

FDIC publishes new IDI Resolution Planning FAQs

On April 18, 2025, the Federal Deposit Insurance Corporation (FDIC) modified its approach to resolution planning for large banks by issuing frequently asked questions (FAQs) related to resolution planning requirements, codified at 12 CFR 360.10, for insured depository institutions (IDIs) with \$50 billion or more in total assets.¹



The FAQs describe exemptions and clarify certain expectations related to content requirements for initial submissions cycles for the upcoming Resolution Plans and Interim Supplements for Group A and Group B covered IDIs (CIDIIs), providing relief in certain areas and indicating the prioritization of regulatory interest in others.² Acting Chairman Travis Hill noted that the update in the approach to resolution planning submission expectations stem from the continued need to enhance the likelihood of achieving a lower-cost and more stabilizing resolution for large regional banks.

5 insights you should know

Capabilities testing expectations clarification: The FAQs clarify that the FDIC will not conduct capabilities testing before 2026 but will focus on horizontal testing of the Group A CIDIIs' ability to populate a virtual data room (VDR) during its initial submission cycle. Additionally, the rule does not require a capabilities testing framework but mandates that subsequent full resolution submissions describe nature, extent, and results of any contingency planning or exercises conducted since the last submission to assess or improve resolution strategy or capabilities.

Shift to suitable resolution strategies for Group A CIDIIs: The FDIC waived the content requirements related to formation and stabilization of a bridge depository institution as the identified strategy and meaningful optionality for the identified 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. Additionally, the FDIC waived content requirements related to failure scenario design expectations, non-deposit claims, and reduced content for economic effects of resolution.

Re-focus on critical operational information for Group B CIDIIs: The FDIC has waived certain content requirements for Group B CIDIIs, including all elements of franchise components and non-deposit claims documentation and reduced content for corporate governance and economic effects of resolution.

No credibility determinations: The FDIC will not make credibility determinations for each submission, only doing so if a submission is deemed not credible. This approach focuses on the quality and thoroughness of submissions, targeting compliance with FDIC expectations.

Operational and administrative clarifications: The FAQs did not state any changes to operational areas, including Critical Services, Management Information Systems (MIS), Key Personnel, Digital Services, and Communications Playbook; however, further clarification was provided on key definitions. Additionally, the FAQs did not state any significant changes to administrative areas, including submission format and rule applicability.

5 considerations to evaluate

1 Prioritize VDR capabilities testing: The FDIC will begin capabilities testing no earlier than 2026, including VDR capabilities for Group A CIDIIs and horizontal testing for all triennial filers. The FAQs state CIDIIs are not required to have a self-assessment or capabilities testing framework, and that the FDIC staff will not focus on a comprehensive verification of capabilities. However, CIDIIs should consider developing a mechanism to ensure their resolution planning capabilities meet Rule requirements. Considering the initial focus of external regulatory testing will be on VDR capabilities, CIDIIs should focus on ensuring VDR information is appropriate for a bidder to conduct due diligence and provide a competitive bid on the IDI franchise, and target this as a priority area for internal testing.

2 Focus on executable strategies for Group A CIDIIs, not optionality: Group A CIDIIs' strategy should be focused on reasonableness consideration that the strategy could be executed by the FDIC, not optionality. CIDIIs may submit one or many strategies to suite a multitude of circumstances that touch on key elements involved (including weekend sales), which will allow for the FDIC and the CIDI to discuss possible strategy options. Also worth noting, the FDIC has waived requirements for additional areas for Group A that would support the notion of a weekend sale or short-term operations.

3 Focus on operational capabilities for Group B CIDIIs: Group B CIDIIs should simplify submissions by excluding franchise components and non-deposit claims related plan content and reduce content for corporate governance and economic effects of resolution. The shift in priorities places a greater emphasis on critical operational information, reducing the compliance burden for Group B CIDIIs and allows them to focus on critical operational information and readiness.

4 Streamline quality submissions: With the FDIC's streamline approach, CIDIIs should ensure their resolution plans meet the FDIC's quality and thoroughness requirements aligned to internal processes. CIDIIs should prepare for potential credibility determinations if submissions are deemed not credible.

5 Increase focus on operational and administrative areas: Despite stating no significant changes to operational areas of the plan and plan administrative items, the FAQs did provide clarity on the definition and scoping considerations for each topic. These are still important areas of the plan submission as they support the resolvability of the IDI and operations for a short period of time.



Key impacts of new IDI Resolution Planning FAQs

The lessons learned from the 2023 bank turmoil remain a priority for the FDIC, pointedly the need for regulators to have access to key operational information. There is importance for IDIs to focus on the detail and data that enables an orderly wind-down in alignment to a bank's size, while also trying to provide some relief.

