

Federal Reserve Bank of San Francisco  
101 Market Street, San Francisco, California 94105

July 3, 2012

To State Member Banks, Bank  
Holding Companies, Financial Holding  
Companies, Savings and Loan Holding Companies,  
and Foreign Banking Offices  
in the Twelfth Federal Reserve District

**Federal Reserve Board and Federal Deposit Insurance Corporation Announce Process for Receiving and Evaluating Initial Resolution Plans, Also Known as Living Wills**

The Federal Deposit Insurance Corporation (FDIC) and the Federal Reserve Board on June 29, 2012 announced the process for receiving and evaluating the initial resolution plans--also known as living wills--from the largest banking organizations operating in the United States.

The Dodd-Frank Wall Street Reform and Consumer Protection Act requires that bank holding companies with total consolidated assets of \$50 billion or more and nonbank financial companies designated by the Financial Stability Oversight Council for supervision by the Federal Reserve submit resolution plans annually to the FDIC and the Federal Reserve. Each plan must describe the company's strategy for rapid and orderly resolution under the Bankruptcy Code in the event of material financial distress or failure of the company. The FDIC and Federal Reserve must review each resolution plan and jointly may determine that a resolution plan is not credible or would not facilitate an orderly resolution of the company in bankruptcy.

Companies subject to the rule are required to file their initial resolution plans in three groups and on a staggered schedule. Firms in the first group, which includes U.S. bank holding companies with \$250 billion or more in total nonbank assets and foreign-based bank holding companies with \$250 billion or more in total U.S. nonbank assets, must submit their initial resolution plans on or before July 2, 2012.

By regulation, the plans must be divided into a public section and a confidential section. The public section of the plans will contain detailed information to allow the public to understand the business of the covered company. Information in the public portion will include details such as a description of the company's core business lines and financial information regarding assets, liabilities, capital, and major funding sources.

Following submission of a resolution plan, the FDIC and Federal Reserve will—

- Release the public section of the resolution plans by close of business on Tuesday, July 3, 2012;
- Preliminarily review the plan for informational completeness within 60 days; and
- Review each plan for its compliance with the requirements of the rule.

This first group of submissions will include Bank of America, Barclays, Citibank, Credit Suisse, Deutsche Bank, Goldman Sachs, JPMorgan Chase, Morgan Stanley, and UBS.

**Additional Information**

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information, please contact:

Federal Reserve Bank of San Francisco  
Banking Supervision and Regulation  
(415) 974-2094