

Panel 2 on BRRD / SRM: Protecting dual recourse and the security package

18th Central European Covered Bond Conference, Tallinn, 6 November 2014



Important building blocks of the Banking Union

European Banking Union

SSM

Single
Supervisory
Mechanism
(Regulation)

SRM

Single
Resolution
Mechanism
(Regulation)

BRRD

Bank
Recovery and
Resolution
Directive

What do the frameworks do?

BRRD

- All EU banks
- Defines triggers for a bank resolution process
- Provides the tools

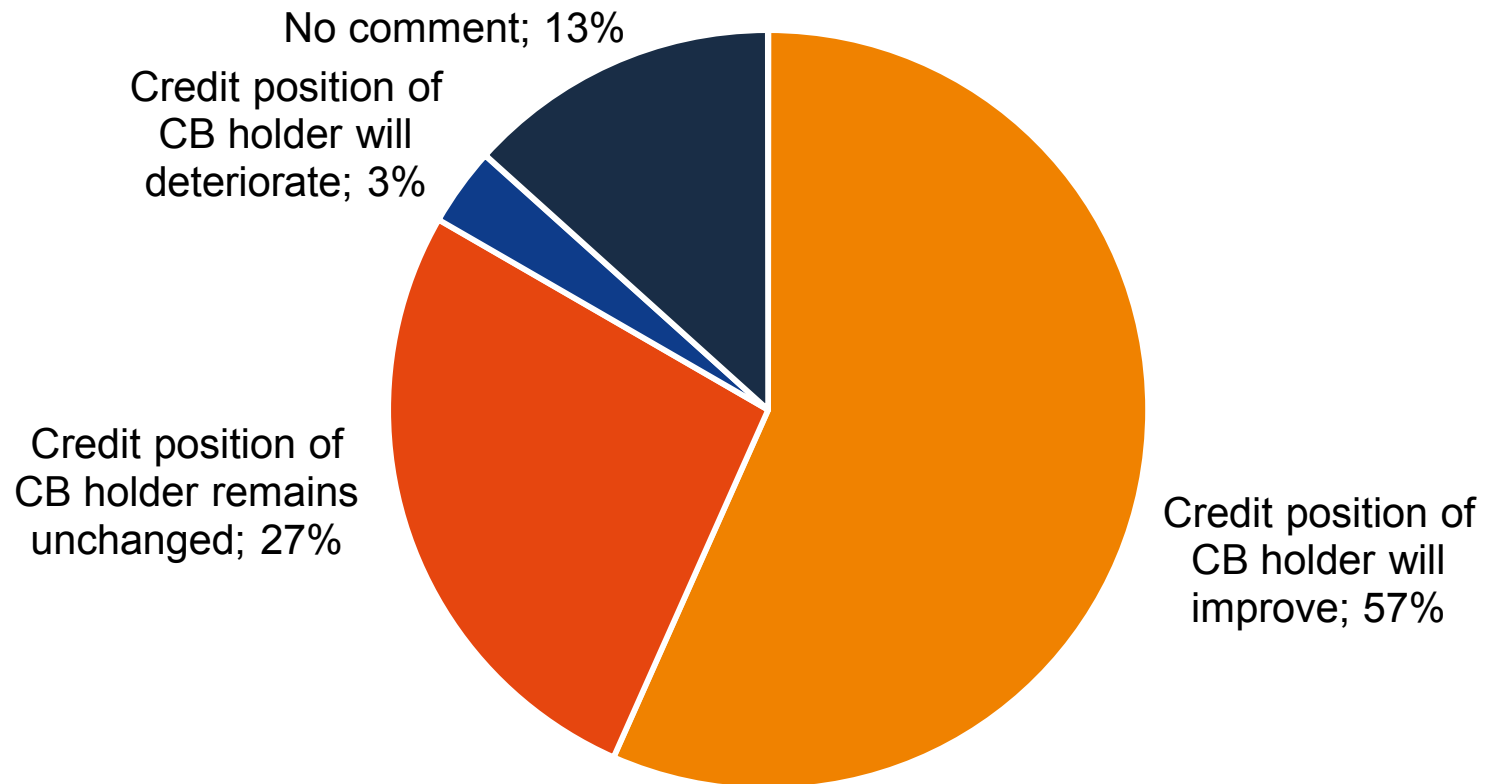
SRM

- Euro area banks
- Centralises the decision process (Single Resolution Board)