What's changing and its impact on Banks

Clarification on Capabilities Testing regulatory expectations

- The rule does not require Group A and B CIDs to have a self-assessment or capabilities testing framework.
- The rule only requires that full resolution submissions describe the nature, extent, and results of contingency planning or similar exercise conducted by the CIDI since the most recent full resolution submission. The purpose is to assess the viability of the CIDI's resolution strategy or improve any capabilities described in the full resolution submission.

Scope & Timing of Capabilities Testing Program

- The FDIC will not conduct capabilities testing prior to 2026.
- For a Group A CIDI's initial submission cycle, a horizontal test of its capabilities will be performed to establish and populate a VDR with information to support the ability of the FDIC to market and execute a timely sale or disposition of the IDI franchise.
- The FDIC expects to conduct horizontal testing once with each triennial filer per submission cycle.
- 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.⁴

Waiving of Content Requirements³

Group A CIDI resolution plans and Group B CIDI informational filing	Group A CIDI resolution plans	Group B CIDI informational filings
<p>(i) Economic Effects of Resolution: The FDIC has waived off the requirement that the CIDs must provide "mitigants" to the economic effects of its failure as it could involve a speculative assessment of impacts on and behavior of third parties</p> <p>(ii) Non-deposit claims: Information regarding non-deposit claims has been waived, as 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</p>	<p>(i) Identified strategy: Rather than focusing filers' strategic resolution analyses 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</p> <p>(ii) Failure Scenario: FDIC has waived the content requirement for failure scenario (i.e., the requirement to use a failure scenario that demonstrates that the IDI is experiencing material financial distress)</p> <p>(iii) Valuation to Facilitate FDIC's Assessment of Least-costly Resolution Method: Content requirement for quantitative analysis has been waived; filers are still required to provide a qualitative description of the approach the CIDI would employ for determining the value of the franchise components and the IDI franchise as a whole including an explanation on the appropriateness of the approach, and to provide the qualitative assessment on impact of uninsured deposits not moving to a bridge bank</p>	<p>(i) Franchise Component: Group B CIDs are 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. In other words, Group B CIDs may disregard the phrase "franchise components"</p> <p>(ii) Corporate Governance: Group B CIDs are exempted from including a detailed description of the CIDI's policies, procedures, and internal controls governing preparation and approval of the full resolution submission</p>
Interim Supplements – Group A CIDI and Group B CIDI		
<p>The FDIC has noted that the following content may be exempted for Group A CIDI and Group B CIDI interim supplements during the initial submission cycle:</p> <ul style="list-style-type: none"> Franchise Components (for Group B CIDs, franchise component elements of the remaining content requirements are also waived) Off-balance Sheet Exposures Payment, Clearing, and Settlement Capital Structure; Funding Sources Cross-border Elements Management information systems; software licenses; intellectual property 		

Other Key Revisions and Clarifications

- Credibility determinations:** 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.
- Clarification on key personnel:** FDIC clarified the definition of the term Key Personnel. The list of key personnel may include a large proportion of staff, but FDIC expects it to not include all personnel. 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.
- Clarification on communications playbook's dependency on a particular strategy:** The communications playbook is not dependent on a particular strategy; it should be applicable to any resolution scenario or strategy.
- Clarification on scope & timing of engagement:** FDIC plans to provide at least three months' advance notice before conducting engagement with an CIDI. Aside from informal communications mentioned above, the FDIC expects to conduct engagement once with each triennial filer per submission cycle. These timelines may change based on exigent circumstances.
- Clarification on changes since prior submission:** CIDs are not expected to report these changes in their initial full resolution submissions. Similarly, IDIs that will file interim supplements in 2025 are not expected to address such changes.



Group A vs Group B CIDI Submissions vs Interim Supplements (1/2)

In the most recent FAQs, the FDIC has waived various content requirements for the upcoming cycle of resolution plans, primarily for Group B Information Filings and Interim Supplements. Below is the updated list of required sections per the FDIC FAQs (current as of April 19, 2025).

