

January 16, 2024

MEMORANDUM TO: The Board of Directors

FROM: Arthur J. Murton
Deputy to the Chairman for Financial Stability and Director,
Division of Complex Institution Supervision and Resolution

SUBJECT: Extension of Title I Resolution Plan Submission Deadline for
Triennial Full Filers

I. SUMMARY:

This case concerns the next submission date for certain resolution plans required by section 165(d) of the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended (“section 165(d)”)¹ and its implementing rule, as amended (“§165(d) Rule”).² Among other things, section 165(d) requires that certain bank holding companies (each, a “Covered Company”) periodically report to the Board of Governors of the Federal Reserve System (“FRB”) and the Federal Deposit Insurance Corporation (“FDIC” and together with the FRB, the “Agencies”) the plan of such company for its rapid and orderly resolution in the event of material financial distress or failure (“§165(d) Plan”). The §165(d) Rule currently requires one set of Covered Companies, the Triennial Full Filers,³ to submit their next §165(d) Plans on or before July 1, 2024. For the reasons discussed below, staff recommends that the Board of Directors of the FDIC (the “Board”) extend to March 31, 2025, the date by which the Triennial Full Filers must submit their next §165(d) Plans and authorize communication of the extension to these firms.

¹ Codified at 12 U.S.C. § 5365(d).

² Codified at 12 CFR Part 381 (FDIC) and 12 CFR Part 243 (FRB).

³ The §165(d) Rule defines a “Triennial Full Filer” as a banking organization that is subject to either Category II or III of the FRB’s regulations at 12 CFR § 252.5. See 12 CFR § 381.2. A list of the 15 current Triennial Full Filers is set forth on **Attachment 2** to this Memorandum.

Staff understands that FRB staff is making parallel recommendations to the Board of Governors.

II. DISCUSSION:

As stated above, the §165(d) Rule requires a periodic §165(d) Plan submission, subject to the authority of the Agencies to extend jointly a plan submission date.⁴

Covered Companies must submit a §165(d) Plan on or before July 1 in the year in which they are required to submit such a plan.⁵ The Agencies have previously exercised the authority provided by the §165(d) Rule to extend submission dates.⁶

Triennial Full Filers are required under the §165(d) Rule to file a §165(d) Plan every three years.⁷ The last §165(d) Plan submission date applicable to Triennial Full Filers was in 2021. Thus, absent an extension from the Agencies, the Triennial Full Filers must submit their next §165(d) Plans on or before July 1, 2024. In the feedback letters the Agencies issued in response to many of the §165(d) Plans submitted in 2021, the Agencies noted they anticipated issuing guidance before the July 1, 2024 submission deadline to assist in the development of the Covered Company's next §165(d) Plan.⁸

⁴ See 12 CFR §§ 381.4(b)(3) (plan submission date) & (d)(2) (altering submission dates).

⁵ 12 CFR § 381.4(a)(4), (b)(3), (c)(3).

⁶ See, e.g., Resolution of the Board No. 086912 (December 7, 2020) (authorizing submission date extension to ensure that the Triennial Full Filers received letters specifying certain content for their upcoming targeted resolution plans at least one year in advance of the plan submission deadline, as the §165(d) Rule requires).

⁷ 12 CFR § 381.4(b)(2).

⁸ See *Template Letter to Category II and III Firms with Resolution Plans Due in December 2021*, available at: <https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20221216b7.pdf>. See also December 15, 2022 letter to BNP Paribas, available at: <https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20221216b2.pdf>.

On September 19, 2023, the Agencies published in the *Federal Register* proposed guidance to assist Triennial Full Filers in developing their §165(d) Plans (“Proposed Guidance”).⁹ The comment period for the Proposed Guidance closed on November 30, 2023. The staffs of the Agencies are currently reviewing comments and working to prepare a final version of the Proposed Guidance for consideration by the Board and the Board of Governors. FDIC staff hopes to present the final guidance to the Board in March 2024, with the objective of having the Board and the Board of Governors consider the matter at roughly the same time.

In view of this expected timing, staff recommends extension of the July 1, 2024 filing date to March 31, 2025. The three month period between the targeted finalization of the guidance and the current July 1, 2024 submission date would not provide adequate time for the Triennial Full Filers to consider fully the final guidance in developing their next submissions. Extending the next submission deadline would afford the Triennial Full Filers more time to do so. In that regard, the Agencies have stated publicly that they will endeavor to finalize any guidance at least one year before the submission date for which the §165(d) Plan to which it would apply.¹⁰ Moreover, in commenting on the proposed guidance, industry trade groups requested an immediate extension of the submission date, noting that the plan development and approval process is lengthy and

⁹ *Guidance for Resolution Plan Submissions of Domestic Triennial Full Filers*, 88 Fed. R. 64626 (Sept. 19, 2023) and *Guidance for Resolution Plan Submissions of Foreign Triennial Full Filers*, 88 Fed. R. 64641 (Sept. 19, 2023)

¹⁰ *Resolution Plans Required*, 84 Fed. Reg. 59194, 59,204 (Nov. 1, 2019) (“... the agencies intend to make any future general guidance concerning resolution planning available for public comment, and will endeavor to finalize any such general guidance at least one year prior to the submission date for the first resolution plan submission to which it would apply.”)

expensive.¹¹ In consideration of these facts, staff recommends that the Board extend the upcoming July 1, 2024 §165(d) Plan submission deadline to March 31, 2025 – approximately one year after the target date for the final guidance.

III. CONCLUSION:

Staff recommends that the Board of Directors:

A. Extend the date by which the Triennial Full Filers must provide their next §165(d) Plan submissions from July 1, 2024, to March 31, 2025.

B. Authorize and direct authorizes the Director of the Division of Complex Institution Supervision and Resolution, or designee, acting jointly with the FRB, to communicate the extension to each of the Triennial Full Filers, with the concurrence of the General Counsel, or designee in the form of any written communication.

CONCUR:

Harrel M. Pettway
General Counsel

¹¹ See, e.g., The Bank Policy Institute, American Bankers Association, Institute of International Bankers, and Securities Industry and Financial Markets Association, Comment Letter on Proposed Guidance for Resolution Plan Submissions of Domestic Triennial Full Filers and Proposed Guidance for Resolution Plan Submissions of Foreign Triennial Full Filers (Nov. 30, 2023), available at <https://www.fdic.gov/resources/regulations/federal-register-publications/2023/2023-guidance-resolution-plan-submissions-foreign-triennial-3064-za38-c-005.pdf>.

CONTACTS:

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ATTACHMENTS:

Attachment 1 Draft Board Resolution

Attachment 2 List of Current Triennial Full Filers

List of Current Triennial Full Filers

1. Bank of Montreal
2. Barclays plc
3. BNP Paribas
4. Capital One Financial Corp.
5. Deutsche Bank AG
6. Mitsubishi UFJ Financial Group, Inc.
7. Mizuho Financial Group, Inc.
8. Northern Trust Corporation
9. The PNC Financial Services Group, Inc.
10. Royal Bank of Canada
11. Sumitomo Mitsui Financial Group, Inc.
12. The Toronto-Dominion Bank
13. Truist Financial Corporation
14. U.S. Bancorp
15. UBS Group AG