

# Resolution Plan

## Section 1: US Public Section

July 2012

In many instances, the information contained in this US resolution plan is derived from systems used for internal management purposes that were not designed for resolution planning and are not subject to Barclays internal controls over financial reporting. Although Barclays believes the information presented is accurate, this resolution plan necessarily contains certain summaries and data, particularly projections, estimates and other forward-looking statements that may not reflect actual results.

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# 1. Public section

## 1.I. Summary of resolution plan

### Introduction

Barclays developed a resolution plan as required by the Resolution Plan Final Rule<sup>1</sup> (Final Rule) issued pursuant to Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act<sup>2</sup> (Dodd Frank Act). Section 165(d) and the Final Rule specify that foreign banking organizations defined as any foreign bank or company that is a bank holding company or is treated as a bank holding company under section 8(a) of the International Banking Act of 1978 (IBA) that has \$50.0bn or more in global, total consolidated assets is a covered company subject to the resolution plan requirements set forth in the Final Rule. Under the Final Rule, a covered company must submit a resolution plan annually that provides for the covered company's rapid and orderly resolution (as such term is defined in the Final Rule) in the event of the covered company's material financial distress (as such term is defined in the Final Rule) or failure.

Effective resolution plans are an integral component of eradicating "too big to fail" for the largest global financial institutions. Resolution planning serves several important purposes, including:

- Resolution plans can be incorporated as part of an institution's existing risk management framework, and the information collected in the resolution planning process can assist an institution in identifying and mitigating operational, credit and other risks so that the institution is less likely to fail;
- Resolution plans can enable financial institutions, working in close conjunction with their regulators, to assess their operations on a holistic level to determine whether there are appropriate operational changes that can be made to make institutions more resolvable in the event of failure;
- Using a hypothetical resolution scenario, resolution plans spotlight areas where cooperation among regulatory authorities across jurisdictions is required in order to facilitate an actual resolution of global financial institutions; and
- Resolution plans can make a large complex financial institution more resolvable by, among other things, providing an insolvency administrator or trustee necessary information about the institution's operations, including internal and external interdependencies and key infrastructure.

Barclays PLC (BPLC), a public limited company, incorporated and domiciled in England and Wales, is a bank holding company under the IBA. BPLC has over \$50.0bn in consolidated assets and is therefore a covered company subject to the resolution planning requirements of Section 165(d) of the Dodd Frank Act and the Final Rule. In the US, Barclays entities include Barclays Bank PLC New York Branch (NYBR) and Barclays Capital Inc. (BCI), a registered broker-dealer. Operational infrastructure support for BCI and NYBR are provide by four service companies located in the US, UK, and Singapore.

Regulatory and industry efforts have jointly contributed to a more stable financial system in recognition of the weaknesses revealed in 2008. The industry has been further shaped by initiatives aimed at reducing systemic risk through increased use of central clearing for derivative trading and greater transparency relating to trading exposures through trade data repositories. Regulatory structures, including the Financial Stability Oversight Council in the US and the Financial Policy Committee and the Bank of England (BOE) in the UK, have been established and are actively working to address cross-border considerations.

Significant progress has been made in the financial industry to reduce the likelihood of future bank failures and enhance the safety and soundness of the financial system. Measures at Barclays supporting this progress include:

- [Cooperation with regulatory authorities](#) – Barclays took a proactive and engaged approach in working with the UK and US authorities to develop resolution plans as required by each regulatory authority;
- [Enhanced capital and liquidity ratios](#) – Barclays substantially enhanced capital and liquidity ratios and implemented a range of actions to strengthen financial stability and manage risk as a going concern;

<sup>1</sup> See Federal Reserve System Regulation QQ, 12 CFR Part 243, and Federal Deposit Insurance Corporation Regulation 12 CFR Part 381 (the "Final Rule")

<sup>2</sup> 12. U.S.C. 5365(d)

- **Credible and executable recovery plan** – As a complement to existing risk, capital and liquidity management practices, Barclays developed a credible and executable recovery plan that enhances the institution’s ability to endure a severe stress;
- **Enhanced management reporting** – During 2011, Barclays improved capital, liquidity and risk management reporting, including at the Board level; and
- **Participation in regulatory reform** – Barclays continues to participate in industry-wide reform efforts, including US tri-party repo reform.

The resolution plan serves as a guide for regulatory and insolvency authorities to use in the event of material financial distress of one or more of Barclays material entities to facilitate rapid and orderly resolution. The information, guidance and resources contained within the plan have been documented to enable expedited informed decision making by authorities, in coordination with Barclays personnel where applicable, in a resolution scenario. The development of the resolution plan will be an iterative process and Barclays is committed to maintaining momentum on development of an effective resolution plan for Barclays.

