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Canada Deposit Insurance Corporation
Société d'assurance-dépôts du Canada

CDIC Resolution Plan Assessment Framework

July 2026

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Introduction

This document outlines Canada Deposit Insurance Corporation's (CDIC) criteria used in assessing compliance of the resolution plan submitted by the domestic systemically important bank (D-SIB or the bank[1]) with the *CDIC Resolution Planning By-law* (the By-law).

To ensure fairness and transparency of the assessment process, no criteria other than the criteria contained in this document, along with the CDIC Resolution Plan Guidance sent, or to be sent, by CDIC to the bank relating to the resolution plans will be used by CDIC in assessing the bank's compliance with the By-law.

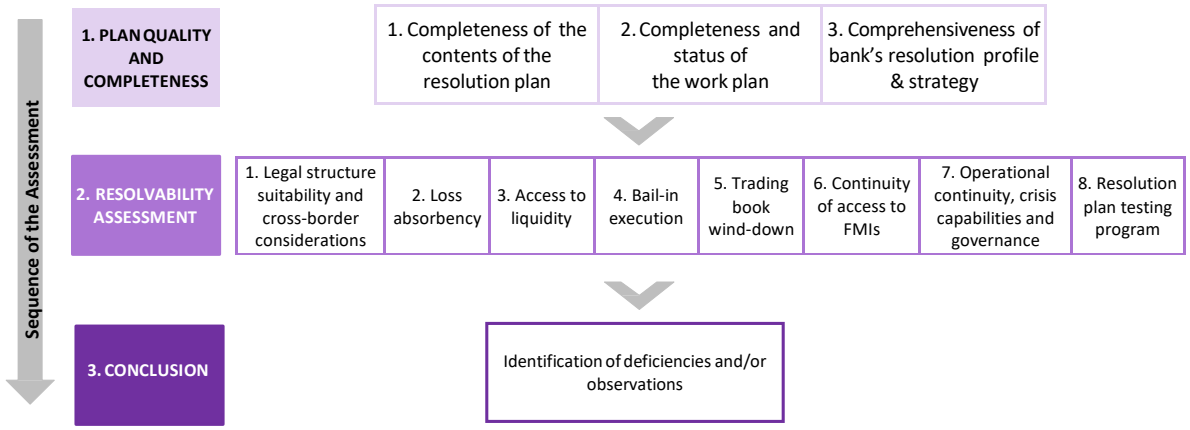
Overview of the assessment process

The assessment process is structured as follows:

1. Assessment of the contents of the bank's resolution plan, as illustrated in Figure I below:
    a. Resolution plan quality and completeness (described in *section 1*)
    b. Ability to implement the resolution strategy (described in *section 2*)
2. Assessment of acceptability of the work plan to address the resolution plan deficiencies (described in *section 3*)

CDIC's Guidance[2] sets out CDIC's expectations for the contents of the resolution plan, including the completeness and provision of necessary information, analysis, and assumptions. CDIC's Guidance will inform CDIC's judgement when assessing the contents of the resolution plan. Where indicated in the assessment criteria, CDIC may draw on the guidance issued by the Financial Stability Board (FSB) to inform its judgment.

Figure 1: Structure of the assessment



[1] References to the "bank" throughout this document are only in relation to the banks that are subject to the By-law (i.e. the D-SIBs) and refer to the bank group as defined in the By-law, s.1.
[2] *CDIC Resolution Plan Guidance for the Domestic Systemically Important Banks* issued in July 2026.

The conclusion of the assessment process is a determination of the areas in which the resolution plan was found deficient or not. The conclusion may also include observations about the resolution plan.

A **deficiency** in the resolution plan would, in the opinion of CDIC, prevent the implementation of the bank's resolution strategy.[3] A deficiency may arise when the bank's resolution strategy itself is inadequate – in a sense that it relies on intervention by CDIC beyond the scope of the Canadian resolution regime or other public sector stabilization measures that could expose taxpayers to a risk of loss. A deficiency may also arise when CDIC does not have confidence that the bank's resolution strategy could be carried out in a manner that protects the critical functions provided by the bank or otherwise have a minimal adverse effect on the stability of the financial system in Canada – meaning there are unmitigated resolvability risks posed by the failure of the bank.

