

To: fsb@fsb.org
Subject: FSB: Essential Aspects of CCP Resolution Planning
Submission Date: 17 October 2016

RE: FSB Discussion Note for “Essential Aspects of CCP Resolution Planning”

We thank you for the opportunity to comment on the discussion noted for Essential Aspects of CCP Resolution Planning, and believe that it is a fitting exercise given the increased systemic significance of CCPs and its potential risks to financial stability.

This discussion note that is aligned with principles from the FSB Key Attributes of Effective Resolution Regimes for Financial Institutions is seeking comments on aspects of CCP resolution that are considered core to the design of effective resolution strategies.

In light of this, we put forward the following additional comments which we believe will add to factors for considerations in the development of CCP Resolutions Plans.

1. Cross-border cooperation and Cross-border effectiveness of resolution actions

- The allocations of losses under resolution must clearly articulate how local versus foreign participant may be treated in resolution.
- Clarification is required around the process that is followed for cross-border participants in CCP resolution, (i.e. how would participants' initial margins be treated).
- Further details are required around whether contractual arrangements override jurisdictional statutory arrangements in relation to cross-border participants.