IDI Rule paragraph (d)	Content Item	Group A	Group B	Group A and B
		Resolution Plan Submissions	Informational Filing	Interim Supplement
		Three-year cycle for non-GSIB* IDI and two-year cycle for IDIs under GSIBs		
1	Identified Strategy	X [Waived (d)(1)(ii) and (iii)]		
2	Failure Scenario	Waived		
3	Executive Summary	X		
4	Org. structure; legal entities; core business lines; and branches	X	X	X
5	Methodology for material entity designation	X	X	
6	Separation from parent; barriers or obstacles to orderly resolution	X	X	
7	Deposit activities	X	X	Key Info
8	Critical Services	X	X	Key Info
9	Key Personnel	X	X	Key Info
10	Franchise Components	X	X [Waived all franchise components content throughout the IDI Rule]	Waived
10(i)	Identify franchise components that are currently separable and are marketable in a timely manner in resolution	X	Waived	Waived
10(ii)	Provide metrics that depict the size and significance of each franchise component	X	Waived	Waived
10(iii)	Identify by position the senior management officials of the CIDI who are primarily responsible for overseeing the business activities underlying franchise components	X	Waived	Waived
10(iv)	Describe the CIDI's current capabilities and process to initiate marketing of franchise components to potential third-party acquirers	X		
10(v)	Describe the key assumptions underpinning each franchise component divestiture	X		
10(vi)	Describe any significant impediments and obstacles to execution to the divestiture of each franchise component	X		
10(vii)	If a CIDI subsidiary or a parent company affiliate is a broker-dealer that provides services to the CIDI or customers of the CIDI, describe such services and the integration of the broker-dealer with the CIDI's business and operations	X	X	
10(viii)	Describe the CIDI's current capabilities and processes to establish a VDR promptly	X	X [Waived franchise components content]	

Updates from FAQs



Group A vs Group B CIDI Submissions vs Interim Supplements (2/2)

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IDI Rule paragraph (d)	Content item	Group A	Group B	Group A and B
		Resolution Plan Submissions	Information Filings	Interim Supplement
		Three-year cycle for non-GSIB IDI and two-year cycle for IDIs under GSIBs		
11	Asset Portfolio Sales	X	X	Key Info
12	Valuation for least-costly resolution	X [Waived (d)(12)(ii)(A) and (iii)]		
13	Off-balance-sheet exposures	X	X	Waived
14	Qualified financial contracts	X	X	
15	Unconsolidated balance sheet	X	X	X
16	Payment, clearing, and settlement Services	X	X	Waived
17	Capital structure; funding sources	X	X	Waived
18	Parent and parent company affiliate funding, transactions, accounts, exposures, and concentrations	X	X	
19	Economic effects of resolution	X [Waived second sentence of (d)(19)(iii)]	X [Waived second sentence of (d)(19)(iii)]	
20	Non-deposit claims	Waived	Waived	
21	Cross-border elements	X	X	Waived
22	Management info. Systems; licenses; IP	X	X	Waived
23	Digital service and electronic platforms	X	X	
24	Communications playbook	X	X	
25	Corporate governance	X	X [Waived second phrase of (d)(25)]	
26	CIDI's assessment of resolution plan	Waived	Waived	
27	Any other material factor	X	X	

Endnotes

¹ Federal Deposit Insurance Corporation (FDIC), “[IDI Resolution Planning Rule Frequently Asked Questions \(FAQs\)](#),” April 2024.

² The FDIC’s June 2024 final rule established two new categories of filers with differing submission cycles: (i) Group A consisting of IDIs with \$100bn or more in total assets; and (ii) Group B consisting of IDIs with \$50bn up to \$100bn in total assets.

³ See FDIC, “[Content Requirement Exemptions for Initial Submission Cycle \(12 CFR § 360.10\)](#),” April 2024.

⁴ Dodd-Frank Wall Street Reform and Consumer Protection Act (Pub. L. No. 111-203).

* GSIB = Global Systemically Important Bank

Connect with us

Richard Rosenthal

Principal
Deloitte & Touche LLP
rirosenthal@deloitte.com

Olga Kasparova

Managing Director
Deloitte & Touche LLP
okasparova@deloitte.com

Sean Hodgkinson

Senior Manager
Deloitte & Touche LLP
seahodgkinson@deloitte.com

Megan Jones

Manager
Deloitte & Touche LLP
meganjones2@deloitte.com

Vignesh Venkatesan

Manager
Deloitte & Touche Assurance and Enterprise
Risk Services India Private Limited
vigvenkatesan@deloitte.com

Devika Narula

Manager
Deloitte & Touche Assurance and Enterprise
Risk Services India Private Limited
denarula@deloitte.com

Deloitte Center for Regulatory Strategy, US

Irena Gecas-McCarthy

FSI Director, Deloitte Center for Regulatory Strategy, US
Principal
Deloitte & Touche LLP
igecasmccarthy@deloitte.com

Aaron Salerno

Manager
Deloitte Services LP
asalerno@deloitte.com

Kyle Cooke

Manager
Deloitte Services LP
kycooke@deloitte.com

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