

## Updates on Regulatory Initiatives to Operationalise the Resolution Regime in Hong Kong

18 December 2018 (Tuesday)

### Key Session Features

Authorized institutions (AIs) provide important financial services to businesses and the general public, who rely on continuous access to those services. Consequently, should an AI run into trouble, putting it into insolvency may not be a realistic option. The Financial Institutions (Resolution) Ordinance (FIRO) came into effect in July 2017, establishing in Hong Kong a framework for the orderly resolution of failing financial institutions. However, while the FIRO establishes the enabling legislative framework for resolution, further rules, regulations and AI specific resolution planning are required to operationalise the resolution regime. This session will provide an update on forthcoming regulatory initiatives that are designed to support resolution.

### Loss-absorbing Capacity (LAC) Rules

A prerequisite for orderly resolution is that should an AI fail, it has sufficient financial resources of its own – loss-absorbing capacity, or LAC – to absorb losses and be re-capitalised, thereby restoring it to viability. The Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules are expected to come into operation towards the end of 2018, and will prescribe minimum loss-absorbing capacity requirements for AIs and certain group companies.

### Total Loss-absorbing Capacity holdings

To minimize contagion within the banking sector, it is important that investment by AIs in loss-absorbing capacity instruments issued by other institutions is subject to restrictions. Amendments to the Banking (Capital) Rules are expected to come into operation in early 2019, which will generally require AIs to subject their holdings of such instruments to the capital deduction framework.

\* Limited seats.

Early enrollment is recommended.

### Speakers

#### Hong Kong Monetary Authority

Resolution Office

Eamonn White, Division Head

Rob Probyn, Senior Manager

Banking Policy Department

Richard Chu, Division Head

### Target Participants

This seminar is useful for **banking practitioners at all levels** of AIs who would like to understand more about the HKMA's latest policies and regulatory initiatives on developing Hong Kong's resolution regime for AIs, and the implications for how AIs operate. It is likely to be of particular interest to those involved in capital and balance sheet planning, debt issuance, resolution planning, senior management and regulatory compliance.

### Seminar Details

**HKIB CPD / SFC CPT / PWMA OPT / ECF CPD - 2 hours**

Date : 18 December 2018 (Tuesday)

Time : 9:30 am – 11:30 am (2 hours)

Registration : 8:45 am

Please present confirmation e-mail with registration number and two business cards for registration.

Venue : Salon 4 - 6 of Ballroom  
JW Marriot Hotel  
Pacific Place, 88 Queensway, HK

Language : English

Fee : HK\$450 per participant

Enrollment : By **Fax** at (852) 2682 0218 or  
By **Email** to project@hkib.org

Enquiry : (852) 2190 7070  
(852) 2190 7077

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1. Payment is due at the time of enrolment. All fees paid are non-refundable and non-transferrable. Refund is only applicable to rejected enrolment.
2. We reserve the right to reject an enrolment at any time.
3. Enrolment result will be sent by e-mail at least 1 week prior to the course commencement.
4. Priority of enrolment will be given on a 'first-come-first-served' basis.
5. HKIB would issue the "Certificate of Attendance" to participants who have complied with the "[HKIB Attendance Policy](#)". The Certificate will be e-mailed to the corresponding e-mail address within 1 month after completion of the programme.
6. We reserve the right to cancel, modify and/or postpone the course due to unforeseen circumstances.
7. The information given and personal data collected will be used for the purpose of administration and communication by the Institute.
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