



**Standard Chartered PLC**

**Standard Chartered Bank**

**Standard Chartered Bank New York Branch**

**2015 US Resolution Plan**

**Section I – Public Section**

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## **A. Introduction**

The US Resolution Plan (“Plan”) of Standard Chartered PLC was developed according to the Resolution Plan Final Rule (“Final Rule”) issued by the Board of Governors of the Federal Reserve System (“FRB”) and the Federal Deposit Insurance Corporation (“FDIC”) pursuant to Section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”).

Section 165(d) and the Final Rule specify that any foreign banking organization that has USD 50b or more in global total consolidated assets is defined as a Covered Company. The Covered Company is required to submit a plan to the FRB and FDIC on an annual basis for the rapid and orderly resolution of its US operations in the event of material financial distress or failure.

Standard Chartered PLC, a public limited company incorporated in the United Kingdom, is a bank holding company. The global total consolidated assets of Standard Chartered PLC and its subsidiaries (“the Group”) exceed USD 50b. As a result, the Group is a Covered Company and must file a US Resolution Plan on an annual basis.

## **B. Material Entity**

For the purpose of the Plan, the Group has identified one Material Entity in its US operation – Standard Chartered Bank New York Branch (“SCB NY”, “Branch”). SCB NY is a New York State licensed branch of Standard Chartered Bank (“SCB”) and the headquarters of SCB’s Americas business. The Branch accepts only wholesale deposits which are not insured by the FDIC.

SCB NY consists of one business line, which offers Banking Services to Corporate and Institutional Clients. Except as otherwise noted, the information in this section of the Plan relates to SCB NY and its Banking business.

## **C. Core Business Line**

For the purpose of the Plan, the Group has one Core Business Line in its US operation. SCB NY offers Banking Services to select Financial Institutions and Corporate clients in the Americas who have trade or investment links with the Group’s core markets in Asia, Africa and the Middle East.

The products offered by SCB NY are divided into four categories: Lending, Transaction Banking, Financial Markets and Corporate Finance.

The Lending products include committed and uncommitted, bilateral and syndicated loans in a range of tenors.

The Transaction Banking offering is further divided into:

- Trade Finance – which includes Supply Chain and Distribution Finance, Letter of Credit and Standby Letter of Credit;
- Cash Management – which includes Payments, Liquidity Management and Collections; and
- Securities Services.

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Financial Markets offers products including FX, Rates and Capital Markets.

Corporate Finance includes Project and Export Finance, Structured Finance, Structured Trade Finance and Financing Solutions, and Mergers & Acquisitions advisory.

## D. Summary financial information

### D.1. Balance Sheet

The following table summarizes the consolidated balance sheet of Standard Chartered PLC as at December 31, 2014, presented in accordance with International Financial Reporting Standards (IFRS).

	<b>USD m</b>
<b>Assets</b>	
Cash and balances at central banks	97,282
Financial assets held at fair value through profit or loss	32,623
Derivative financial instruments	65,834
Loans and advances to banks	83,890
Loans and advances to customers	284,695
Investment securities	104,238
Other assets	57,352
<b>Total assets</b>	<b>725,914</b>
<b>Liabilities</b>	
Deposits by banks	54,391
Customer accounts	405,353
Financial liabilities held at fair value through profit or loss	22,390
Derivative financial instruments	63,313
Debt securities in issue	71,951
Other liabilities	38,831
Subordinated liabilities and other borrowed funds	22,947
<b>Total liabilities</b>	<b>679,176</b>
<b>Equity</b>	<b>46,738</b>
<b>Total liabilities and shareholders' funds</b>	<b>725,914</b>

The following table summarizes the capital ratios of Standard Chartered PLC as of December 31, 2014.

	<b>Ratio</b>
Common Equity Tier 1 (CET1) transitional	10.5%
Common Equity Tier 1 (CET1) end point	10.7%
Total capital transitional	16.7%

### D.2. Funding sources

The funding strategy of SCB NY is consistent with the wholesale nature of SCB's presence in the US and the Branch endeavours to achieve a diversified funding base by both maturity and source. SCB NY's

external funding sources are well diversified across Corporates, Central Banks, Commercial Paper and Certificate of Deposit programs, and the interbank market.

## **E. Derivative and Hedging Activities**

### **E.1. Trading Derivatives**

The Group's derivative transactions are principally in instruments where the mark-to-market values are readily determinable by reference to independent prices and valuation quotes applied to market standard valuation models. Derivatives are carried at fair value and shown in the balance sheet as separate totals of assets and liabilities.

### **E.2. Risk Hedging Derivatives**

When managing its balance sheet risk exposures, the Group primarily uses futures, forwards, swaps and options transactions to mitigate the interest and foreign exchange risks.