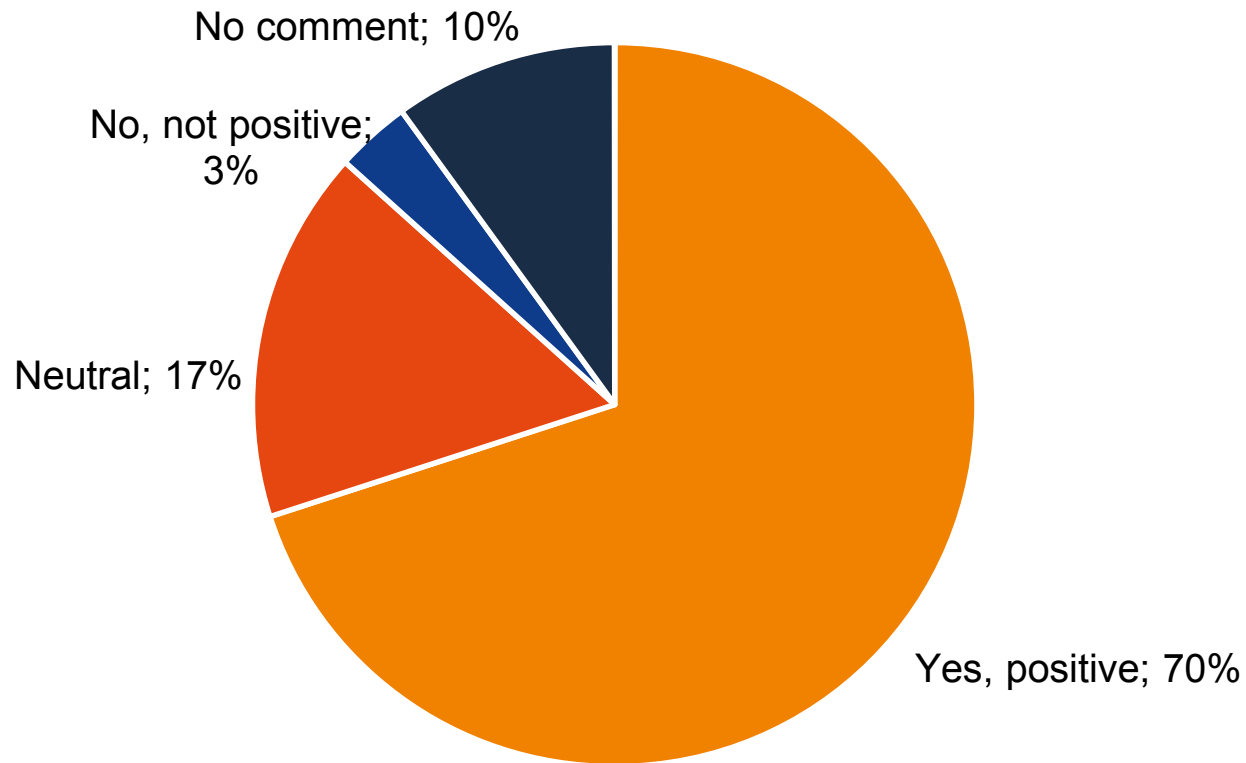
SSM

- Supervision of large banks
- National authorities remain responsible for CBs

Covered bonds are explicitly exempted from bail-in. What is your view on the future credit position – post implementation of the BRRD – of covered bond holder?

