

# FDIC Reduces IDI Resolution Plan Content Requirements

May 15, 2025

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## Introduction

On April 18, 2025, the Federal Deposit Insurance Corporation (the “FDIC”) announced significant shifts in its resolution planning policies for insured depository institutions (“IDIs”) under the FDIC’s IDI resolution planning rule, 12 CFR § 360.10 (the “IDI Rule”). In two separate but related actions, the FDIC [waived](#) certain content requirements under the IDI Rule (the “Waivers”) for the upcoming submission cycle<sup>1</sup> and issued updated [FAQs](#) (the “April FAQs”) that explain the Waivers and clarify the FDIC’s approach to its review of resolution plans and engagement with IDIs regarding their plans.

These actions are the FDIC’s first significant actions regarding resolution planning under the Trump administration following the FDIC’s overhaul of the IDI Rule in June 2024 and subsequent release of FAQs last December under the Biden administration (the “December FAQs”).<sup>2</sup> The changes come less than three months before the July 1, 2025 date when most covered IDIs (“CIDIs”) are required to file their next submissions and less than six months before the October 1, 2025 date by which all CIDIs are required to file.

Overall, the changes are a welcome reduction to the informational content requirements for IDI resolution plans and signal a shift in the FDIC’s focus from potential bridge bank resolution scenarios to whole bank sales, although CIDIs may be challenged to adjust their resolution plans to react to the new expectations in the few months remaining before plans are due.

The Acting Chairman of the FDIC, Travis Hill, previewed the release of the April FAQs and Waivers in a [speech](#) on April 8, 2025 where he discussed key policy issues at the

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<sup>1</sup> The IDI Rule permits the FDIC to exempt an IDI from one or more requirements. See 12 CFR § 360.10(i)(2).

<sup>2</sup> A redline comparing the April FAQs to the December FAQs is attached in an Appendix to this Debevoise In Depth.

FDIC. Substantively, the changes align with Acting Chair Hill's previous comments on the 2024 update to the IDI Rule, both when it was [proposed](#) in 2023 and when it was [finalized](#) in 2024.

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## Background

The FDIC substantially revised the IDI Rule in 2024 following a multi-year process that included a moratorium in 2018, an advanced notice of proposed rulemaking in 2019, reimposition of resolution planning requirements on certain IDIs via a policy statement in 2021 and, ultimately, proposing and issuing a final updated IDI Rule in June 2024. The FDIC's experience in the resolutions of Silicon Valley Bank, Signature Bank and First Republic Bank in early 2023, where the FDIC invoked the systemic risk exception to least-cost resolution and was required to establish bridge banks for two of the three failing banks, had a clear influence on the contents of the final IDI Rule.

The IDI Rule distinguishes between two types of CIDs: (i) IDIs with over \$100 billion in average total assets ("Group A Filers"), who are required to file full resolution plans either biennially (for U.S. global systemically important banking organizations) or triennially, and (ii) IDIs with between \$50 billion and \$100 billion in average total assets ("Group B Filers"), who are required to file more limited informational filings triennially, with interim supplement filings required from both Group A and B Filers in off years.

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## Key Waivers

### **Waivers Relevant to the Identified Resolution Strategies for Group A Filers**

The FDIC has waived the requirements for Group A Filers to include the formation and stabilization of a bridge depository institution as the "identified strategy" for resolution and to provide "meaningful optionality" for execution across a range of scenarios, which would have required lengthy narrative descriptions of different potential resolution options tailored to the size and complexity of the CIDI. Instead, Group A Filers are asked to submit one or more identified strategies that might be suitable in different circumstances—for example, "a short discussion of a bridge bank strategy and how the CIDI could be sold in a whole bank sale." The April FAQs suggest lengthy narrative descriptions of the strategies are not required.

The FDIC has also waived the requirement that Group A Filers develop their identified strategies utilizing a specific failure scenario wherein the CIDI is experiencing material

financial distress under severely adverse economic conditions developed by the Federal Reserve Board. The FDIC will also no longer require the CIDI to provide a quantitative valuation analysis and estimates of the IDI franchise value in the failure scenario.