Barclays is committed to maintaining strong capital, funding and liquidity levels consistent with regulators’ expectations. Barclays Core Tier 1 capital ratio was 11.0% as of 31 December 2011.

## 1.1.A. Material entities

In consultation with applicable regulators, Barclays identified six US material entities based on the critical operations and core business lines deemed in scope for this resolution plan. Two of the entities, BCI and NYBR, are engaged in external, client facing businesses, while the remaining four provide operational infrastructure support.

### Barclays Capital Inc. (BCI)

BCI, a Connecticut company, is a registered securities broker-dealer with the Securities and Exchange Commission (SEC), a futures commission merchant, commodity pool operator, and commodity trading advisor registered with the Commodity Futures Trading Commission (CFTC), and a municipal advisor registered with the SEC and Municipal Securities Rulemaking Board (MSRB). BCI is headquartered in New York, with registered domestic branch offices in Atlanta, Boston, Chicago, Dallas, Greenwich, Houston, Los Angeles, Media, Menlo Park, Miami, New York, Palm Beach, Philadelphia, San Juan, San Francisco, Santa Monica, Seattle, Washington, DC and Wells, ME. BCI’s client base includes money managers, insurance companies, pension funds, hedge funds, depository institutions, corporations, trust banks, money market and mutual funds, domestic and international governmental agencies and central banks.

### Barclays Bank PLC – New York Branch (NYBR)

NYBR is licensed by the New York State Department of Financial Services (NYDFS) as a New York branch of a foreign bank. Its primary activities are deposit raising, lending and management of Barclays USD funding position. As a branch, NYBR is a part of Barclays Bank PLC (BBPLC) and has no branches, subsidiaries, associates or joint ventures.

### Barclays Services Corporation (BSC) and Barclays Capital Services Inc (BCSI)

BSC and BCSI are corporations, incorporated respectively in the states of Delaware and New York, and are wholly-owned subsidiaries of Barclays Group US Inc. (BGUS).<sup>3</sup> BSC and BCSI provide infrastructure support services to BCI and NYBR.

### Barclays Capital Services Limited (BCSerL) and Barclays Capital Services Ltd - Singapore Branch (BCSerL Singapore)

BCSerL is a private limited company, domiciled and incorporated in England and Wales BCSerL is a wholly owned subsidiary of Barclays Group Holdings Limited, which is a subsidiary of BBPLC. BCSerL Singapore, a branch of BCSerL, is registered and domiciled in Singapore with the Accounting and Corporate Regulatory Authority. BCSerL and BCSerL Singapore provide infrastructure support services to various indirect subsidiaries of BPLC, including BCI.

<sup>3</sup> Barclays Group US Inc (BGUS), a Delaware corporation wholly owned by Barclays Bank PLC, is a holding company for many of Barclays US companies

## 1.1.B. Core business lines

Core business lines are defined as those business lines in the United States that, upon failure, would result in a material loss of revenue, profit or franchise value. In consultation with applicable regulators Barclays has identified core business lines consistent with the requirements in the Final Rule. These core business lines primarily operate within BCI and include:

**Fixed income securitized products** – Barclays is a major provider in the structuring, global distribution, trading, and research of fixed income securitized products consisting of agency residential mortgage-backed securities (RMBS), asset-backed securities (ABS) / commercial mortgage-backed securities, mortgage to-be-announced securities and residential credit (non-agency RMBS and subprime). Barclays provides large institutional investors, bank, government agencies, broker dealers, central banks, hedge funds and originators with market making activities, facilitating liquidity, securitization and re-securitization;

**Fixed income rates** – Barclays offers a full product set in USD, all major European currencies and Yen and is a major provider of in the fixed income rates sector. Barclays is a top tier lead-manager of issuance in inflation-linked securities, in which Barclays has one of the largest bond franchises globally. Fixed income rates services central banks, governments and agencies, broker-dealers, large institutional investors, insurance companies, pensions, retail firms, investment managers and hedge funds. Fixed income rates also services internal Barclays clients in hedging activities;

**Equities products** – Barclays provides, large institutional investors, banks, broker-dealers, exchanges and institutional hedge funds with research and market intelligence for pre-trade portfolio and investment creation and risk management, trade insight and execution across a wide breadth of products and post-trade management and servicing; and

**Prime services** – Barclays prime services provides a fully integrated cross-asset class offering for financing, clearing and execution globally. Prime services delivers asset protection, margining solutions, and industry intelligence, analytics & execution technologies for equities, fixed income, futures, over the counter derivatives and foreign exchange prime brokerage.

