

IIF – Deloitte Colloquium on Operational Continuity in Resolution

Deloitte, 2 New Street Square, London EC4A 3BZ
Tube: Chancery Lane (Central Line) – Rail: City Thameslink

AGENDA

APRIL 8, 2014
1:00 PM – 6:00 PM

The purpose of the colloquium will be to examine the issues associated with ensuring the continuity of a firm's core and critical operations in resolution. Our event will look at the challenges, and potential solutions, available to 'keep the lights on' for Financial Institutions and Market Utilities, with the variety of proposed structural reforms of the industry as the backdrop.

12:00 – 13:00 **REGISTRATION AND BUFFET LUNCH**

13:00 – 13:10 **INTRODUCTION AND WELCOME**

- **Mr. David Schraa**, Regulatory Counsel, *IIF*
- **Mr. David Strachan**, Partner and Head of the EMEA Centre for Regulatory Strategy, *Deloitte*

13:10 – 13:40 **KEYNOTE ADDRESS**

- **Mr. Andrew Gracie**, Director, Special Resolution Unit, *Bank of England*

13:40 – 14:40 **PANEL 1: OPERATIONAL CONTINUITY - WHAT DO WE MEAN BY IT AND WHY IS IT RELEVANT TO RESOLUTION AND INDUSTRY REFORM?**

Chair:

- **Mr. David Strachan**, Partner and Head of the EMEA Centre for Regulatory Strategy, *Deloitte*

Lead discussants:

- **Dr. Eva Hüpkes**, Adviser on Regulatory Policy and Cooperation, FSB, *Financial Stability Board*
- **Ms. Barbara Bouchard**, Senior Associate Director, Bank Supervision and Regulation Division, *Federal Reserve Board*
- **Ms. Maria Dolores Conde Ruano**, Corporate Policies and Projects Head, *Santander S.A*

- **Ms. Eleanor Gordon**, Chief Operating Officer, Compliance and Legal, *Standard Chartered Bank*
- **Mr. Dominique Laboureix**, Director Of The Resolution Directorate Of The Prudential Control And Resolution Authority, *French Banking Commission*

Suggested topics include:

- Defining operational continuity
- Regulatory and legal requirements for operational continuity
- What constitute core / critical operations to support a resolution event?
- How long do the 'lights need to be kept on' for?
- What are the features and challenges of operational continuity?
- Assurances for home and host regulators and resolution authorities
- Global shared services and outsourcing considerations
- Interplay with industry structural reform requirements (including but not limited to Dodd-Frank, EU/UK ring-fencing)

14:40 – 15:40

PANEL 2: THE ROLE OF FINANCIAL MARKET UTILITIES (FMUS) IN SUPPORTING EFFECTIVE OPERATIONAL CONTINUITY. WHAT CHALLENGES NEED TO BE OVERCOME TO KEEP UTILITIES OPEN AND WILLING TO TRANSACT WITH AN INSTITUTION IN RESOLUTION?

Chair:

- **Mr. James Polson**, Partner, Banking and Capital Markets, Deloitte

Lead discussants:

- **Mr. Paul Symons**, Head of Public Affairs, Euroclear SA/NV
- **Mr. Andrew Cooper**, Executive Director, Head of Operations, London, CLS
- **Mr. Colin Church**, Chief Risk Officer, EMEA, Citi
- **Ms. Merrie Faye Witkin**, Managing Director and Deputy General Counsel, The Depository Trust & Clearing Corporation

Suggested topics include:

- Requirements for FMUs to establish their own operational continuity arrangements
- Oversight expectations (possible reflections from CPSS-IOSCO consultation)
- Changes that may be required to existing arrangements and modes of operation
- Relationships with G-SIFIs and the challenges of a resolution event for a FMU's client
- Interaction with multi-jurisdictional operating subsidiaries in resolution
- Collateral, guarantees and 'lender of last resort' arrangements
- Solutions (legal, contractual and administrative)

15:40 – 16:10

COFFEE BREAK

16:10 – 17:10

PANEL 3: WHAT IS OPERATIONAL SUBSIDIARISATION (OP SUB) AND WHY IS IT CONSIDERED AN OPERATIONAL CONTINUITY SOLUTION BY SOME BUT NOT BY ALL?

Chair:

- **Ms. Lauren Anderson**, Senior Manager, Resolution Directorate, *Bank of England*

Lead discussants:

- **Mr. Santiago Fernandez de Lis**, Chief Economist, Financial Systems & Regulation, *BBVA*
- **Mr. John Whittaker**, Managing Director, Group Risk, *Barclays*
- **Mr. Tokio Morita**, Deputy Commissioner for International Affairs, Japanese Financial Services Agency
- **Mr. Joe Fellerman**, Associate Director, Systemic Resolution Planning & Implementation Group, Office of Complex Financial Institutions, *Federal Deposit Insurance Corporation*

Suggested topics include:

- What is an Op Sub, how does it differ from an operating subsidiary and from a 'traditional' service company?
- What benefits are ascribed to Op Sub in resolution (and with an eye to structural reform)?
- Legal, financial and operational challenges of implementing Op Sub
- Differences for Op Sub when combined with SPE or MPE approaches
- Is there a de-grouping problem?
- Op Sub in Cross Border Resolution
- Outsourcing
- Timing considerations
- Alternative approaches, their merits and prerequisites

17:10 – 17:40

KEYNOTE ADDRESS

- **Mr. Wayne Byres**, Secretary General, *Basel Committee on Banking Supervision*

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17:40 – 18:00

CONCLUSIONS AND CLOSING REMARKS