### **Waiver of Franchise Component Information for Group B Filers**

Group B Filers are not required to include identified resolution strategies or failure scenarios in their informational filings under the IDI Rule, but they are required to provide information about the CIDI's franchise and operations to support the development of strategic options for resolution of the CIDI by the FDIC. The FDIC has waived all requirements under the IDI Rule for Group B Filers to identify and discuss "franchise components," which are defined as key components of the CIDI that could be separated and sold or divested independently of the CIDI (such as business segments, branch networks, major assets and material asset portfolios).

The goal of these requirements, which continue to apply to Group A Filers, is to provide marketing optionality by identifying components of an IDI franchise that can be sold separately, thereby reducing the size of the IDI franchise and enhancing competitive bidding. The waiver for Group B Filers likely reflects the FDIC's view that Group B Filers are more likely to be resolved with a full bank sale over the weekend, such that detailed discussion of franchise components is unnecessary. Group B filers would, however, continue to be required to identify material asset portfolios that can be sold.

### **Other Waivers**

All CIDs are required to identify any activities that provide material services or functions to a specific geographic area or business sector or to other financial institutions, but the FDIC has waived the further requirement that the resolution plan or informational filing include a description of potential mitigants should those activities be terminated due to the failure of the CIDI.

The FDIC has also waived the requirement for submissions to include information on non-deposit claims and has waived various information requirements for the interim supplements that CIDs are required to file as updates on off years when a full resolution plan or informational filing submission is not required.

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## **Other Policy Clarifications**

### **Capabilities Testing**

The April FAQs provide an updated timeline for capabilities testing and formal engagement, stating that there will be no capabilities testing before 2026 and that the

FDIC expects to conduct horizontal testing once per cycle for triennial filers. For the first submission cycle, the FDIC expects to focus its horizontal testing on the ability of Group A Filers to populate a virtual data room (“VDR”) with information to support a timely sale and disposition of the IDI franchise through a competitive bid process.

The April FAQs also clarify that the IDI Rule does not require CIDs to have a self-assessment or capabilities testing framework but that full resolution submissions after the initial full submission should describe the results of any contingency planning or similar exercises that have been conducted by the CID since the most recent full resolution submission. Given the FDIC’s focus on VDR capabilities in its initial round of horizontal testing, CIDs may wish to make testing these capabilities a priority.

### **Engagement**

Other than informal communications conducted as part of the normal course of reviewing a submission, the April FAQs announces that the FDIC generally intends to provide three months’ notice before conducting engagement with a CID on resolution-related topics intended to facilitate the FDIC’s own resolution planning, and the FDIC expects to provide CIDs with advance notice of the scope of topics to be discussed and information required. Formal engagement of this type is expected to occur only once per cycle for triennial filers.

### **Credibility Findings**

The April FAQs announce several policy shifts regarding the FDIC’s approach to credibility findings, stating that the FDIC’s review will focus on the quality and thoroughness of the submission rather than a comprehensive verification of capabilities or evaluation of projections and the FDIC will not recommend findings related to the credibility of the plan’s identified strategy. In addition, the FDIC now expects to make a credibility determination only if a submission is determined to be “not credible” rather than issuing a determination for every submission.

### **Digital Services**

The April FAQs clarify the IDI Rule’s requirement for resolution submissions to include a description of customer-facing digital services and electronic platforms. For initial submissions under the IDI Rule, the FDIC only expects a CID to describe its unique digital services and electronic platforms with low substitutability that might result in customer loyalty.

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## Resolution Planning Under the Trump Administration

The April FAQs and Waivers are the Trump administration's first formal actions related to resolution planning and may be an early sign of the FDIC's approach going forward. Notably, they align with Acting Chair Hill's specific critiques of the 2024 update to the IDI Rule, potentially showing his current influence over resolution policy at the FDIC. Although he voted against the updates at both the proposed and final stages, Acting Chair Hill has made a point of stating he approves broadly of the exercise of resolution planning and specifically of capabilities testing, suggesting the FDIC will continue to focus on IDI resolution planning, albeit in a more targeted way.