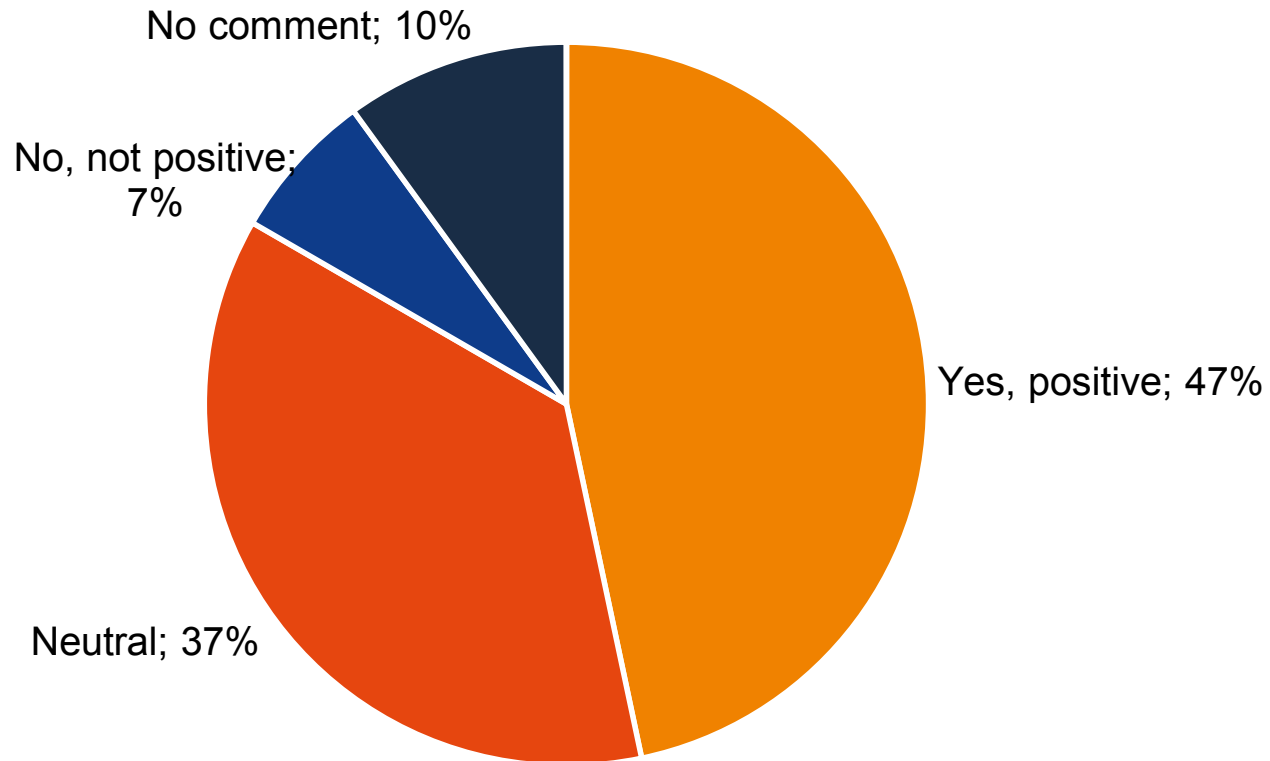


What is your view on more harmonisation among European Covered Bond legislations in general?



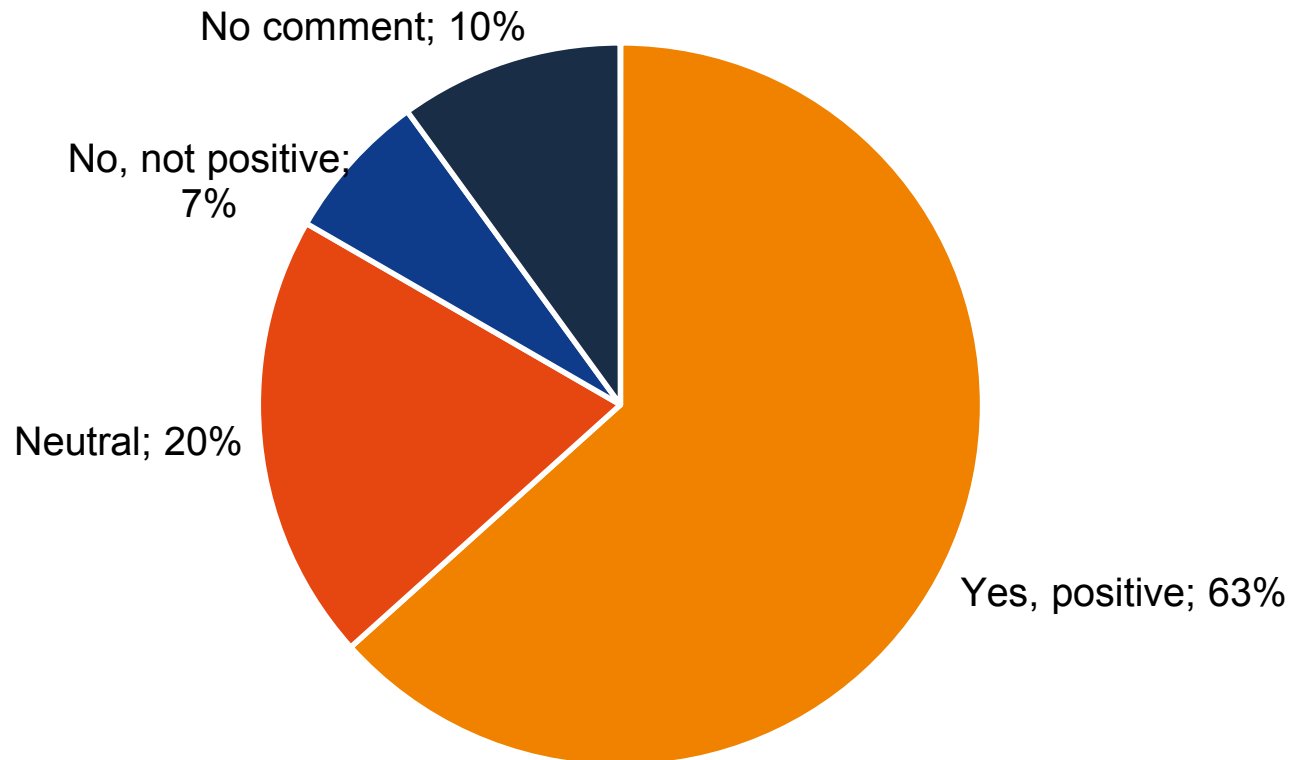
Source: DZ BANK (survey during Covered Bond Day), highest positive response was regarding cover pool eligibility criteria