Where impediments to the implementation of the resolution strategy exist because the timeframe to comply with the regulations applicable to the assessment area extends beyond the date of the submission of the resolution plan, CDIC will not treat such impediments as deficiencies, provided that the bank's work plan includes actions to comply with the applicable regulations in the required timeframe.

By contrast, an **observation** is a weakness in the resolution plan that would not affect the ability to execute the resolution strategy. An observation may include areas where the resolution plan relies on unsubstantiated or simplifying assumptions or fails to identify, describe, or analyze the required information. In such instances, the bank may be requested to provide further information or analysis, or justification for its assumptions in its future resolution plans and to incorporate these actions into its work plan. Observations that remain unaddressed may become deficiencies.

Each assessment criterion is scored as follows:

1. **Met** – the resolution plan substantially meets the assessment criterion,
2. **Observation/(s) noted** – the resolution plan partly meets the assessment criterion due to observation(s) that taken together do not affect the ability to implement the resolution strategy, or
3. **Deficiency/(ies) noted** – there are unmitigated resolvability risks posed by the failure of the bank in the assessment area which would prevent the execution of the bank's resolution strategy, or the bank failed to address the key requirements of the By-law.

[3] CDIC Resolution Planning By-law, s.11(4)(b) and s.11(4)(c)

1. Resolution plan quality and completeness

1.1 Completeness of the contents of the resolution plan

Upon receipt of the bank's resolution plan, CDIC will verify its completeness against the content requirements of the By-law[4] and assess whether the resolution plan provides the information outlined in the CDIC Guidance provided to the bank.

The completeness checklist is included in the *Appendix*. Although not required by CDIC, the bank is encouraged to fill out the completeness checklist as part of its own validation to confirm that the resolution plan provides the information required by CDIC. The completed checklist, if provided to CDIC, would be reviewed by CDIC as a starting point for the assessment.

If additional information is required to facilitate the review of the resolution plan, CDIC will inform the bank of the areas for which additional information is required and the timeframe within which to provide the information.

[4] CDIC Resolution Planning By-law, s. 4(a) to 4(k)

1.2 Completeness and status of the work plan

The assessment of the bank's work plan will consider the following criteria:[5]

Assessment criteria	Factors that will inform CDIC's assessment
1.2.1 **Completion of the previous work plan actions.** The previous work plan has been complied with.	• CDIC will compare the actions, their status and timeline to complete the actions outlined in the work plan submitted with the current resolution plan against the previous work plan[6] agreed by the bank and CDIC.
1.2.2 **Maintenance, validation and testing activities.** The work plan captures all the activities for resolution plan maintenance, validation and testing to continuously improve the bank's resolution preparedness.	• The resolution plan describes the governance process for the development and review of the work plan prior to its submission to CDIC. • The actions for resolution plan maintenance are mapped to each section of the resolution plan. • Where applicable, the actions in the work plan are linked to the bank's resolution plan testing program, specifying the areas to be tested or validated. • If the bank provided a material change report prior to the submission of the current resolution plan, the work plan includes actions to incorporate the material change(s) into the resolution plan.[7]
1.2.3 **Actions to address deficiencies, observations and/or impediments.** The work plan captures all the activities that are necessary to remove the barriers to implementation of the bank's resolution strategy.	• If a deficiency was identified in the prior submission of the resolution plan, the work plan includes the remedial actions and timeframes to address the deficiency agreed upon by the bank and CDIC in the previous work plan. • If an observation was identified in the prior submission of the resolution plan, the work plan includes the remedial actions taken, or to be taken, to address the observation. • If the resolution plan identified any gaps in capabilities or other impediments to implementing the resolution strategy, the work plan describes the actions to remove or mitigate the gaps in capabilities or other impediments and specifies the timeframes for these actions.

