



Financial Services Resolution
and Compensation Committee

Delegated Gibraltar Resolution Authority

Question and Answers

Resolution Planning Template

Prepared by the Resolution and Compensation Unit in response to queries received at Industry Dialogue Workshops

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Version: 1.1

Q1. How are the templates going to be uploaded securely?

A1. For 2018 reporting, submission of files can be by the following means:

- Email (although the file would need to be less than 20 MB). Files can be emailed to the Gibraltar Resolution and Compensation Unit ("RCU") (resolutions@fsc.gi) using secured email where available.
- Encrypted Compact Disk
- Encrypted USB
- Cloud function

The RCU shall ensure the confidentiality and the protection of the data pertaining to data received in accordance with Directive 95/46/EC7 (as at date of writing). The RCU is also committed to ensuring the confidentiality and the protection of the data pertaining to depositors' accounts.

Q2. What 'Code' is to be used for R01.00, R04.00, R05.01, R05.02?

A2. For the purposes of **R01.00** and **R04.00** please use incorporation number which is available on the Gibraltar Financial Services Commission ("GFSC") website for all firms. The link for the register is: <http://www.gfsc.gi/regulated-entities/banks-1>. Regarding R05.01 and R05.02, the RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.

Q3. For 'Entity type' included in R01.00, if multiple licences are held, how is this to be populated?

A3. The RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.

Q4. What 'Country Code' is to be included?

A4. This should be the ISO 3166-1-alpha-2 code of the country of incorporation of the entity. For Gibraltar this is ISO 3166-2:GI.

Q5. Can further definition be provided for 'Share Capital' within R01.00 (i.e. paid and unpaid)?

A5. The RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.

Q6. Are these templates still relevant in a post-Brexit environment?

A6. Yes, these templates will contain the minimum information required to complete Resolution Plans.

Q7. What is the 'initial capital' for pillar 1 capital requirements under R03.00?

A7. This is the amount of initial capital required as a precondition for the authorisation to commence the activity of a Credit Institution. If a firm is unaware what this is, please contact the Competent Authority (the GFSC).

Q8. What currency are the templates to be completed with?

A8. The proposed reporting currency will be GBP. The RCU has however begun to investigate reporting currencies functionality on the final data point model and will update firms accordingly.

Q9. For R05.01 and R02.00 is there a materiality threshold?

A9. The RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.

Q10. Can the RCU provide examples for R05.01?

A10. The RCU will provide a sample template for firms to get a sense of real life examples, and these will be provided to firms in due course.

Q11. Can the RCU provide a definition of 'group of connected counterparties' as per R05.01?

A11. The definition of 'group of connected counterparties' shall follow that of 'group of connected clients' as defined in Article 4(1) point 39 of the Capital Requirements Regulation, i.e. meaning any of the following:

- a) two or more natural or legal persons who, unless it is shown otherwise, constitute a single risk because one of them, directly or indirectly, has control over the other or others;

Please note that any interpretation provided in this document represents the views of the Gibraltar Resolution and Compensation Unit ("the RCU") as to its expectations of how the requirements of the relevant legislation in question is to be complied with and/or how it might be applied. This, however, is not intended as a definitive interpretation of the applicable legislation which is ultimately a matter for the courts to determine. The RCU does not provide, or purport to offer, legal advice. You may want to seek appropriate legal advice before any action or decision is taken.

- b) two or more natural or legal persons between whom there is no relationship of control as described in point (a) but who are to be regarded as constituting a single risk because they are so interconnected that, if one of them were to experience financial problems, in particular funding or repayment difficulties, the other or all of the others would also be likely to encounter funding or repayment difficulties.

Q12. Can you please provide an excel copy of the templates?

A12. Yes, as below.



Worksheet in
Industry Dialogue W

Q13. When should these templates be completed and how often? *New question!*

A13. As agreed at the IDW, the first reporting (on a best-efforts basis) will be by September 2018 with the final full implementation by May 2019 (using December 2018 data). There-after the information (on these templates) will be required on an annual basis. This however does not include any future supervisory of 'headline' MREL requirement which is yet to be agreed upon.

Q14. Can an Interim MREL deadline be put in place? *New question!*

A14. Following IDW discussions on MREL implementation date, the RCU will now consider a transitional deadline for MREL implementation (ie a tiered approach) and revert to industry. A visual roadmap for implementation will be completed and made available to firms.

Q15. How are firms with an EU parent and Single Point of Entry resolution strategy impacted by MREL? *New question!*

A15. In this instance internal MREL (IMREL) will apply (please see IDW presentation). The dates of implementation of IMREL will depend on RCU discussions with 'Home' Resolution Authorities.

Q16. What Liabilities are eligible for MREL? *New question!*

A16. Worksheet 2 from Question 12 includes the type of liabilities to be included/excluded as MREL.

Q17. What is the added value for the inclusion of Rows 110-200 within the MREL template as these will not be used in a Bail-In scenario? *New question!*

A17. The RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.

Q17. Will there be an opportunity to ask questions on the info required following the closing date of the EBA consultation (ie December 2017)? *New question!*

A17. Yes, the RCU are happy to take any questions that participant may have and will endeavour to answer them as best they can.

Q17. Could the application of MREL impact client wording (ie terms and conditions)? *New question!*

A17. The RCU will look in to this and revert.

Q18. Given the difficulties that firms may have in getting detail on counterparties, what is the reasoning behind the split of counterparties (specifically 020 and 030) on the Liabilities template? *New question!*

A18. The RCU has contacted the European Banking Authority ('the EBA') for further clarification (in December 2017) as part of the ITS Consultation and will update firms accordingly once a response is received.