

**Translated from Finnish**

**Legally binding only in Finnish and Swedish**

**Ministry of Finance, Finland**

**Decree of the Ministry of Finance on information to be supplied for drawing up resolution plans and included therein**

**1284/2014**

In accordance with a decision of the Ministry of Finance, the following is enacted by virtue of chapter 2, sections 3 and 4 of the Act on Resolution of Credit Institutions and Investment Firms (1194/2014):

**Section 1**

**Scope of application**

This Decree lays down provisions on the information to be included in the resolution plans of credit institutions and investment firms, hereinafter *institutions*, and on the information and clarifications to be supplied to the Financial Stability Authority for drawing up and maintaining the resolution plans of institutions.

**Section 2**

**Information to be supplied for drawing up resolution plans**

The Financial Stability Authority shall be entitled to obtain from an institution at least the following information for the purpose of drawing up and maintaining the institution's resolution plan:

- 1) a detailed description of the institution's organisational structure including a list of all legal persons;
- 2) identification of the shareholders and the percentage of their shares and votes in the company;
- 3) the registered office, licensing and key management of each legal person;
- 4) details of the institution's critical operations and core business lines including material asset holdings and liabilities relating to such operations and business lines, by reference to legal persons;

- 5) a detailed description of the components of the institution's and all its legal entities' liabilities, separating, at a minimum by types and amounts of short term and long-term liabilities, secured, unsecured and subordinated liabilities;
- 6) details of those liabilities of the institution that are eligible liabilities;
- 7) details of the collateral pledged by the institution and the holders and locations of the collateral;
- 8) details of the off balance sheet exposures of the institution and its legal entities, including a mapping to its critical operations and core business lines;
- 9) details of the hedging mechanisms employed by the institution and existing material hedges including details by reference to legal persons;
- 10) identification of the institution's most significant counterparties and an analysis of the impact of the failure of major counterparties in the institution's financial situation;
- 11) details of the systems on which the institution conducts a material amount of trades in securities, including details in relation to the institution's legal persons, critical operations and core business lines;
- 12) details of the payment, clearing and settlement systems of which the institution is a member, including details in relation to the institution's legal persons, critical operations and core business lines;
- 13) a detailed inventory and description of the key management information systems, systems for risk management, accounting and financial and regulatory reporting used by the institution and systems for authority reporting and details in relation to the institution's legal persons, critical operations and core business lines;
- 14) an identification of the owners and administrators of the systems identified in paragraph 13, service agreements related thereto, and any software and systems or licenses;
- 15) an identification and report on the legal persons and the interconnections and interdependencies among the different legal persons such as:
  - a) common or shared personnel, facilities and systems;

- b) capital, funding or liquidity arrangements;
  - c) existing or contingent credit exposures;
  - d) cross-guarantee agreements, cross-collateral agreements, cross-default provisions and cross-affiliate netting arrangements;
  - e) risk transfers and service agreements and agreements between two group companies by which the risk arising from an agreement between a group company and a third party is transferred, in part or in full (back-to-back trading arrangements);
- 16) the supervisory and resolution authority for each legal person;
- 17) the member of the supervisory board, board of directors or equivalent management body responsible for providing the information necessary to draw up the resolution plan as well as those responsible, if different, for the different legal persons, critical operations and core business lines;
- 18) a description of the arrangements that the institution has in place to ensure that, in the event of resolution, the Financial Stability Authority will have all the necessary information, as determined by it, for applying the resolution tools and powers;
- 19) all the agreements entered into by the institutions and their legal persons with third parties, the termination of which may be triggered by a decision of the Financial Stability Authority to apply a resolution tool, and a report on whether the consequences of termination may affect the application of the resolution tool;
- 20) a description of possible liquidity sources for supporting resolution;
- 21) information on asset encumbrance, liquid assets, off-balance sheet activities, hedging strategies and booking practices.

### **Section 3**

#### **Information to be included in resolution plan**

The resolution plan of the institution shall set out options for applying the resolution tools and resolution powers to the institution. The resolution plan shall include, quantified whenever appropriate and possible:

- 1) a summary of the key elements of the plan;
- 2) a summary of the material changes to the institution that have occurred since the most recent resolution information was filed;
- 3) a description of how critical functions and core business lines could be legally and economically separated, to the extent necessary, from other functions so as to ensure continuity when the institution no longer has the financial capacity to continue to operate;
- 4) an estimation of the timeframe for executing each material aspect of the plan;
- 5) a detailed description of the assessment of resolvability carried out in accordance with chapter 3, section 1 of the Act on Resolution of Credit Institutions and Investment Firms (1194/2014);
- 6) a description of any measures required pursuant to chapter 3, section 4 of the Act on Resolution of Credit Institutions and Investment Firms to address or remove impediments to resolvability identified as a result of the assessment carried out in accordance with chapter 8a, sections 1–4 of the Act on Credit Institutions (610/2014);
- 7) a description of the processes for determining the value and marketability of the critical functions, core business lines and assets of the institution;
- 8) a detailed description of the arrangements for ensuring that the information required pursuant to chapter 3, section 4 of the Act on Resolution of Credit Institutions and Investment Firms is up to date and at the disposal of the Financial Stability Authority;
- 9) an explanation by the Financial Stability Authority as to how the resolution options could be financed without the assumption of any of the following;
  - a) any extraordinary public financial support except for use of the resolution fund referred to in chapter 1, section 2, subsection 3 of the Act on the Financial Stability Authority (1195/2014) or the Single Resolution Fund referred to in Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and referred to in article 67 of the amending Regulation (EU) No 1093/2010;

- b) any central bank emergency liquidity assistance; or
- c) any central bank liquidity assistance provided under non-standard collateralisation, tenor and interest rate terms;
- 10) a detailed description of the different resolution strategies that could be applied according to the different possible scenarios and the applicable timescales;
- 11) a description of critical interdependencies;
- 12) a description of options for preserving access to payments and clearing services and other infrastructures and, an assessment of the portability of client positions;
- 13) an analysis of the impact of the plan on the employees of the institution, including an assessment of any associated costs, and a description of envisaged procedures to consult staff during the resolution process, taking into account national systems for dialogue with social partners;
- 14) a plan for communicating with the media and the public;
- 15) the minimum requirement for own funds and eligible liabilities under chapter 8, section 7 of the Act on Resolution of Credit Institutions and Investment Firms, and a deadline to reach that level, where applicable;
- 16) where applicable, the minimum requirement for own funds and contractual bail-in instruments under chapter 8, section 7 of the Act on Resolution of Credit Institutions and Investment Firms, and a deadline to reach that level, where applicable;
- 17) a description of essential operations and systems for maintaining the continuous functioning of the institution's operational processes;
- 18) where applicable, any opinion expressed by the institution in relation to the resolution plan.

#### **Section 4**

##### **Entry into force**

This Decree enters into force on 1 January 2015