[5] CDIC Resolution Planning By-law, s.4(k) and CDIC Guidance, s.5.2 and Appendix U
[6] The previous work plan would be either: (i) the work plan submitted with the previous resolution plan under the By-law s.4(k), (ii) a work plan submitted between resolution plan submissions, including in circumstances where the bank experienced a material change under the By-law s.7(1)(c), and/or (iii) a revised work plan agreed with CDIC under the By-law s.11(1) or s.11(6).
[7] CDIC Resolution Planning By-law, s.7(1) and s.8

1.3 Comprehensiveness of the resolution profile and strategy

The assessment of the bank's resolution profile will consider whether it contains the necessary information to understand the aspects of the bank that are most material or critical from a resolution perspective, and therefore, require attention in the resolution strategy, and whether the resolution strategy provides sufficient options to ensure continuity of the bank's critical functions. CDIC will consider the following criteria when assessing the bank's resolution profile and strategy:[8]

Assessment criteria	Factors that will inform CDIC's assessment
1.3.1 **Identification of critical functions.** The resolution plan identifies the bank's critical functions based on the impact on the financial system or functioning of the economy in Canada that could be caused by their disruption.	• The resolution plan identifies the bank's critical functions based on an assessment that considers: (i) size and role in the market, (ii) barriers to substitutability (availability and ease), (iii) idiosyncratic impact of failure, and (iv) contagion risk and interconnectedness to other financial institutions and markets. Internal views on profitability or franchise value are not factors used by the bank to determine criticality. The factors outlined in FSB's *Guidance on Identification of Critical Functions and Critical Shared Services*, section 2.2 and the Annex 1, will inform CDIC's judgement when assessing the scope of critical functions.
1.3.2 **Identification of critical shared services.** The resolution plan identifies the activities performed within the bank or by an external provider for one or more business units or legal entities of the bank whose absence or failure would lead to the cessation of, or present material risk to the continuity of, the bank's critical functions.	• The resolution plan identifies the bank's critical shared services that support each critical function. The factors outlined in FSB's *Guidance on Identification of Critical Functions and Critical Shared Services*, section 3.2 and the Annex 2, will inform CDIC's judgement when assessing the scope of critical shared services.

[8] CDIC Resolution Planning By-law, s.1, definition of "critical function", "critical shared service" and "material legal entity", s.4(a) to 4(c), and s.5(a) to 5(c), and CDIC Guidance, Module 1 and Appendix A

Assessment criteria	Factors that will inform CDIC's assessment
1.3.3 **Identification of material legal entities.** All material legal entities of the bank that meet the quantitative materiality thresholds or are necessary for continuity of critical functions or critical shared services are captured in the resolution profile.	• The resolution plan provides a mapping of the legal entities to the critical functions or the critical shared services. This process establishes the scope of material legal entities for resolution planning. • The scope is supplemented by those material legal entities that meet at least one of the quantitative materiality thresholds defined by CDIC (i.e. greater than 5% of: risk weighted assets, or total operating income (or equivalent income measure), leverage exposure of the consolidated group). • If the bank proposes to exclude any above material legal entities from the scope of the resolution profile, such exclusions are limited and agreed with CDIC, and the resolution plan identifies and quantifies the impact of such exclusions. • The resolution plan outlines the process used by the bank to monitor materiality of its legal entities and branches relevant for resolution planning, and to incorporate any necessary changes to the scope of material legal entities in its resolution profile.
1.3.4 **The resolution strategy aims to ensure continuity and protection of critical functions.** The resolution plan identifies the critical functions and material legal entities that require protection and continuity through resolution (the end-state) and provides strategic options for time-bound stabilization and restructuring actions to reach that end-state with a minimal adverse effect on the stability of the financial system in Canada.	• The resolution plan identifies the point(s) of entry into resolution (i.e. the single point of entry or multiple points of entry) and provides a rationale for why it supports the resolution strategy for the bank. The preconditions outlined in FSB's *Guidance on Developing Effective Resolution Strategies*, section 2.1 and 3.1, will inform CDIC's judgement when assessing reasonableness of the rationale for the point of entry. • The resolution plan identifies a set of critical functions, and the material legal entities providing or supporting them, that are to continue through resolution and form part of the restructured bank at the exit from resolution (the end-state). • The resolution plan outlines the stabilization options in resolution for: (i) recapitalization and funding of the parent bank, (ii) the movement of capital, funding and liquidity between the parent bank and each material legal entity specifying the path such funds would take through the legal structure, and (iii) other funding sources available to the material legal entities.

Assessment criteria	Factors that will inform CDIC's assessment
	• For the residual parts of the bank that are not part of the end-state (i.e., businesses, asset portfolios, significant assets, including any material legal entities and critical functions that would not be maintained and retained by the bank until the exit from resolution), the resolution plan identifies options that create a restructuring strategy to reach the end-state with a minimal adverse effect on the stability of the financial system in Canada that contemplate: (i) stabilization and subsequent wind-down or divestiture, (ii) entry of legal entities into a separate winding up or corporate insolvency proceeding, or (iii) other credible restructuring options.

