

Financial Regulatory Developments Focus



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In this newsletter, we provide a snapshot of the principal European, US and global financial regulatory developments of interest to banks, investment firms, broker-dealers, market infrastructures, asset managers and corporates.

Bank Prudential Regulation & Regulatory Capital

EBA Publishes New Taxonomy for Supervisory Reporting

On August 18, 2014, the European Banking Authority (“EBA”) published new XBRL taxonomy for national regulators to provide data to the EBA under the supervisory reporting requirements set out in the new European capital requirements legislation. The revised taxonomy is required to address errors to reporting structures and will align with the recently published implementing technical standards amendments. Reports with reference dates of December 31, 2014 onwards should use the new taxonomy. Supervisory reporting covers own funds, financial information, large exposures, leverage and liquidity ratios, asset encumbrance and funding plans.

The EBA announcement is available at: <http://www.eba.europa.eu/-/eba-publishes-new-xbrl-taxonomy-for-remittance-of-supervisory-reporting-as-of-31-december-2014>.

Recovery & Resolution

Federal Agencies Issue Additional Guidance for Resolution Plans

On August 15, 2014, the Board of Governors of the Federal Reserve System (“Federal Reserve Board”) and the Federal Deposit Insurance Corporation (“FDIC”) issued additional guidance following review of the first submission of resolution plans made by 117 US bank holding companies with less than \$100 billion in total non-bank assets and foreign-based firms with less than \$100 billion in US non-bank assets. The current guidance provides each firm with additional clarification and direction for the second resolution plans based on the relative size and scope of each firm’s US operations. The second plans are required to be submitted to the FDIC and the Federal Reserve Board on or before December 31, 2014.

In conjunction with the guidance, the Federal Reserve Board and the FDIC also released the model template for the tailored resolution plan, which focuses on the non-banking operations of the firm and the interdependencies between non-banking and banking operations.

The full text of the guidance is available at:

<http://www.federalreserve.gov/newsevents/press/bcreg/2014bcreg.htm>

The full text of the 2014 Model Template for a Tailored Resolution Plan is available at: <http://www.federalreserve.gov/bankinfo/reg/resolution-plans/2014-model-template.pdf>

Events

8 September 2014: EBA public hearing on draft regulatory technical standards on disclosure of information for compliance by firms with the requirement for a countercyclical capital buffer.

This newsletter is intended only as a general discussion of these issues. It should not be regarded as legal advice. We would be pleased to provide additional details or advice about specific situations if desired.

If you wish to receive more information on the topics covered in this publication, you may contact your usual Shearman & Sterling representative or any of the following:

EUROPE

BARNEY REYNOLDS

T: +44 20 7655 5528

barney.reynolds@shearman.com

London

AZAD ALI

T: +44 20 7655 5659

azad.ali@shearman.com

London

AATIF AHMAD

T: +44 20 7655 5120

aatif.ahmad@shearman.com

London

MAK JUDGE

T: +44 20 7655 5182

mak.judge@shearman.com

London / Singapore

OLIVER LINCH

T: +44 20 7655 5715

oliver.linch@shearman.com

London

THOMAS DONEGAN

T: +44 20 7655 5566

thomas.donegan@shearman.com

London

JOHN ADAMS

T: +44 20 7655 5740

john.adams@shearman.com

London

ANNA DOYLE

T: +44 20 7655 5978

anna.doyle@shearman.com

London

ELLIE TEO

T: +44 20 7655 5070

ellerina.teo@shearman.com

London

JAMES CAMPBELL

T: +44 20 7655 5570

james.campbell@shearman.com

London

BILL MURDIE

T: +44 20 7655 5149

bill.murdie@shearman.com

London

KOLJA STEHL

T: +49 69 9711 1623

kolja.stehl@shearman.com

Frankfurt / London

MARIA CHAN

T: +44 20 7655 5835

maria.chan@shearman.com

London

NATALIE CALDWELL

T: +44 20 7655 5722

natalie.caldwell@shearman.com

London

AMERICAS

DONALD N. LAMSON

T: +1 202 508 8130

donald.lamson@shearman.com

Washington, DC

BRADLEY K. SABEL

T: +1 212 848 8410

bsabel@shearman.com

New York

SYLVIA FAVRETTO

T: +1 202 508 8176

sylvia.favretto@shearman.com

Washington, DC

RUSSELL D. SACKS

T: +1 212 848 7585

rsacks@shearman.com

New York

REENA SAHNI

T: +1.212.8487324

reena.sahni@shearman.com

New York

CHRISTINA BROCH

T: +1 202 508 8028

christina.broch@shearman.com

Washington, DC

DONNA M. PARISI

T: +1 212 848 7367

dparisi@shearman.com

New York

JENNIFER D. MORTON

T: +1 212 848 5187

jennifer.morton@shearman.com

New York

JARED R. GIANATASIO

T: +1 212 848 4384

jared.gianatasio@shearman.com

New York

ABU DHABI | BEIJING | BRUSSELS | FRANKFURT | HONG KONG | LONDON | MILAN | NEW YORK | PALO ALTO
PARIS | ROME | SAN FRANCISCO | SÃO PAULO | SHANGHAI | SINGAPORE | TOKYO | TORONTO | WASHINGTON, DC

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599 LEXINGTON AVENUE | NEW YORK | NY | 10022-6069

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