It is also noteworthy that the actions taken by the FDIC are temporary in nature because they did not revise the IDI Rule itself through notice-and-comment rulemaking. The FAQ and waiver approach has the benefit of speed and may have been motivated by the pending deadlines for filing CIDI plans, but the FDIC could in the future revert to the previous, more stringent, requirements with little resistance. It remains to be seen whether the FDIC will take steps to revise the IDI Rule itself through notice and comment rulemaking. It also remains to be seen whether the FDIC will attempt to take similar steps to reduce requirements for bank holding company, or 165(d), resolution plans, as those plans are governed jointly by the FDIC and the Federal Reserve Board.

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Please do not hesitate to contact us with any questions.



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## APPENDIX

### IDI Resolution Planning Rule Frequently Asked Questions (FAQs)

~~December 17, 2024~~ April 18, 2025

#### Credibility Findings

##### NEW

Question: How does the FDIC expect to apply the credibility standard and establish findings upon reviewing submissions?

Answer: FDIC staff will not recommend findings under paragraph (f)(1)(i) of the rule related to the credibility of the identified strategy.

With respect to paragraph (f)(1)(ii) of the rule related to the information and analysis provided in the submission, FDIC staff expects to focus its review on the quality and thoroughness of the submission, rather than a comprehensive verification of capabilities or evaluation of projections. A submission that is responsive to each of the content requirements would be unlikely to result in material weaknesses or significant findings.

Finally, the FDIC does not expect to make credibility determinations with respect to each submission. Rather, the FDIC will only make a credibility determination if a submission is determined to be not credible.

#### Identified Strategy

##### REVISED

Question: Can the FDIC provide additional clarity ~~on what “meaningful optionality” means in the context of~~ regarding its expectations for the identified strategy for group A CIDs?

Answer: The FDIC has waived the content requirement in paragraph (d)(1)(ii) to utilize the formation and stabilization of a bridge depository institution as the identified strategy and the content requirement in paragraph (d)(1)(iii) that the identified strategy include meaningful optionality. Rather than focusing filers’ strategic resolution analysis on a prescribed bridge bank strategy, the FDIC is requesting that filers describe the potential suitable resolution strategy or strategies that reasonably could be executed by the FDIC. Filers may submit a single identified strategy or multiple strategies that might be suitable in different circumstances. For instance, filers could provide a short discussion of a bridge bank strategy and how the CIDI could be sold in a whole bank sale. While the description of the strategy or strategies should include the key elements involved, the FDIC is not requesting filers to provide a lengthy narrative. The submission will provide



an opportunity under the rule for the FDIC and the CIDI to discuss possible resolution strategy options.

**Answer:** Meaningful optionality reflects an expectation that an identified strategy be flexible so that it can be adapted to a change in the failure scenario or an unexpected obstacle to its execution. The nature and extent of meaningful optionality will vary based upon the size and complexity of the CIDI.

For instance, in the case of an identified strategy that includes a longer-term bridge bank that terminates through a multiple acquirer exit, for a relatively smaller and less complex CIDI with a focus on traditional banking meaningful optionality might include a breakup between only two business lines or the spinoff or sale of a single separable business unit. For the largest or most complex CIDs, meaningful optionality might include alternatives such as a breakup by business lines and a regional breakup, or by sale of one or more identified franchise components as options for a sale of the IDI franchise.

In the case of a shorter-term bridge bank ending with a sale of all or nearly all of the IDI franchise in a short period, the identification of franchise components that are readily separable and marketable would provide optionality in the FDIC's ability to offer the bank with or without various franchise components, which could increase the pool of potential bidders or the range of acceptable bids.

## Failure Scenario

### REVISED

**Question:** Can the FDIC provide further context regarding the expectations for a **narrative description of the group A CIDI's failure scenario?** **What are the FDIC's expectations with regard to a benchmark or threshold for capital depletion?**

**Answer:** The FDIC has waived the content requirement in paragraph (d)(2) for failure scenario.

**Answer:** The identified strategy must take into account that failure of the CIDI will occur under severely adverse economic conditions developed by the Federal Reserve Board of Governors and must assume that the U.S. parent company (if any) is in resolution under the U.S. Bankruptcy Code or another applicable insolvency regime. The failure scenario should be consistent with a bank that has in fact failed. While the immediate cause of failure may be based on liquidity shortfalls, the failure scenario must consider the likelihood of the depletion of capital and losses in the assets of the CIDI, which may include embedded losses that might not have been recognized by the CIDI for financial reporting purposes.