2. Ability to implement the resolution strategy

2.1 Legal structure suitability and cross-border considerations

CDIC will assess whether the bank demonstrated that its legal structure supports the execution of the resolution strategy currently and into the future. CDIC will also assess whether the bank demonstrated that it possesses the capabilities (i.e. people, processes, systems and information) to obtain the necessary approvals, or identify possible detrimental actions of the key stakeholders, to support execution of the resolution strategy. This will include an assessment of the bank's operational readiness and capabilities to execute restructuring options during resolution. CDIC will consider the following criteria when assessing the bank's legal structure suitability and cross-border considerations:[9]

[9] CDIC Resolution Planning By-law, s. 4(e), s.4(g) and s.4(i), and CDIC Guidance, s.1.2, s.3.8 and s. 3.9

Assessment criteria	Factors that will inform CDIC's assessment
2.1.1 **Regulatory approvals and considerations.** The resolution plan demonstrates that regulatory requirements can be met in resolution and that the bank's legal structure, operations and financial arrangements support the execution of the resolution strategy.	• The resolution plan identifies the regulatory notice requirements and/or approvals needed (or the exemptions available for approvals or notices, if applicable) during resolution to maintain regulatory compliance for the material legal entities. The resolution plan identifies actions that can reduce the risk of restrictions on the ability to transfer funds from material legal entities. The resolution plan identifies the functions within the bank that would be responsible for engaging with the identified authorities to provide notices and/or seek approvals. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • The resolution plan assesses: (i) the implications for the group resolution strategy of host authorities taking actions in respect of the material legal entities under their jurisdiction during resolution of the parent bank, and (ii) the relevance of impediments and ex-ante actions identified in the host resolution plans to the execution of the group resolution strategy. • For those entities that are identified to be wound up under a separate insolvency proceeding, the resolution plan identifies the statute, process to initiate the proceeding, and a list of regulators. • Where implementation of the disposal or wind down involves regulatory approvals, or there is a likelihood that the actions of the host authorities may impact the execution and its timing, the resolution plan provides an assessment of the capabilities to meet the regulatory requirements. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • Where other stakeholders (e.g. a board of a material legal entity or another subsidiary, suppliers, creditors, staff, other interested parties) have the ability to take legal action or otherwise disrupt the disposal or wind-up, the resolution plan identifies these actions, assesses the impact on the execution of the resolution strategy and provides viable mitigants. • The resolution plan identifies areas of conflict between the obligations of the directors of a subsidiary with the obligations of the directors of the parent bank or another subsidiary, in executing the resolution strategy, particularly where a director serves on the boards of both the parent and the subsidiary.

Assessment criteria	Factors that will inform CDIC's assessment
2.1.2 **Capability to execute restructuring options.** The resolution plan demonstrates the bank has the capabilities (i.e. people, processes, systems and information) to execute its restructuring options in resolution.	• The resolution plan provides an overarching framework for determining its restructuring strategy in resolution, includes a playbook(s) for the restructuring option(s) and provides an assessment of the bank's capabilities to support implementation of restructuring options. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • For each restructuring option, the playbook(s) outlines execution processes, governance and key responsibilities, stakeholder considerations, financial and strategic impacts, separation and interconnection issues, and, where applicable, marketability and valuation assessments. • The resolution plan demonstrates the bank's operational readiness to execute restructuring activities, including its ability to (i) produce and prioritize information and data, including high-priority information, and (ii) establish and populate a virtual data room, supported by defined roles, timelines, security protocols, and escalation mechanisms, including an assessment of capabilities under a compressed timeframe of 48 hours. The resolution plan assesses the feasibility of an accelerated and concurrent execution of multiple restructuring actions, including the capability to support multiple due diligence processes and establish and populate required VDR(s) within 48 hours. • Testing of the capabilities to execute restructuring options is incorporated into the resolution plan testing program.
2.1.3 **Changes to the bank's legal structure.** Legal structure changes will not impede the implementation of the resolution strategy.	• The resolution plan identifies the material change(s) experienced by the bank during the resolution planning cycle, and where deemed by the bank or by CDIC as necessary, incorporates the impact of the material change(s) into the resolution plan.[10]