What is your view on more harmonisation among European Covered Bond legislations regarding the public supervision?



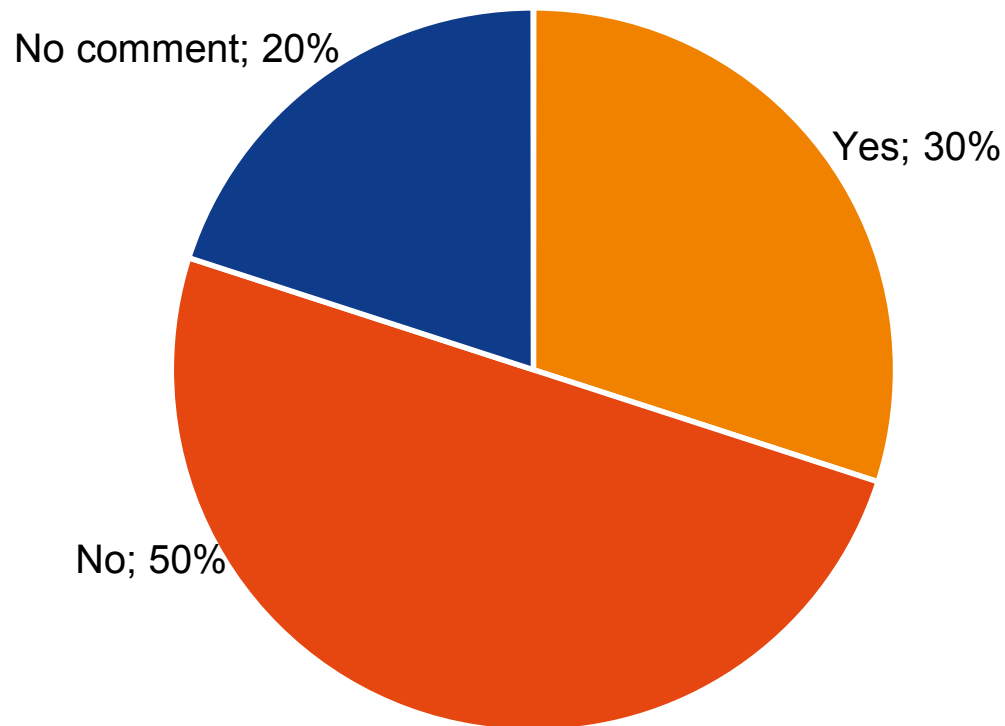
Source: DZ BANK (survey during Covered Bond Day), weakest positive response

What is your view on more harmonisation among European Covered Bond legislations regarding the administration proceedings for the cover pool upon issuer default?



Source: DZ BANK (survey during Covered Bond Day), second weakest positive response

Against the background of BRRD etc, do we need new rating approaches, i.e. should covered bond rating be delinked from the issuer rating?



Source: DZ BANK (survey during Covered Bond Day)

Panel 2

Fritz Engelhard, Managing Director Fixed Income Strategy Research,
Barclays Capital

Jörg Homey, Covered Bond Analyst, DZ BANK

Sascha Kullig, Head of Capital Markets, Association of German
Pfandbrief Banks

Martin Lenhard, Senior Analyst - Vice President, Moody's Deutschland

Oscar Meester, Head of Asset Based Funding, BNP Paribas Fortis

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