~~We do not have a benchmark for capital depletion. Filers should justify all assumptions contained in the submission consistent with the conditions of the economic scenario and the nature of the CIDI. There is no specific failure scenario time horizon that a filer must assume in its submission.~~

**Question: Is there any latitude to use a failure scenario different than the most recent Federal Reserve System's severely adverse economic conditions?**

~~Answer: For the failure scenario, filers must use the Federal Reserve System's Dodd Frank Act (DFAST) severely adverse scenario. Filers may use either the Federal Reserve's scenario for the calendar year in which the resolution plan is submitted or the prior year's scenario. When valuing their assets and deposit franchise, filers should be mindful that this should be done in the context of a severe market environment at the time of failure and throughout the resolution process. Filers may not use internally developed stress scenarios in lieu of the Federal Reserve severely adverse scenario.~~

## Critical Services

### UNCHANGED

**Question: To be considered a critical service per the rule, does the service need to be critical to daily operations, support the identified strategy, or both?**

Answer: Critical services include shared and outsourced services and include all services that are critical to daily operations including, but not limited to, back-office services and client-facing services, and, in the case of a group A CIDI, support the identified strategy. Critical services also include all services and operations that are necessary to continue any critical operation conducted by the CIDI that has been included in the most recent resolution plan of the CIDI's parent company submitted pursuant to Title I of the Dodd-Frank Act. Critical services are broadly defined to include services that are provided by a subsidiary, parent, or parent affiliate (including those that are ultimately provided by a third party).

## MIS/Critical Services Support

### UNCHANGED

**Question: What is the relationship between the rule's requirements for management information systems (MIS) and the definition of critical services support? Should MIS be thought of as a subset of critical services support?**

Answer: There is a significant amount of overlap between the information required for key MIS and for critical services support. Filers can include key MIS as a critical service and include it with the description of critical services and critical services support content

as long as all required MIS content is included in the submission. Although the rule does not establish benchmarks or standards for identification of “key” MIS, it identifies systems and applications for risk management, accounting, and financial and regulatory reporting, as well as those used to provide the information required in the submission, as examples to provide context for this requirement. The goal of the requirement is to ensure that the FDIC has the information described with respect to systems and applications that it would need to access in resolution. The same information does not need to be provided twice. Clear cross-referencing of the same information is acceptable so long as it is accompanied by appropriate context.

### Key Personnel

#### REVISED

**Question: How wide is the definition of key personnel? How are key personnel and critical services related? What is the relationship between identification of key personnel and development of retention plans?**

**Answer:** The term key personnel means personnel tasked with an essential role in support of a core business line, franchise component, or critical service, or having a function, responsibility, or knowledge that may be significant to the FDIC’s resolution of the CIDI. Key personnel may be employed by the CIDI, a CIDI subsidiary, the parent company, a parent company affiliate, or a third party. The list of key personnel may include a large proportion of staff, but we would expect it would not include all personnel. Individuals who do not have specialized skills, knowledge, or relationships, and who can be easily replaced, are not key personnel. ~~While tellers and branch managers might be relatively easy to replace, you also might consider what core staff is necessary to keep branches open and operating through stabilization and exit of the bridge bank.~~ A list of managers is not sufficient to describe key personnel. Key personnel include, but are not limited to, staff that perform functions like client relationships and sales.

~~The concept of key personnel is usefully considered in the context of the retention plan. The submission must provide a recommended approach for retaining key personnel during the CIDI’s resolution. A retention plan could take into account the attributes of key personnel, such as specialized skills or knowledge, or whether they have important customer relationships, among other factors, in assessing the recommended approach to retention of such employees.~~

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## Franchise Components, Divestiture Options, and Material Asset Portfolios

### REVISED

**Question:** Can the FDIC provide direction on the distinction among franchise components, material asset portfolios, and divestiture options? Can the FDIC provide further direction with respect to the identification of franchise components, in terms of size and separability of franchise components? If the sale of a business unit or portfolio diminishes the remaining franchise value, should these items be identified as franchise components?