## 1.1.C. Summary financial information regarding assets, liabilities, capital and major funding sources

The following summarizes the consolidated balance sheet and capital position of BPLC as of 31 December 2010 and 2011.<sup>4</sup>

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<sup>4</sup> Source: 2011 Barclays PLC annual report – amounts presented were prepared in accordance with International Financial Reporting Standards (IFRS)

Table 1.I.C (i) – Barclays consolidated balance sheet summary in £m

Barclays	31-Dec-11	31-Dec-10
<b>Assets</b>		
Cash, balances at central banks and items in the course of collection	108,706	99,014
Trading portfolio assets	152,183	168,867
Financial assets designated at fair value	36,949	41,485
Derivative financial instruments	538,964	420,319
Available for sale financial investments	68,491	65,110
Loans and advances to banks	47,446	37,799
Loans and advances to customers	431,934	427,942
Reverse repurchase agreements and other similar secured lending	153,665	205,772
Other assets	25,189	23,337
<b>Total assets</b>	<b>1,563,527</b>	<b>1,489,645</b>
<b>Liabilities</b>		
Deposits and items in the course of collection due to banks	92,085	79,296
Customer accounts	366,032	345,788
Repurchase agreements and other similar secured borrowing	207,292	225,534
Trading portfolio liabilities	45,887	72,693
Financial liabilities designated at fair value	87,997	97,729
Derivative financial instruments	527,910	405,516
Debt securities in issue	129,736	156,623
Subordinated liabilities	24,870	28,499
Other liabilities	16,522	15,705
<b>Total liabilities</b>	<b>1,498,331</b>	<b>1,427,383</b>
<b>Shareholders' equity</b>		
Shareholders' equity excluding non-controlling interests	55,589	50,858
Non-controlling interests	9,607	11,404
<b>Total shareholders' equity</b>	<b>65,196</b>	<b>62,262</b>
<b>Total liabilities and shareholders' equity</b>	<b>1,563,527</b>	<b>1,489,645</b>
<b>Risk weighted assets and capital ratios</b>		
Risk weighted assets	390,999	398,031
Core Tier 1 ratio	11.00%	10.80%
Tier 1 ratio	12.90%	13.50%
Risk asset ratio	16.40%	16.90%
Adjusted gross leverage	20x	20x
Total assets to shareholders' equity	24x	24x
Net asset value per ordinary share	456p	417p
Number of ordinary shares of BPLC (in millions)	12,199	12,182
Year-end United States Dollar exchange rate	1.54	1.55
Year-end Euro exchange rate	1.19	1.16
Year-end Rand exchange rate	12.52	10.26

The following provides further financial information on certain BPLC indirect subsidiaries deemed to be in scope for purposes of this resolution plan. All amounts presented were prepared in accordance with US Generally Accepted Accounting Principles.

## BCI

BCI's balance sheet as of 31 December 2011 was comprised of \$306.5bn in total assets of which \$139.1bn related to internal counterparties (Barclays affiliates). The majority of BCI's external assets were comprised of collateralized agreements and financial instruments owned (primarily government and agency securities).

As of December 31, 2011, BCI's total liabilities were \$297.0bn of which \$80.4bn related to internal counterparties. The majority of BCI's external liabilities were comprised of collateralized financings.

As of 31 December 2011, BCI had \$7.0bn in equity capital and \$2.5bn of subordinated debt. BCI computes net capital in accordance with the alternative net capital requirement as permitted by SEC Rule 15c3-1. At 31 December 2011, BCI had net capital, as defined, of \$6.2bn which was \$5.2bn in excess of the amount required of \$995.0m.

## NBYR

As set out in NYBR's 31 December 2011 Call Report, NYBR's total assets as of 31 December 2011 were \$48.0bn of which \$39.8bn were cash and balances due from depository institutions the majority of which was placed with the Federal Reserve Bank of New York.

As set out in NYBR's 31 December 2011 Call Report, NYBR's total liabilities were \$48bn of which \$8.6bn was with internal counterparties. The majority of NYBR's external liabilities were comprised of USD wholesale funding raised through issuance of certificates of deposits. As NYBR is a branch of BBPLC, NYBR does not hold standalone capital and is not subject to standalone regulatory capital minimums.

