



Brussels, 11 April 2022

Subject: Use of Irrevocable Payment Commitment during the 2022 ex-ante contribution to the Single Resolution Fund (deadline for receiving the application package no later than: 20 May 2022)

Dear Sir/Madam,

Your institution has been informed of its 2022 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 2022 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 2022 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.

➤ **Option 1. 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 12 May 2022, the following documents 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]_2022_Application Form".

AND

Physically, to the SRB

No later than 20 May 2022, the originally executed version of the Application Form and **two** signed IPC Agreements have to be received by registered mail at:

*SRB [Unit E1 - 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 24 June 2022 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.



➤ **Option 2. 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 12 May 2022, the following documents 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]_2022_Application Form".

AND

Electronically, to the SRB

No later than 20 May 2022, 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 910/2014¹.

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 24 June 2022 at the latest, the SRB will return the countersigned IPC Agreement to the institution to the electronic address from which the IPC contract was initially received.

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 2022 ex-ante contributions.

¹ 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 2022 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,

Jan Reinder DE CARPENTIER

Vice-Chair



Step-by-step guide:

➤ Option 1. If your institution opts for wet ink signature IPC Agreement:

Steps to be taken:

1. Please complete the Application form in Excel, save it under title "[your Riad MFI/local identifier code]_2022_Application Form" and send it to your NRA by e-mail no later than 12 May 2022.
2. Print out:
 - two separate copies of the IPC Agreement and, after completion, please sign each copy with pen ("*wet ink*"). No scan or photocopy will be accepted. Both copies must be signed by the exact same legal representative(s) indicated on page 1 of the IPC Agreement. (If more than one person are indicated on page 1, they all must sign the Agreement).
 - 1 copy of the Application form from point 1 above.

and send by registered mail to the following address:

SRB [Unit E1 - IPC]
Treurenberg 22
B-1049 Brussels
Belgium

It should be received by the SRB no later than 20 May 2022.

➤ Option 2. If your institution opts for electronically-signed IPC Agreement:

Steps to be taken:

1. Please complete the Application form in Excel, save it under title "[your Riad MFI/local identifier code]_2022_Application Form" and send it to your NRA by e-mail no later than 12 May 2022.



2. Please complete the IPC Agreement, and sign it by the qualified electronic signature as defined in Regulation (EU) No 910/2014². It must be signed by the exact same legal representative(s) indicated on page 1 of the IPC Agreement. (If more than one person are indicated on page 1, they all must provide their qualified electronic signature). No scan or photocopy will be accepted. The validity of the electronic signature(s) will be verified.
3. Send both the Application form and signed IPC Agreement (pdf) by a single e-mail to: SRB-IPC@srb.europa.eu no later than 20 May 2022. Please clearly indicate your LEI or MFI code in the title of the e-mail.
4. Please do not send any printed versions to the SRB as they have no added value when qualified electronic signature is applied.

² 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*.