

**COMMISSION de SURVEILLANCE
du SECTEUR FINANCIER**

Luxembourg, 1st December 2015

To all credit institutions incorporated under
Luxembourg law¹

CSSF Circular 15/626

Re: Single Resolution Fund – Information request by the Single Resolution Board for the calculation of the 2016 contribution according to Articles 4 and 14 of the Commission Delegated Regulation (EU) 2015/63

Ladies and Gentlemen,

The purpose of this circular is to collect data for the calculation of 2016 ex-ante contributions to the Single Resolution Fund.

Article 100 of Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (hereinafter "BRRD"), requires Member States of the European Union to establish one or more national resolution financing arrangements for the purpose of ensuring the effective application by the resolution authority of the resolution tools and powers. In accordance with Article 103(1) of the BRRD *ex-ante* contributions shall be raised at least annually from all institutions incorporated under Luxembourg law. However branches established in Luxembourg by institutions which have their head office outside the Union are not targeted by the present circular as they will be covered by the Luxembourg Resolution Fund.²

Article 67 of Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010 (hereinafter "SRMR") establishes a **Single Resolution Fund** (hereinafter "SRF") under the responsibility of the **Single Resolution Board** (hereinafter "SRB") from 01/01/2016 onwards³ for Member States participating in the SSM. The Commission Delegated Regulation (EU) 2015/63 of 21 October 2014 supplementing Directive 2014/59/EU with regard to *ex-ante* contributions to

¹ Branches established in Luxembourg by a credit institution having its head office in another Member State, participating or not, are covered by their head office.

² See Article 108(1) of the draft bill transposing the BRRD into Luxembourg law (n° 6866).

³ or from the date on which Art. 69(1) SRMR becomes applicable pursuant to Art. 99(6) SRMR (i.e. ratification of the IGA)

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

resolution financing arrangements (hereinafter "DR") and the Council Implementing Regulation (EU) 2015/81 of 19 December 2014 specifying uniform conditions of application of Regulation (EU) No 806/2014 of the European Parliament and of the Council with regard to *ex-ante* contributions to the Single Resolution Fund (hereafter "CR") specify together the methodology for the calculation of this contribution and the obligations of the credit institutions as regards the necessary information to be provided in a Single Resolution Mechanism context.

In order to determine, in accordance with the provisions of the DR and CR, the annual contribution to be paid by each credit institution in 2016, **the SRB** needs to obtain a certain amount of information as expressed in its introduction letter (Annex 1). For the purpose of this data gathering the attached template (Annex 2) has been developed by the SRB together with information/instructions on how it has to be filled in. Additional guidance elaborated by the SRB is available on the CSSF's website (www.cssf.lu) under: Supervision > Banks > FAQ (direct link: <http://www.cssf.lu/en/supervision/banks/faq/>) in the category "Contribution to Single Resolution Fund".

The duly filled in template (Annex 2) has to be sent to the CSSF **at the latest by 1 February 2016 at 24:00 h**. In case not all required information is transmitted correctly by that date, the SRB shall use estimates or its own assumptions for the calculation of the 2016 contribution of the concerned credit institution to the SRF (Article 17 (1) DR). In specific cases, the SRB may assign the credit institution concerned to the highest risk adjusting multiplier, for the calculation of the institution's contribution to the SRF (Article 17 (2) DR).

For the transmission of the data to the CSSF, credit institutions have in general to use the attached electronic template (Annex 2). Said template is available on our website at: <http://www.cssf.lu/fileadmin/files/ESPREP-Bxxxx-yyyy-mm-NRT.xls>. Some credit institutions will be contacted directly by the CSSF in the next 10 working days in order to provide more specific guidance reflecting their situation.

The name of the file must comply with the file naming convention for specific enquiries as defined in Circular CSSF 08/344 using the following file name for the survey under review: ESPREP-Bxxxx-yyyy-mm-NRT.xls. The sequence "xxxx" shall be replaced by the 4-digit identification number of the credit institution and the sequences "yyyy" and "mm" shall respectively be replaced by the four digits corresponding to the reported year end closing and the two digits corresponding to the month of the reported year end closing. For example, for the bank with identification number "999" and transmitting the data stemming from the financial statements as per 31 December 2014, the table shall be titled ESPREP-B0999-2014-12-NRT.xls. The table must then be encrypted and transmitted to the CSSF through one of the secured transmission channels (E-File or SOFiE).