## BCS, BCSI, BCSerL and BCSerL Singapore

BCS, BCSI, BCSerL and BCSerL Singapore provide operational infrastructure support to BCI, NYBR and other Barclays affiliates. These companies have been included in the resolution plan because of the nature of the services they provide, and not as a result of any material balance sheet exposures presented by these entities. Accordingly, the summary financial information has not been presented for these entities.

## Barclays funding sources

The Group's<sup>5</sup> overall funding strategy is to develop a diversified funding base (both geographically and by depositor type) and maintain access to a variety of alternative funding sources, optimizing the cost of funding while providing protection against unexpected fluctuations.

Within these criteria, the Group aims to align the sources and uses of funding. As such, retail and commercial customer loans and advances are largely funded by customer deposits. Incremental funding requirements for these businesses is met using asset backed securities and covered bonds secured primarily over customer loans and advances such as residential mortgages and credit card receivables.

Trading portfolio assets and reverse repurchase agreements are largely funded in the wholesale markets by repurchase agreements and trading portfolio liabilities, whilst derivative assets are largely matched by derivatives liabilities. Other assets, together with other loans and advances and unencumbered assets, are funded by long term wholesale debt and equity. The Group's liquidity pool is predominantly funded through wholesale markets.

## US material entity funding sources

- **BCI funding** – BCI serves as the market access point for Group-wide USD secured fundraising. The BCI balance sheet is funded primarily on a secured basis, via the repo market. BCI's capital consists of common equity and subordinated debt. BCI

<sup>5</sup> The term "Barclays PLC Group" or the "Group" means Barclays PLC together with its subsidiaries and the term "Barclays Bank PLC Group" means Barclays Bank PLC together with its subsidiaries. "Barclays" and "Group" are terms which are used to refer to either of the preceding groups when the subject matter is identical. The term "Company", "Parent Company" or "Parent" refers to Barclays PLC and the term "Bank" or "BBPLC" refers to Barclays Bank PLC.

has access to additional financing facilities provided by BBPLC. BCI holds sufficient liquidity, in the form of a BCI-domiciled liquidity buffer.

- Secured financing is performed by the prime services business, which has both a fixed income repo desk and an equity financing desk within BCI.
- **NYBR funding** – Within the Barclays Group, the NYBR serves to consolidate USD funding. Additionally, NYBR has access to the discount window at the Federal Reserve Bank of New York. NYBR’s balance sheet is funded using external unsecured financing and crediting amounts from BBPLC. Unsecured funding requirements are managed centrally by Barclays treasury. Barclays treasury execution services raises unsecured external liabilities, primarily executed through BBPLC as the external interface to the wholesale unsecured funding markets for the Group.
- **Service company funding** – The service companies are self funded through charging for services provided to other Barclays affiliates, including BCI and NYBR, on a cost plus basis.

### 1.1.D. Derivative and hedging activities

Barclays Group enters into trading derivative contracts to satisfy the needs of its clients, for trading purposes and to manage Barclays exposure to market and credit risks resulting from its trading and market making activities. As part of Barclays risk management policies, Barclays manages risks associated with derivatives on an aggregate basis.

Derivatives are used to hedge interest rate, exchange rate, commodity, and equity exposures and exposures to certain indices such as house price indices and retail price indices related to non-trading positions. Where derivatives are held for risk management purposes, and when transactions meet the required criteria for documentation and hedge effectiveness, the Group applies fair value hedge accounting, cash flow hedge accounting, or hedging of a net investment in a foreign operation, as appropriate to the risks being hedged.

### 1.1.E. Memberships in material payment, clearing and settlement systems

Barclays depends on a wide array of financial market infrastructures (FMIs) to execute financial transactions and provide financial services to its clients. These arrangements allow for greater risk management, operational efficiencies and risk reduction in the trading of financial instruments worldwide. The arrangements include payment systems, clearinghouses, securities depositories and central counterparties (CCP) among others.