[10] CDIC Resolution Planning By-law, s.6. and s.7(1)

2.2 Loss absorbency

CDIC will assess whether the bank demonstrated the sufficiency of the parent bank's loss absorbing capacity in a severe but plausible resolution scenario, and that it has either pre-positioned loss absorbency or can transfer capital within the bank, to support execution of the resolution strategy. CDIC will consider the following criteria, and may consult OSFI[11], when assessing the bank's loss absorbency:[12]

Assessment criteria	Factors that will inform CDIC's assessment
2.2.1 **Quantitative analysis of sufficiency of TLAC.** The resolution plan demonstrates that the parent bank has sufficient loss absorbing capacity to implement the resolution strategy.	• The assumptions in the resolution scenario are consistent with the Guidance provided by CDIC, or otherwise supported by well-founded industry, market and/or historical justification. The assumptions are consistent with the stress scenario/triggers and applied consistently through the resolution plan. • The resolution plan includes the results of the quantitative analysis that demonstrates that the parent bank has a sufficient amount of TLAC to absorb very severe losses and become recapitalized to restore market confidence (at a minimum to OSFI's supervisory target total capital ratio for a D-SIB, including the applicable buffers). • The quantitative analysis demonstrates that: (i) the parent bank would meet the target total capital requirement following the bail-in conversion through the subsequent resolution periods taking into account additional losses may occur after the point of non-viability, and (ii) all regulated material legal entities subject to capital requirements would remain well-capitalized, including through the write-down or conversion of internal TLAC, to support the implementation of their strategic options in resolution. The analysis encompasses all material legal entities (as defined by CDIC) at each resolution period and is prepared in accordance with CDIC's Guidance. • The quantitative analysis includes sensitivity analysis to hypothetical shocks required by CDIC's Guidance. • The results of the quantitative analysis are clearly and transparently displayed in schedules that meet the requirements in CDIC's Guidance.
2.2.2 **Options to recapitalize material legal entities.** The resolution plan	• The resolution plan includes a playbook that demonstrates both (i) the bank's overall strategy for downstreaming capital to material legal entities in resolution, and (ii) the detailed processes to

[11] Under the Bank Act, OSFI is responsible for assessing the adequacy of bank's capital and TLAC, and as such CDIC will coordinate its assessment with OSFI.
[12] CDIC Resolution Planning By-law, s.4(e), s.4(f) and s.4(i), and CDIC Guidance, Module 2, s.3.4, and Appendix C applicable to the resolution scenario analysis

Assessment criteria	Factors that will inform CDIC's assessment
demonstrates the bank's ability to recapitalize material legal entities in accordance with the resolution strategy.	operationalize that strategy, including: (a) evaluating and quantifying capital shortfalls, (b) the steps required to recapitalize and mobilize capital, (c) the range of recapitalization options available, (d) the bank's decision-making framework for selecting among recapitalization options, and (e) the timelines associated with each recapitalization option. • The playbook should identify potential delays and impediments to recapitalizing material legal entities. Where impediments are identified, the resolution plan should provide options to mitigate the delays or impediments.
2.2.3 **Capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to identify and estimate capital needs at material legal entities and execute recapitalization actions during resolution.[13]	• The resolution plan provides an assessment of the bank's capabilities to monitor, identify and report the capital and, if applicable internal TLAC shortfalls, at its material legal entities in a timely manner to prevent regulatory action detrimental to its resolution strategy. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • The resolution plan provides results of an assessment of the bank's capabilities to execute the recapitalization options for the material legal entities during resolution. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to execute recapitalization options in resolution is incorporated into the resolution plan testing program.

