

# COMMISSION OF THE EUROPEAN COMMUNITIES

COM(75) 430 final.

Brussels, 25 July 1975

Amendments to the

## PROPOSAL FOR A COUNCIL DIRECTIVE

on the coordination of laws, regulations and administrative provisions governing the commencement and carrying on of the business of credit institutions

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(Amendments presented by the Commission to the Council pursuant to Article 149, second paragraph, of the EEG Treaty)

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PROPOSAL FOR A COUNCIL DIRECTIVE  
ON THE COORDINATION OF LAWS, REGULATIONS AND ADMINISTRATIVE PROVISIONS  
GOVERNING THE COMMENCEMENT AND CARRYING ON  
OF THE BUSINESS OF CREDIT INSTITUTIONS

Amendments proposed in the light of the views expressed by the  
European Parliament and the Economic and Social Committee

Article 1

"Credit institution" means an undertaking whose usual business is to receive, directly or indirectly, deposits or other repayable monies from the public and to grant credits for its own account.

The sentence should be amended as follows after the word "public":

"to grant credits ("and" to be deleted) and/or to make similar investments for its own account".

"Branch" means a place of business which forms a legally dependent part of a credit institution and which conducts directly the operations inherent in the business referred to above. Any number of branches set up in the same Member State by a credit institution having its head office in another Member State shall be regarded as a single branch. Any number of credit institutions affiliated to a central organization which, under national regulations, guarantees the totality of their commitments, may be regarded as branches. After the word "directly" in the first sentence, add the words "all or some of".

Article 2

Delete the reference to "Post Office Giro institutions" in paragraph 2.

The second sentence of paragraph 4 is amended as follows:

"Deferment shall be for a period of two years and may be renewed for periods of two years following consultation of the committee referred to in Article 11."

Article 3

Paragraph 2 is amended and expanded after the word "where" as follows:

- there are no separate own funds, for example, where the credit institution consists of a single natural person;
- the credit institution does not possess adequate minimum capital;
- unchanged.

Paragraph 4 is amended as follows:

4. "The committee provided for in Article 11 shall examine the definitions used by the competent authorities concerning the conditions contained in paragraph 2, any other conditions that Member States may apply and the information which should be included in the scheme of operations, and shall if necessary propose to the Commission more detailed coordination."

Article 5

The word "may" in the last sentence is replaced by "shall".

Article 8

A second sentence is added to paragraph 3:

"Member States which grant the authorizations referred to in Articles 3(1) and 4(1) only if there is an economic need in the light of the market situation may not invoke the absence of such a need as grounds for withdrawing the authorizations."

### Article 9

In paragraph 2, the words "and the Commission" are added after "the committee provided for in Article 11".

In paragraph 3, instead of "having regard to the principle of reciprocity", read "on the basis of the principle of reciprocity".

### Article 10

The words "lawfully commenced business" are replaced by the words: "commenced business in accordance with the provisions of the country in which they have their head office" in paragraph 1 and "in accordance with the provisions of the country in which the branch has its head office" in paragraph 2.

### Article 11

In paragraph 3 the words "which will also include provisions concerning its links with the European Monetary Cooperation Fund" are deleted. (The expediency of links between the committee and Community bodies in the monetary field will be reaffirmed in a recital.)