The material memberships or participations in payment, clearing and settlement systems are mapped in the table below:

Table 1.1.E (i) – Material memberships and participations, payment, clearing and settlement systems<sup>6</sup>

System Name	System Type	Entity holding membership
Fedwire Funds Service (Fedwire)	Payment	NYBR
Clearing House Interbank Payments System (CHIPS)	Payment	NYBR
Automated Clearing House (ACH)	Payment	NYBR
Check Clearing House (Check)	Payment	NYBR
Depository Trust & Clearing Corporation (DTCC)	Settlement and Clearing	BCI
National Securities Clearing Corp.	Settlement and Clearing	BCI
Options Clearing Corporation (OCC)	Settlement and Clearing	BCI
California ISO	Settlement and Clearing	BBPLC
CME	Settlement and Clearing	BCI
ICE	Settlement and Clearing	BCI/BBPLC
London Clearing House (LCH)	Settlement and Clearing	BCI/BBPLC

<sup>6</sup> Table represents all payment scheme memberships and the material clearing and settlement systems

System Name	System Type	Entity holding membership
EUREX	Settlement and Clearing	BBPLC
NASDAQ OMX Stockholm AB	Settlement and Clearing	BBPLC
CASSA DI COMPENSAZIONE E GARANZIA SPA	Settlement and Clearing	BBPLC
IBERCLEAR	Settlement and Clearing	BBPLC
NOS Clearing	Settlement and Clearing	BBPLC
SIX X-CLEAR AG	Settlement and Clearing	BCI/BBPLC
Continuous Linked Settlement (CLS)	Settlement and Clearing	BBPLC

## 1.1.F. Foreign operations

Barclays is a major global financial services provider engaged in personal banking, credit cards, corporate and investment banking, and wealth and investment management. With over 300 years of history and expertise in banking, Barclays operates in over 50 countries and employs over 140,000 people. Barclays moves, lends, invests and protects money for customers and clients worldwide.

Table 1.1.F (i) – Employees by geographic segment (full time equivalent)<sup>7</sup>

Year	UK	Europe	Americas	Africa and Middle East	Asia	Total
2011	56,100	11,600	10,900	47,900	14,600	141,100
2010	58,100	13,600	11,500	50,400	13,900	147,500

Since 01 January 2011, the Group's activities have been organized under the following business groupings:

**Investment banking** – Barclays investment bank provides large corporate, government and institutional clients with solutions to their strategic advisory, financing and risk management needs.

**Corporate banking** – Barclays corporate bank provides banking solutions to businesses and organizations with an annual turnover of more than £5.0m or currency equivalent.

**Wealth and investment management** – Barclays provides international and private banking, wealth planning, trust and fiduciary services, investment management, brokerage services and research to private and intermediary clients.

**Personal, premier and business banking in the UK** – Barclays retail and business bank in the UK looks after more than 15 million individual and business customers all over the country - whether they need current accounts, mortgages, motor or travel insurance, loans, credit cards through Barclaycard, or a range of investment products.

**Barclaycard** – Barclaycard provides flexible and innovative credit card and payment solutions for over 21 million personal and business customers all over the world.

**Absa** – The Absa Group Limited, listed on the Johannesburg Stock Exchange Limited, is one of South Africa's largest financial services groups.

Table 1.1.F (ii) – Income by geographic region in £m<sup>8</sup>

Region	2011	2010	2009
UK	15,819	12,714	12,850
Europe	4,207	4,828	4,455

<sup>7</sup> Source: 2011 Barclays PLC annual report

<sup>8</sup> Source: 2011 Barclays PLC annual report



Region	2011	2010	2009
US	5,802	7,172	5,547
Other Americas	223	570	984
Africa and Middle East	4,967	4,997	4,390
Asia	1,274	1,159	897
<b>Total</b>	<b>32,292</b>	<b>31,440</b>	<b>29,123</b>

## 1.1.G. Material supervisory authorities

The Group's operations, including its overseas offices, subsidiaries and associates, are subject to a significant body of rules and regulations that are a condition for authorization to conduct banking and financial services business. These apply to business operations and affect financial returns and include reserve and reporting requirements and prudential and conduct of business regulations. These requirements are set by the relevant central banks and regulatory authorities that supervise the Group in the jurisdictions in which it operates. The requirements reflect global standards developed by, among others, the Basel Committee on Banking Supervision and the International Organization of Securities Commissions. They also reflect requirements derived from EU directives.

In the UK, the Financial Services Authority (FSA) remains, pending the reorganization of the UK regulatory regime, the independent body responsible for the regulation and supervision of deposit taking, life insurance, home mortgages, general insurance and investment business. BBPLC is authorized by the FSA under the Financial Services and Markets Act 2000 to carry out a range of regulated activities within the UK and is subject to consolidated supervision by the FSA. In its role as supervisor, the FSA seeks to maintain the safety and soundness of financial institutions with the aim of strengthening, but not guaranteeing, the protection of customers and the financial system. The Banking Act 2009 (the Banking Act) provides a regime to allow the FSA, the UK treasury and the BOE to resolve failing banks in the UK.