**Answer:** Franchise components ~~and material asset portfolios~~ that meet ~~their respective~~ the definition in the rule ~~definitions~~ should be identified by all ~~filers~~ group A CIDs. The concept of divestiture options only arises in connection with ~~identified~~ resolution strategies that involve multiple acquirer exits and would apply, if at all, only to ~~Group~~ group A CIDs. Material asset portfolios that meet the definition in the rule should be identified by all group A CIDs and group B CIDs.

*Franchise Components:* ~~A franchise component is a~~ The FDIC is asking group A CIDs to provide information and analysis on existing business segments, regional branch networks, major assets, material asset portfolios, or other key components of a CIDI's franchise that ~~can be separated and sold or divested. A key characteristic is that~~ meet the rule's definition of franchise components. Key characteristics of franchise components are that they are currently separable and ~~marketable~~ that the CIDI can market them in a timely manner, ~~which is a matter of days or weeks, and not months.~~ in resolution. This means that ~~There are no sizing benchmarks for identifying~~ franchise components should have a readily definable perimeter that supports prompt marketing and closing on the sale. The goal is to provide marketing optionality through identifying options that can be offered separately either during failure weekend or following a short bridge bank period and, potentially, to reduce the size of the IDI franchise so as to increase competitive bidding ~~through identifying options that can be offered separately in a quick sale either during failure weekend or following a short bridge bank period.~~

Franchise components represent options that are readily executable currently, rather than options which would require significant restructuring or which are speculative or merely conceptual. Franchise components should be identified in their current states and there is no expectation to identify options that might be available in the future.

~~In assessing whether a franchise component can be sold "in a timely manner," the CIDI should consider the period of time for marketing the franchise component and closing on the sale. The CIDI can assume use of customary arrangements to accomplish timely separability such as the use of a transition services agreement. Any such arrangement should be described, and the underlying assumptions with respect to the ability to enter~~



~~into those arrangements should be reasonable and supported and should not introduce conditions that jeopardize the transaction.~~

~~The marketing and sale of a franchise component separately from the rest of the bank should not result in a remaining IDI franchise whose value is significantly impaired or that cannot maintain operations as a going concern.~~

~~The rule does not specify the number of franchise components that must be identified, nor does it set an expectation that franchise components meet a minimum standard with respect to the overall value of the IDI franchise.~~

*Divestiture options:* Divestiture options are saleable components that are part of a multiple acquirer exit strategy that may require restructuring, or present greater obstacles, and require a longer bridge bank period than for the sale of franchise components. For example, a divestiture option might be a sale of a line of business, such as a credit card operation that is not housed in a single subsidiary and shares systems, personnel, and operations with other businesses in the bank. It is possible that one or more material asset portfolios or franchise components are sold before or at exit or might be included in a larger divestiture option considered in a multiple acquirer exit strategy.

*Material asset portfolios:* Material asset portfolios are all pools or portfolios of assets, such as loans or securities, that may be sold by the bridge depository institution or the receivership and are significant in terms of income or value. Material asset portfolio information provides a breakdown of significant asset classes regardless of whether or not they are identified as franchise components or included in divestiture options, and as such is not necessarily connected with ~~the identified~~ a particular resolution strategy.

~~In some cases, a material asset portfolio may be a franchise component, where it is readily separable and meets other standards for franchise components set out in the rule. In other cases, a material asset portfolio will be an important part of a business segment or highly related to interconnected relationships such that it is not a suitable franchise component. The required information for material asset portfolios must be provided for each such portfolio whether or not it is a franchise component. An example of a material asset portfolio that might not be a useful franchise component might be a loan portfolio that is important to a business segment that could not be sold in a timely manner and could not be separated without destroying the value of the business segment. Where there is overlap with the material asset portfolios that are franchise components, the information can be provided once and cross-referenced, if appropriate.~~

**Question: What are the FDIC's expectations for franchise components for group B CIDs given the different overall requirements for these filers?**

**Answer:** As noted in the preamble to the rule, group B CIDs were exempted from discussing certain portions of the franchise component content requirements, due to the

potential for required discussion of resolution strategies, which are not required in group B CIDI informational filings. Therefore, the FDIC has waived the franchise component content requirements in paragraph (d)(10)(i), (ii), and (iii). However, this waiver does exempt franchise component elements from every provision of the informational filing and interim supplement. In other words, group B CIDs may disregard the phrase “franchise components.”

