

# Developments in the Title I Framework

# Title I Resolution Planning Overview

- Joint FDIC and FRB plan reviews:
  - Dedicated subject matter experts, working with firms
  - Staff vettings; Agencies' boards decide
  - Recent focus on firms' internal governance procedures
- Improvements in firms' resolvability:
  - Resolution preparedness incorporated into regular management decisions
  - Resolution capabilities focus
- Updated rulemaking and guidance for public comment

# U.S. GSIB Feedback Letters and Critical Operations Refresh

- **December 2019:** Agencies provided feedback letters to U.S. GSIBs on July 2019 plan submissions.
  - No deficiencies; certain firm shortcomings
  - "Significant progress" across financial and operational capabilities
  - Continued emphasis on capabilities testing
- **January-June 2020:** Agencies reviewed "critical operations," which are operations at certain firms whose failure or discontinuance would threaten U.S. financial stability.
  - Critical operation identifications also inform Title II readiness
  - Agencies plan for the next review to include a broader evaluation of the framework used to identify critical operations

# Amended Resolution Plan Rule

- Issued October 2019. Plan content is differentiated based on size and firm's systemic risk to the U.S. Three types:
  - **Full plan:** generally does not modify current requirements
  - **Targeted plan:** new type of plan containing a subset of full plan information
    - Core elements: capital, liquidity, firm's plan for executing a recapitalization
    - Material changes since last full plan submission
    - Targeted areas of interest identified by the Agencies
  - **Reduced plan:** describes material changes since last plan
- Agencies do not prescribe resolution strategies for any firm.
- Agencies provided targeted plan notices to U.S. GSIBs in July 2020. Plans to include core elements, material changes, and lessons learned from responses to COVID-19.

# Amended Rule Filing Groups

Biennial Filers	Triennial Full Filers		Triennial Reduced Filers
Category I	Category II	Category III	Other FBOs
<b>Two-year cycle</b> <i>Alternating full and targeted plans</i>	<b>Three-year cycle</b> <i>Alternating full and targeted plans</i>		<b>Three-year cycle</b> <i>Reduced plans</i>
U.S. GSIBs	Firms other than U.S. GSIBs meeting Cat II/III criteria (includes domestic and foreign banking organizations)		FBOs with worldwide assets > \$250B not subject to Cat II/III standards