



**Date:** Brussels, 14 April 2021  
**Our ref:** srb.e.e4.co(2021)2690993

**Subject: Use of Irrevocable Payment Commitment during the 2021 ex-ante contribution to the Single Resolution Fund (deadline for receiving the application package no later than: 21 May 2021)**

Dear Sir/Madam,

Your institution has been informed of its 2021 ex-ante contribution to the Single Resolution Fund ("SRF"). Council Implementing Regulation (EU) 2015/81 allows institutions to use Irrevocable Payment Commitments ("IPCs") to pay part of their contribution. This letter explains what IPCs are and sets out what your institution needs to do to request the use of IPCs.

What are IPCs?

Through IPCs, your institution can irrevocably commit to pay a pre-determined share of its 2021 ex-ante contribution to the SRF. In order to secure the full and punctual payment of the contribution when called by the Single Resolution Board ("SRB"), your institution will need to constitute collateral and transfer full ownership of this collateral to the SRB.

When IPCs are called by the SRB under the terms of the IPC Agreement (partially or in full), your institution is obliged to transfer the called amount on the Banking Day following the date of the call notice. Once payment is received, the SRB will return the corresponding collateral. In case your institution fails to pay the full amount, the SRB is entitled to seize and apply the cash collateral in discharge of the commitment undertaken.

How much IPCs can be requested?

Article 8(3) of the Council Implementing Regulation stipulates that during the initial period, under normal circumstances, the SRB shall allow the use of IPCs upon request from an institution. For the 2021 contribution period the SRB decided that institutions are allowed to provide IPCs for 15% of their total payment obligations. It was furthermore decided that IPCs must be fully backed by cash collateral.





### How can IPCs be requested?

The use of IPCs is voluntary. If your institution wishes to use them, it needs to complete this application package. The package contains:

- An Application Form (Excel);
- The IPC Agreement (Pdf).

Only a fully completed application package where the IPC Agreement is duly signed by a person that can legally represent your institution can be considered as a valid request. The package can be signed using wet ink signature or qualified electronic signature.

#### ➤ **If your institution opts for wet ink signature IPC Agreement:**

The package needs to be returned **both** electronically and physically:

#### **Electronically, to the NRA**

No later than 13 May 2021, the following document should be delivered by email to your National Resolution Authority (NRA):

- The **Excel** copy of the completed Application Form labelled "[your Riad MFI/local identifier code]\_2021\_Application Form".

#### **Physically, to the SRB**

No later than 21 May 2021, the originally executed version of the Application Form and **two** signed IPC Agreements have to be received by registered mail at:

*SRB [Unit E4 - IPC]  
Treurenberg 22  
B-1049 Brussels  
Belgium*

The IPC Agreements have to be signed using wet ink signature and have to be delivered by registered mail in their original version. No scan or photocopy will be accepted. They must be signed by the exact same legal representative(s) indicated on page 1 of the IPC Agreement.





By 25 June 2021 at the latest, the SRB will return the countersigned IPC Agreement to the institution to the address provided in the Application Form, by registered mail.

➤ **If your institution opts for electronically-signed IPC Agreement:**

The package needs to be returned electronically **both** to the NRA and SRB:

**Electronically, to the NRA**

No later than 13 May 2021, the following document should be delivered by email to your National Resolution Authority (NRA):

- The **Excel** copy of the completed Application Form labelled "[your Riad MFI/local identifier code]\_2021\_Application Form".

**Electronically, to the SRB**

No later than 21 May 2021, the Application Form and electronically signed IPC Agreement have to be delivered by a single e-mail to: **SRB-IPC@srb.europa.eu**. Please clearly indicate your LEI or MFI code in the title of the e-mail.

The IPC Agreement has to be signed by **qualified electronic signature** as defined in Regulation (EU) No 910/2014<sup>1</sup>.

The IPC Agreement has to be delivered as originally-executed pdf file. No scan, photocopy or a print-out can be accepted; no photocopied signature can be accepted. It must be signed by the exact same representative(s) indicated on page 1 of the IPC Agreement. The validity of the electronic signature will be verified.

By 25 June 2021 at the latest, the SRB will return the countersigned IPC Agreement to the institution.

How will the transfer of cash collateral take place?

The constitution of the cash collateral shall occur as part of the payment of the annual contribution to the NRA in accordance with the process and within the timing set out in the notification of the 2021 ex-ante contributions.

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<sup>1</sup> Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC, *OJ L 257, 28.8.2014, p. 73-114*.





What happens if the application is not complete?

Failure to comply with the requirements as set out above will lead to your institution being excluded from the use of IPC's for the 2021 contributions period. In such a case, the full payment obligation will be considered to be a paid-in contribution.

If you have any questions regarding this application, please contact your NRA.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "J. Reinder DE CARPENTIER", written over a horizontal blue line.

Jan Reinder DE CARPENTIER  
Vice-Chair