## Valuation

### REVISED

**Question: Should economic effects of the CIDI's failure be aligned with the bank's failure scenario?**

**Question: What are the expectations for the level of detail for valuation analysis and the ability to refresh the valuation analysis? What are the expectations for the type(s) of valuation methodologies that CIDs should employ?**

**Answer:** The ~~rule requires a~~ FDIC has waived the content requirement in paragraph (d)(12)(ii)(A) and (iii), which require quantitative analysis. Filers are still required to provide a qualitative description under paragraph (d)(12)(ii)(B) of the approaches the CIDI would employ for determining the values of the franchise components and the IDI franchise as a whole, ~~including the underlying assumptions and rationale. The rule requires that the analysis be supported by observable and verifiable capabilities and data, as well as reasonable projections. The rule also requires filers to provide supporting documentation for valuation analysis in an appendix to the resolution plan, including liquidity and deposit runoff assumptions and underlying support, and an explanation as to why those approaches are appropriate. The rule allows the CIDI to offer the methodology best suited to the valuation being conducted and the nature of the CIDI's business.~~

~~The rule allows the CIDI to choose the approach best suited to the valuation being conducted, so long as the CIDI provides support for the approach being utilized to develop a range of value outcomes. The emphasis is on capabilities, reasonableness of assumptions and methodologies, supporting the analysis with adequate detail, and providing for a range of value estimates—rather than single point valuation. The valuation information and capabilities will be useful to the FDIC in developing comparative valuation estimates to arrive at the least costly transaction among available, feasible resolution options.~~

## Economic Effects

### REVISED

**Question:** Should economic effects of the CIDI's failure be aligned with the bank's failure scenario?

**Answer:** The "economic effects of resolution" content requirement is ~~distinct from the failure scenario that is used to develop the identified strategy for group A CIDI's resolution plans. The failure scenario is required to take into account that failure of the CIDI will occur under severely adverse economic conditions developed by the Board of Governors of the Federal Reserve System pursuant to 12 U.S.C. 5365(i)(1)(B) intended to provide the FDIC with a better understanding of the role of the CIDI in the markets in which it operates.~~

~~Separate from the identified strategy. Accordingly, the rule requires every CIDI is required to identify the activities of the CIDI that are material to a geographic area or region in the U.S. United States, a business sector or product line in that geographic area or region or nationally, or to other financial institutions. The full resolution submission should discuss whether the identified services or functions are readily substitutable by other providers and other mitigants to the potential impact of the termination of those activities in the event of failure of the CIDI. Given that the FDIC will/would seek to resolve a CIDI in a way that minimizes the disruptive impact of the resolution to the extent possible, the FDIC must be aware will use this content requirement to build awareness of the CIDI's activities that are most likely to have significant disruptive effects if terminated in resolution, such as where a CIDI provides a unique function or is a dominant provider of a particular service. However, out of recognition that the requirement that the CIDI provide "mitigants" to the economic effects of its failure could involve a speculative assessment of impacts on and behavior of third parties, the FDIC is waiving the second sentence of the "economic effects of resolution" content requirement under paragraph (d)(19)(iii).~~

## Digital Services and Electronic Platforms

### NEW

**Question:** What types of digital services should filers describe in their submissions? How should filers think about digital services and the relationship to content requirements for management information systems and other content requirements?

**Answer:** As noted in the preamble to the rule, the digital services that CIDI's provide to customers and the electronic platforms that support these services is a new and evolving area of banking. For purposes of the initial submission, the FDIC is only expecting filers



to describe unique digital services and electronic platforms with low substitutability that might result in customer loyalty.

## Communications Playbook

### REVISED

**Question:** In the case of a resolution plan submitted by a group A CIDI that includes an identified strategy, should the communications playbook be specific to the identified strategy?