Outside the UK, the Group has operations (and main regulators) located in continental Europe, in particular France, Germany, Spain, Switzerland, Portugal and Italy (local central banks and other regulatory authorities); Asia Pacific (various regulatory authorities including the Hong Kong Monetary Authority, the Financial Services Agency of Japan, the Australian Securities and Investments Commission, the Monetary Authority of Singapore, the China Banking Regulatory Commission and the Reserve Bank of India); Africa and the Middle East (various regulatory authorities including the South African Reserve Bank) and the United States of America (including Federal Reserve Board of Governors (FRB), the Office of the Comptroller of the Currency (OCC), SEC and CFTC)).

In the US, BPLC, BBPLC and Barclays US banking subsidiaries are subject to a comprehensive regulatory structure involving numerous statutes, rules and regulations, including the International Banking Act of 1978, the Bank Holding Company Act of 1956, as amended (BHC Act), the Foreign Bank Supervision Enhancement Act of 1991, the Financial Services Modernization Act of 1999, the USA PATRIOT Act of 2001 and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Such laws cover the activities of Barclays, including its US banking subsidiaries and Barclays US branches, as well as prudential restrictions, such as limits on extensions of credit by Barclays US branches and the US banking subsidiaries to affiliates. The New York and Florida branches of BBPLC are subject to extensive federal and state supervision and regulation by the FRB and the New York and Florida banking supervisors. Barclays Bank Delaware, a Delaware chartered commercial bank, is subject to supervision and regulation by the Federal Deposit Insurance Corporation (FDIC), the Delaware State Bank Commissioner and the Consumer Financial Protection Bureau. Only the deposits of Barclays Bank Delaware are insured by the FDIC. Barclays Wealth Trustees (US) NA is an uninsured non-depository trust company chartered and supervised by the OCC.

BPLC and BBPLC are bank holding companies registered with the FRB, which exercises umbrella authority over Barclays US operations. BPLC and BBPLC have each elected to be treated as a financial holding company under the BHC Act. Financial holding companies may engage in a broader range of financial and related activities than are permitted to registered bank holding companies that do not maintain financial holding company status, including underwriting and dealing in all types of securities. Financial holding companies such as BPLC and BBPLC are required to meet or exceed certain capital ratios and be deemed to be well managed, and Barclays Bank Delaware and Barclays Wealth Trustees (US) NA are each required to meet certain capital requirements, be deemed to be well managed and must have at least a 'satisfactory' rating under the Community Reinvestment Act of 1977 (CRA). Entities ceasing to meet any of these requirements, are allotted a period of time in which to restore capital levels or the management or CRA rating. If the capital level or rating is not restored, the Group may be required by the FRB to cease certain activities in the United States.

Barclays US securities broker/dealer, investment advisory and investment banking operations, which are conducted in BCI, are subject to ongoing supervision and regulation by the SEC, the Financial Industry Regulatory Authority (FINRA), and other government agencies and self-regulatory organizations (SROs) as part of a comprehensive scheme of regulation of all aspects of the securities business under the US federal and state securities laws. Similarly, Barclays US commodity futures and options-related operations, which are also conducted in BCI, are subject to ongoing supervision and regulation by the CFTC, the National Futures Association and other SROs.

## Regulatory developments

The financial crisis has generated regulatory change that is having and will continue to have a substantial impact on all financial institutions, including the Barclays Group. While some of the broad lines of change and some of the impacts of these changes are becoming clearer, a significant amount of the impact remains to be determined. Regulatory change is being pursued at a number of levels, globally notably through the G20, Financial Stability Board and Basel Committee on Bank Supervision, regionally through the European Union and nationally, especially in the UK and US.

## 1.1.H. Principal officers

The table below provides a list of principal officers for BPLC, BCI, and NYBR.

Table 1.1.H (i) – BPLC Board of Directors

Executive	Title
Marcus Agius	Barclays Chairman
Robert E Diamond Jr	Barclays Chief Executive Officer
Chris Lucas	Barclays Finance Director
David Booth	Non-executive Director
Alison Carnwath	Non-executive Director
Fulvio Conti	Non-executive Director
Simon Fraser	Non-executive Director
Reuben Jeffery III	Non-executive Director
Sir Andrew Likierman	Non-executive Director
Dambisa Moyo	Non-executive Director
Sir Michael Rake	Senior Independent Director
Sir John Sunderland	Non-executive Director

