this Directive.
Article 42			
406	Article 42 Entry into force	Article 42 Entry into force	Article 42 Entry into force
Article 42, first paragraph			
407	This Directive shall enter into force on the 20 <sup>th</sup> day following that of its publication in the Official Journal of the European Union.	This Directive shall enter into force on the 20 <sup>th</sup> day following that of its publication in the Official Journal of the European Union.	This Directive shall enter into force on the 20 <sup>th</sup> day following that of its publication in the Official Journal of the European Union.
Article 43			
408	Article 43 Addressees	Article 43 Addressees	Article 43 Addressees

	<b>Commission Proposal</b>	<b>Council Mandate</b>	<b>EP Mandate</b>
Article 43, first paragraph			
409	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			
410	Done at Brussels,	Done at Brussels,	Done at Brussels,
Formula			
411	For the European Parliament	For the European Parliament	For the European Parliament
Formula			
412	The President	The President	The President
Formula			
413	For the Council	For the Council	For the Council
Formula			
414	The President	The President	The President