**Answer:** The communications playbook content is required in all full resolution submissions, including informational filings as well as resolution plans. The communications playbook ~~should~~is not ~~be~~ dependent on ~~the identified~~a particular strategy. It must describe the CIDI's current communications capabilities and must include the elements specified in the rule. The playbook information should be applicable to any resolution scenario or strategy.

### CIDI Assessment of the Full Resolution Submission

### NEW

**Question:** What are the FDIC's expectations for CIDI's capabilities testing and assurance completed by the full resolution submission date?

**Answer:** The rule does not require CIDI's to have a self-assessment or capabilities testing framework. The rule only requires that full resolution submissions subsequent to the initial full resolution submission describe the nature, extent, and results of contingency planning or similar exercise conducted by the CIDI since the most recent full resolution submission to assess the viability of the CIDI's resolution strategy or strategies (if required) or improve any capabilities described in the full resolution submission.

## Interim Supplement

**Question:** Please explain the expectations for CIDI's that are required to file interim supplements ~~in July 2025 prior to filing their first full resolution submissions.~~

**Answer:** For interim supplements the FDIC has waived the following interim supplement content requirements:

- 12 CFR § 360.10(e)(2)(vii), content related to Franchise components; for group B CIDI's, franchise component elements of the remaining content requirements are also waived

- 12 CFR § 360.10(e)(2)(ix), content related to Off-balance sheet exposures
- 12 CFR § 360.10(e)(2)(xi), content related to Payment, clearing, and settlement
- 12 CFR § 360.10(e)(2)(xii), content related to Capital structure; funding sources
- 12 CFR § 360.10(e)(2)(xiii), content related to Cross-border elements
- 12 CFR § 360.10(e)(2)(xiv), content related to Management information systems; software licenses; intellectual property

**Answer:** Because of the staggered approach to submissions and review by cohort, some filers will be submitting an interim supplement prior to filing the first full-resolution submission under the rule. This reflects the purpose of the interim supplement, which is to ensure that the FDIC has access to valuable information to assist with resolution planning, in consideration of the three-year submission cycle for these filers. The interim supplement requirements are focused on data rather than narrative to provide the FDIC with more current data in certain areas where the information tends to be more dynamic, and where more current information would be beneficial to the FDIC's resolution planning. All of the elements of the interim supplement are a subset of items required in a full-resolution submission. Accordingly, preparing your interim supplements may facilitate filers' work on the full-resolution submissions for 2026.

## Engagement

### REVISED

**Question:** Can the FDIC provide insight into the scope and timing of engagement?

**Answer:** Engagement will focus on resolution-related topics that the FDIC wants to probe to deepen our knowledge of a CIDI. Engagement can occur at any time, including prior to, during, or after ~~the submission review period to provide additional insights to the FDIC and inform areas of interest for future submissions~~. Aside from informal communications between the FDIC and filers (e.g., conversations or emails as part of the normal course of the submission review period), the FDIC plans to provide at least three months' advance notice before conducting engagement with a CIDI, but may shorten this period in certain exigent circumstances or to better coordinate with supervisory examination schedules. Engagement can take a variety of forms, such as a scheduled conference call or in-person meeting, and the FDIC expects to provide the CIDI with the scope of topics and any information needs in advance of conducting the engagement. Engagement will focus on resolution topics to inform the FDIC's own resolution planning and is meant to allow the FDIC to gain additional context around matters in the submissions, ~~as well as~~

~~to. Engagement may indicate particular areas of particular interest for a given CIDI or where further explanation would be helpful in future submissions. We expect to provide timely advance notification of the scope and timing of any. Aside from informal communications mentioned above, the FDIC expects to conduct engagement once with each triennial filer per submission cycle, unless there are exigent circumstances warranting additional engagement.~~

## Capabilities Testing

### REVISED

**Question: Can the FDIC provide insight into the scope and timing of its capabilities testing program? How often will these tests be conducted?**

Answer: The FDIC will not conduct capabilities testing prior to 2026.

For a group A CIDI's initial submission cycle, we will perform a horizontal test of its capabilities to establish and populate a virtual data room with information to support the ability of the FDIC to market and execute a timely sale or disposition of the IDI franchise. The information should be appropriate for a buyer to conduct due diligence for a timely sale or disposition of the IDI franchise and be sufficient to permit a bidder to provide a competitive bid on the IDI franchise.