The relevant file must be in ".xls" format. Any other format (for example ".xlsx", ".doc", ".pdf", etc) will not be accepted. All required data fields of the file shall be completed (concerning details see Annex 2 sheet "Read me" point B). The table is pre-formatted and shall not be changed by the credit institutions. Information which includes error messages will be considered as void.

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER

In addition, each credit institution must make available to the resolution department of the CSSF, which will ensure transmission to the SRB, a document certifying that the submitted template complies with the general instructions. For this purpose, Annex 3 has to be completed, to be signed by at least one of the members of the banks' authorised management and to be sent to the CSSF also at the **latest by 1 February 2016**, either by mailing a hard copy or by e-mailing a scanned copy to Mr. Klaus Söllner (e-mail: klaus.sollner@cssf.lu) or Mr. François Basso (e-mail: francois.basso@cssf.lu).

For any questions concerning this circular please contact Mr. Klaus Söllner (e-mail: klaus.sollner@cssf.lu) or Mr. François Basso (e-mail: francois.basso@cssf.lu).

Yours faithfully,

COMMISSION de SURVEILLANCE du SECTEUR FINANCIER



Claude SIMON
Directeur



Andrée BILLON
Directeur



Simone DELCOURT
Directeur



Jean GUILL
Directeur général

Annexes:

1. Introduction of SRB
2. Template for the calculation of 2016 contribution to the Single Resolution Fund – see: www.cssf.lu/fileadmin/files/ESPREP-Bxxxx-yyyy-mm-NRT.xls
3. Sign-off by management – see: www.cssf.lu/fileadmin/files/Annex_3_sign-off_by_management.docx

Brussels, 12 November 2015

Subject: Collection of data for the calculation of 2016 ex-ante contributions to the Single Resolution Fund (deadline: 1 February 2016)

Dear Sir/Madam,

The Single Resolution Board (SRB) and the Single Resolution Fund were established by Regulation (EU) No 806/2014 of the European Parliament and the Council with the mission to ensure an orderly resolution of failing banks with minimum impact on the real economy and on public finances of the participating Member States. From 1 January 2016 the SRB becomes responsible for collecting the ex-ante contributions to the Single Resolution Fund.

The contributions are calculated and collected annually at individual (solo) level from all credit institutions and certain investment firms established in the territory of all Member States participating in the Banking Union.

The calculation is based on data related to the institutions' size and (when applicable) risk¹ as defined in the Commission's Delegated Regulation (EU) 2015/63 of 21 October 2014.

To ensure a harmonised application of relevant legal provisions, the SRB has adopted uniform data definitions, formats and instructions applicable to all institutions in scope, which are reflected in the data reporting template.

For 2016 contributions, the data necessary for the calculation should be submitted to the relevant National Resolution Authority (NRA) who will forward it to the SRB. During this process, the NRAs will serve as a first contact point in case of questions or need for clarification.

¹ Several small institutions may benefit from a simplified method of calculation, i.e. lump sum system.

The data necessary for calculation of 2016 ex-ante contributions must be submitted by the institutions no later than 1 February 2016 24:00 Brussels time.

Please note, that where an institution does not submit the data by the aforementioned deadline, the SRB will use estimates or its own assumptions in order to calculate the annual contributions of the institution concerned. In specific cases, the SRB may assign the institution concerned the highest 'risk adjusting multiplier', for the calculation of the institution's contribution to the Fund.

Data restatements or revisions submitted after the aforementioned deadline will be used to adjust the amount of the ex-ante annual contribution in the following contribution period only.

The SRB is relying on your cooperation for this important exercise that will also be a contribution to ensuring that our tasks are carried out in full compliance of the legislation approved by all.

Yours faithfully,



Elke König
Chair



Timo Löyttyniemi
Vice-Chair