Table 1.1.H (ii) – Barclays Executive Committee

Executive	Title
Robert E Diamond Jr	Barclays Chief Executive
Chris Lucas	Barclays Finance Director
Robert Le Blanc	Chief Risk Officer
Mark Harding	Group General Counsel
Sally Bott	Group Human Resources Director
Antony Jenkins	Chief Executive Retail and Business Banking
Thomas L Kalaris <sup>9</sup>	Chief Executive Barclays Wealth
Jerry Del Missier	Co- Chief Executive Corporate & Investment Banking
Rich Ricci	Co- Chief Executive Corporate & Investment Banking
Maria Ramos	Group Chief Executive, ABSA

<sup>9</sup> Also Executive Chairman Americas

Table 1.I.H (iii) – BCI Executive Officers

Executive	Title
Jerry Del Missier	Chief Executive Officer
Gerard S LaRocca	President
Martin B Kelly	Chief Financial Officer
Alastair P Blackwell	Chief Operations Officer
Carmen Z Menendez-Puerto	Chief Compliance Officer – Broker Dealer
Jill W Ostergaard	Chief Compliance Officer – Broker Dealer
Barbara A Keller	Chief Compliance Officer – Investment Advisor
Michael L Crowl	Chief Legal Officer
Donald N Gershuny	Chief Legal Officer

Table 1.I.H (iv) – BCI Board of Directors

Executive	Title
Gerard LaRocca	Board Director, Chairman
Jerry Del Missier	Board Director
Lee Guy	Board Director
Martin B Kelly	Board Director
Thomas Kalaris	Board Director
Michael Montgomery	Board Director
Joseph Regan	Board Director
John Trohan	Board Director

Table 1.I.H (v) – NYBR Branch Management

Executive	Title
Gerard LaRocca	Branch Manager

## 1.1.1. Resolution planning corporate governance structure and processes related to resolution planning

Barclays has a robust, well embedded governance structure, subject to continual review comprised of three primary tiers:

- Board<sup>10</sup> level oversight;
- Group level executive management oversight; and
- Business level executive management monitoring and oversight.

Each of the three tiers has responsibility for the development and approval of the resolution plan as follows:

- **Board level oversight** – The Board’s principal duty is to promote the long-term success of Barclays by creating and delivering sustainable shareholder value. It does this by setting strategy and overseeing its implementation by management. While the ultimate focus is long-term growth, the Board seeks to ensure that management strikes the right balance between long and short-term objectives.
  - In setting and monitoring the execution of strategy, the Board aims to ensure that the Group maintains an effective system of internal control and an effective risk management and oversight process across the Group, delivering growth in a controlled and sustainable way.

<sup>10</sup> Board is defined as Barclays PLC Board of Directors

- Resolution and recovery plans are subject to overall approval by the BPLC Board of Directors. The BCI Board of Directors is also responsible for approval of BCI components of the US resolution plan prior to approval by the Barclays Board of Directors.
- **Group Executive Committee oversight** – Oversight for the day to day management of the business activities of the Group is delegated by the BPLC Board to the Barclays Chief Executive. In turn the Barclays Chief Executive delegates certain of his powers and authorities through a series of personal delegations e.g. risk and finance matters to the Chief Risk Officer and the Barclays Finance Director respectively and to the Group Executive Committee to assist him in the execution of his responsibilities.
- **Business level executive management monitoring/oversight** – Business level executive management performs activities in accordance with defined responsibilities. Responsibilities include oversight of regulatory matters and reviewing the status of outstanding external regulatory and external audit findings.

### Resolution plan governance

Barclays has developed a governance structure specific to resolution planning, which leverages the existing Barclays Group governance framework for the purpose of the resolution plan. Barclays is also considering the processes for continued development and maintenance of the resolution plan.

The resolution plan, and the process by which it has been prepared, is subject to approvals from:

- The Board of Directors of BPLC;
- The Barclays Group Executive Committee;
- The Resolution and Recovery Plan (RRP) Steering Committee; and
- Relevant Accountable Executives within each of the business units and central functions.

The Barclays Board of Directors is the ultimate owner of the resolution plan and is responsible for approving the plan annually.

The Barclays Board of Directors is responsible for overseeing the implementation of the plan, which includes the documentation of supporting processes, methods and accountabilities.

Resolution analysis and plans managed by Barclays Operational Risk function that both develop and provide oversight and guidance to the business on matters relating to the structure, guidance, content and planning aspects of the resolution analysis undertaken in the resolution plan.