~~Answer: Horizontal capabilities testing is generally expected to take place following the FDIC's receipt of the full resolution submission and concurrently with the full resolution submission review. Thus, for group A CIDs that are required to submit a resolution plan on or before July 1, 2025, it is currently anticipated that the first capabilities tests will be undertaken with those CIDs. Currently, it is expected that other group A CIDs will not participate in capabilities testing prior to their initial full resolution submissions.~~

~~The FDIC expects capabilities testing with group B CIDs will be a key component of its resolution planning for such firms and expects to conduct capabilities testing with most group B CIDs in each cycle as well. It is anticipated that the first capabilities tests for group B CIDs will begin in early 2026.~~

~~As of the date of this response, we are in the process of developing our capabilities testing program, including the scope of future tests. Examples of capabilities the FDIC may test include, but are not limited to, establishing and populating a virtual data room, key depositor reporting, and mapping of critical services. For all CIDs' first full resolution submission, we anticipate providing insight into the capabilities test prior to the submission date of the full resolution submission. While the rule does not limit the frequency of capabilities tests, the FDIC expects to conduct horizontal testing once with each triennial filer during the first full resolution filer per submission review process.~~



The scope and extent of testing for biennial filers will be considered in coordination with capabilities tests performed in connection with resolution plans submitted pursuant to Title I of the Dodd-Frank Act.

#### Financial Information Date

#### QUESTION REVISED; ANSWER IS UNCHANGED

**Question:** ~~For the July 1, 2025 submission, what~~ What is the as-of date that filers should use for financial data and other ~~plan~~ submission information?

**Answer:** Per (g)(1) of the rule, the submission must, to the greatest extent possible, use financial information as of the most recent fiscal year-end for which the CIDI has financial statements or, if the use of financial information as of a more recent date as of which the CIDI has financial statements would more accurately reflect the operations of the CIDI on the date of the submission, financial information as of that more recent date.

#### Changes Since Prior Submissions

#### NEW

**Question:** How should CIDs approach content requirements related to summarizing changes since the last submission?

**Answer:** In several instances, the rule requires the CIDI to report changes that have occurred since the previous full resolution submission in the current submission. These include the interim supplement's material change requirements ((e)(2)(i) and (ii)); resolution plan Executive Summary requirements ((d)(3)(iii)-(v)); and informational filing material change requirements (d). CIDs are not expected to address such changes in their initial full resolution submissions. Similarly, CIDs that will file interim supplements in 2025 are not expected to address such changes.

#### Submission Format

#### UNCHANGED

**Question:** Does the FDIC have a format preference for appendices versus information contained within the submissions?

**Answer:** When providing statistical information, such as payment, clearing, and settlement (PCS) activity value and volume information or QFC exposures, it is preferable to include this information in a table. In addition, we welcome filers to submit this information in a spreadsheet format (e.g., Excel) as an appendix to the submission. Regarding narrative, such as playbooks or procedures manuals, for ease of review, it is most helpful for the FDIC that the CIDI include this information in a self-

contained manner within a specific section of the submission. It is also acceptable to provide information such as playbooks or procedures manuals as an appendix to the submission.

#### **Rule Applicability – Asset Thresholds**

##### **UNCHANGED**

**Question:** What are the total asset thresholds that determine when a bank becomes a CIDI and when should new group B CIDs expect to be notified regarding the date their initial full resolution submission is due?

**Answer:** The rule applies to all CIDs with at least \$50 billion in total assets, based upon the average of total assets reported over the four most recent Consolidated Reports of Condition and Income. Once a bank crosses this threshold, the FDIC will provide notification of the date the bank's initial full resolution submission is due, which will be no earlier than 270 days from the date it becomes a CIDI.

##### **Non-Deposit Claims**

##### **NEW**

**Question:** What information does the FDIC require in the submission regarding non-deposit claims?

**Answer:** The FDIC is waiving the content requirement in paragraph (d) (20) as it believes that the most critical elements of the information needed to administer non-deposit claims in a failed bank resolution can be obtained in other requirements or through supervisory channels.