## **F. Memberships in Material Payment, Clearing and Settlement Systems**

As part of conducting its Business Banking business in the US, SCB NY relies on the memberships held by SCB at the following payment, clearing and settlement systems:

<b>System name</b>	<b>System type</b>	<b>Entity holding the membership</b>
Clearing House Interbank Payments System (CHIPS)	Payment	SCB
Fedwire Funds Service System	Payment	SCB

## **G. Non-US Operations**

The Group is an international bank, with over 1,200 branches, offices and outlets in around 71 countries across the globe. The aspiration of the Group is to be the world's best international bank, serving the people and companies driving investment, trade and creation of wealth across Asia, Africa and the Middle East. The Group has been operating in some of its markets for over 150 years, with approximately 90% of the Group's total income coming from the above regions. The Group is listed on the London, Hong Kong and Mumbai stock exchanges. The market capitalization of the Group as of December 31, 2014 was approximately USD 37b. The credit ratings of SCB as of December 31, 2014 are A+/A2/AA- by Standard & Poor's, Moody's and Fitch respectively.

## **H. Material Supervisory Authorities**

SCB NY is licensed by and subject to supervision by the New York State Department of Financial Services. SCB NY is also subject to examination by and reporting to the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York. Deposits placed with SCB NY are not insured by the FDIC.

The lead regulators of the Group are the Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA) in the UK.

## I. Principal Officers

The following table lists the Board of Directors of Standard Chartered PLC.

<b>Name</b>	<b>Year appointed to the Board</b>	<b>Current title</b>
<b><i>Executive Directors</i></b>		
Bill Winters*	2015	Group Chief Executive
Andy Halford	2014	Group Chief Financial Officer
Mike Rees	2009	Deputy Group Chief Executive
<b><i>Non-Executive Directors</i></b>		
Sir John Peace	2007	Chairman
Ruth Markland	2003	Non-Executive Director
Paul Skinner, CBE	2003	Non-Executive Director
Simon Lowth	2010	Non-Executive Director
Han Seung-soo	2010	Non-Executive Director
Lars Thunell	2012	Non-Executive Director
Om Bhatt	2013	Non-Executive Director
Kurt Campbell	2013	Non-Executive Director
Louis Cheung	2013	Non-Executive Director
Christine Hodgson	2013	Non-Executive Director
Naguib Kheraj	2014	Senior Independent Director
Dr. Byron Grote	2014	Non-Executive Director
Gay Huey Evans*	2015	Non-Executive Director
Jasmine Whitbread*	2015	Non-Executive Director
<b><i>Group Company Secretary</i></b>		
Annemarie Durbin	2007	Group Company Secretary

\*Directors appointed to the Board subsequent to end of year December 31, 2014.

Note: The following directors stepped down from the Board subsequent to end of year December 31, 2014: Peter Sands, former Group Chief Executive; Jaspal Bindra, former Group Executive Director & Chief Executive Officer, Asia, V. Shankar, Group

*Executive Director & Chief Executive Officer, Europe, Middle East, Africa and Americas; Oliver Stocken former non-Executive Director, John Paynter former non-Executive Director.*

## **J. Resolution Planning Corporate Governance Structure**

The Group supports the aims of the Financial Stability Board and those of the national regulators including the FRB and FDIC to ensure banking groups are resolvable. Hence, the Group is fully committed to the resolution planning process.

Group Chief Financial Officer is responsible for the oversight of Group resolution planning activities.. The day to day oversight of resolution planning is delegated to the Group Treasurer. Group Treasury is responsible for the delivery of any Group resolution information requests and submissions, as well as ensuring that each resolution plan of the Group, including the US Resolution Plan, maintains consistency with the overall Group resolution strategies.

In preparation of the US Resolution Plan, a local Resolution Project Steering Group has been established. This committee is responsible for overseeing the ongoing activities required to produce and maintain the US Resolution Plan. The Chief Executive Officer, Americas is the Executive Sponsor of the US Resolution Plan Project. This committee consists of key management personnel of SCB in the US and senior managers from Group Treasury .

The Board of Standard Chartered PLC delegated the approval authority of the US Resolution Plan to the Group Chief Financial Officer and Regional CEO of Europe and Americas, who jointly approved the 2015 plan submission and will approve all future plans. Prior to the approval, the US Resolution Plan was signed off by the US Resolution Project Steering Group, SCB NY Asset and Liability Committee, prior to final approval by two board delegates.

## **K. Material Management Information Systems**

The management information systems and operational systems of the Group tend to be global. SCB NY utilizes the Group's management information systems for risk management, accounting, financial and regulatory reporting and the operational systems for its day to day operations. The systems include both internally developed systems as well as vendor systems.

A business continuity plan is in place for effective business continuity and disaster recovery planning.

## **L. Resolution Strategy Summary**

The preferred resolution strategy for the SC Group (including the US Material Entity and Core Business Line), under the applicable legal regimes, is to apply a bail-in at the holding company. In the event losses at a Group entity are so severe they threaten the viability of the Group, we expect the Bank of England, as home resolution authority, to exercise its resolution powers under the UK Banking Act 2009, as amended, to apply UK bail-in powers at the holding company level (SC Plc). The US resolution strategy, in support of the Group resolution strategy, ensures that US operations resolve in an orderly manner and that SCB NY remains outside local resolution proceedings. It is assumed that SCB NY would be subject to heightened supervision by NYDFS while it continues to operate throughout the resolution.

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SCB NY does not accept any deposits that are insured by the FDIC, and the Group believes that SCB NY could be resolved in a manner that does not result in any serious adverse effects on financial stability in the US. SCB NY's customers would be able to transition their business currently conducted with SCB NY to other banks.