The Executive Director responsible for the RRP and its contents is supported in the preparation of resolution analysis by an RRP Management Committee and an RRP Steering Committee. The Steering Committee provides overall project direction, review and approval of key deliverables, and acts as a sounding board for the project management team. The RRP Management Committee consists of the subject matter experts responsible for individual components of each of the modules, in addition to representatives from a number of support functions such as legal, risk, compliance, finance, human resources and information technology, to provide coordination and consistency. In addition, the Management Committee contains representation from each of the business units or clusters. The composition of the Management Committee is kept under review and is changed as necessary to fit project requirements at any given time.

All resolution analysis is subject to independent review by Barclays Group Operational Risk to ensure completeness of the content and alignment to the guidance provided by the regulators. In addition, Barclays has involved independent Insolvency Practitioners to support enhanced testing of certain components of the resolution analysis to determine its suitability.

## 1.1.J. Material management information systems

Management information systems (MIS) include business aligned technology and enterprise wide technology solutions to ensure effective and efficient management, and promote standardized processes and procedures across the organization to deliver top quality services. Technology systems are developed to support a specific business service, product and process and to aggregate data and information for reporting to business units, functions and external parties including clients, regulators and exchanges.

A broad range of critical MIS is utilized by Barclays, which provide flexible client and business intelligence reporting, enabling the firm to compete at the highest level in an evolving business and regulatory climate. Key MIS generate multiple reports to support the business and senior management to monitor and manage the financial health, risks and operations of Barclays. Risk management, accounting, financial and regulatory reporting provide the basis for developing reports to assess material entities, critical operations and core businesses.

Barclays operates a Business Continuity Management program to facilitate business recovery planning and validation, and to execute expeditious and effective crisis response. This protects customers, shareholders and businesses from experiencing any major disruption and allows for recovery of data and information if needed, in a planned and controlled manner. A data repository has been developed to maintain critical information on all technology services used within the bank.

The resolution plan provides detailed information regarding capabilities of MIS to collect maintain and report information in a timely manner. Policies and minimum standards apply for MIS required for business operations to ensure consistency in planning and implementation in a managed and secured manner.

Key MIS include:

- **Market risk** – Provides information to manage capital risks arising from financial market events, including the production of value-at-risk and other statistical indicators of risk.
- **Finance** – Provides information in support of product control, financial control, and regulatory reporting as well as shared data information, including the production of detailed profit and loss analysis and reporting, entity financial statements, and regulatory capital reporting.
- **Counterparty risk trading** – Provides information to manage the accounting and hedging of derivative credit risk, including the production of credit valuation adjustment and specialized risk capabilities for other product segments.
- **Treasury & liquidity** – Provides information to manage liquidity risk, and the liquidity, funding and capital allocation processes, including economic funding, counterparty capital, and a wide range of funding considerations.
- **Compliance** – Provides information to manage risks arising from compliance with regulators around the globe, including anti-money laundering, sanctioning, surveillance and case management tools.
- **Procurement** – Provides information to manage global procurement information including contracts and vendors.
- **Credit risk and legal** – Provides information to manage capital and risks arising from creditworthiness of clients and trading partners, as well as legal agreement support, including trade capture and processing, eTrading, risk aggregation, marking, pricing and valuation services, as well as research-driven and client-facing libraries, services, and applications to support the credit business globally. Processes include document management and client on-boarding, including credit support annex and netting agreements.
- **Equity and fixed income, currencies and commodities** – Provides state-of-the-art risk platforms that produce consistent and aggregated snapshots of valuations, risk and profit and loss at regular intervals throughout the day and at end-of-day, including valuation and pricing services, trade booking, straight-through-processing, lifecycle management, corporate action processing and downstream settlements for all cash and derivative products.

## 1.1.K. Description of resolution strategy

Barclays developed a range of potential strategies for the resolution of its material entities, core business lines and critical operations in the event of material financial distress. Each of Barclays strategies has been designed to mitigate systemic impact on the US economy.

Barclays considered pre- and post-proceeding transactions, including stock sales, and business and asset sales. Material entities, core business lines and critical operations not transferred pre-proceeding or shortly after the commencement of an insolvency proceeding would be wound down in an orderly fashion designed to mitigate systemic risk. Each option was assessed with a view of maintaining critical operations during resolution while options for sale, transfer or wind-down of core business lines and/or material entities are assessed and transacted.

Barclays considered a broad range of buyers for Barclays material entities, core business lines and critical operations. Potential purchasers would include creditworthy private sector purchasers with sufficient capital and include, but are not limited to, national or international financial institutions and private equity funds. In the absence of a single purchaser, multiple acquirers could purchase certain material entities through stock acquisition and/or the purchase of certain assets which may include assumption of associated liabilities.