[13] This assessment excludes the capabilities to support the recapitalization of the parent bank through bail-in conversion which is assessed in *section 2.4.*

2.3 Access to liquidity

CDIC will assess whether the bank demonstrated how it would maintain access to sufficient liquidity specifically to support the execution of its resolution strategy. This will include an assessment of the bank's capacity to draw temporarily from CDIC and central bank facilities to stem the loss of market confidence and the necessary steps to return to private sources of funding in a timely manner. CDIC will consider the following criteria, and may consult the Bank of Canada and/or OSFI, when assessing the bank's access to liquidity:[14]

Assessment criteria	Factors that will inform CDIC's assessment
2.3.1 **Quantitative analysis of liquidity requirements and sources.** The resolution plan demonstrates that the bank can estimate and meet its liquidity needs across the material legal entities through resolution.	• The assumptions in the resolution scenario are consistent with the Guidance provided by CDIC, or otherwise supported by well-founded industry, market and/or historical justification. The assumptions are consistent with the stress scenario/triggers and applied consistently through the resolution plan. • The assumptions are made at a material legal entity level, where required by CDIC's Guidance. • The resolution plan includes results of the quantitative impact analysis of the resolution strategy on contractual cash outflows and the liquidity needs for each material legal entity or group of MLEs (as defined by CDIC) at each resolution period, and is prepared in accordance with CDIC's Guidance. • The resolution plan includes results of the quantitative impact analysis of the resolution strategy on contractual cash inflows and the access to sources of liquidity and funding for each material legal entity or group of MLEs (as defined by CDIC) at each resolution period, and is prepared in accordance with CDIC's Guidance. • Total funding gap across the group (after exhausting all private funding sources) as a percentage of total assets of 15-20% during the resolution runway and before management actions will be used as a benchmark to assess overall severity of the resolution scenario. • The quantitative analysis includes sensitivity analysis to hypothetical shocks required by CDIC's Guidance.

[14] CDIC Resolution Planning By-law, s.4(e), s. 4(f) and s. 4(i), and CDIC Guidance, Module 2, s.3.4, and Appendix C applicable to the resolution scenario analysis

Assessment criteria	Factors that will inform CDIC's assessment
	• The resolution plan identifies activities driving the need for material currencies, estimates the needs, and provides an inventory of funding options, both with and without the use of temporary public-sector liquidity support, that could be available in resolution for the material legal entities. For each funding option, the resolution plan outlines: (i) the timing for when these options would be available and exercised, and (ii) the quantum of funding that can be generated for each material legal entity (or their group of MLEs) demonstrating that any gaps between cash outflows and cash inflows for the material legal entities can be met in a timely manner. • Where the use of temporary public-sector financial assistance is assumed, the resolution plan: (i) provides a justification for its use given the intended purpose of such facilities and only after private funding options have been exhausted, and (ii) identifies assumptions made and (iii) outlines actions to return to private sources of funding. • The results of the quantitative analysis are clearly and transparently displayed in schedules that meet the requirements in CDIC's Guidance.
2.3.2 **Ability to position liquidity**. The resolution plan demonstrates the ability of the bank to position liquidity and collateral in resolution in coherence with the resolution strategy.	• The resolution plan: (i) outlines the process to execute the funding options for each material legal entity (to the extent that it is different from the contingency funding plan and/or recovery plan), (ii) describes the bank's liquidity management strategy, including strategies to manage foreign currency needs, and (iii) assesses potential delays, restrictions and impediments to executing the transfer of liquidity across the bank during resolution. The possible delays, restrictions or impediments may include: (i) the timeliness of approvals for the transactions (e.g. due to the existence of one or more intermediate legal entities between the parent bank and the material legal entity, the need for third-party shareholder approval), (ii) regulatory requirements or regulatory actions that could affect the flow of funds to or from material legal entities in host jurisdictions or ability to access collateral, (iii) constrained access to foreign currencies and disruption to foreign currency flows. Where delays, restrictions or impediments to the timely transfers of liquidity across the material legal entities are identified, the resolution plan provides options to mitigate them.

Assessment criteria	Factors that will inform CDIC's assessment
2.3.3 **Capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to execute its funding options in resolution.	• The resolution plan provides an assessment of the bank's capabilities to: (i) estimate, monitor and report on funding needs for its material legal entities in a resolution stress, including by material currencies in which the bank operates and on an intra-day basis for the material operating entities[15], (ii) manage, value and track available and encumbered collateral before and during resolution and measure the overall level of asset encumbrance, and (iii) execute its funding options for the material legal entities (to the extent that these capabilities are different from the contingency funding plan and/or recovery plan). The factors outlined in FSB's *Funding Strategy Elements of an Implementable Resolution Plan* section 1.1-1.3 will inform CDIC's judgement when assessing these capabilities. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to execute funding options in resolution is incorporated into the resolution plan testing program.

[15] FSB's *Funding Strategy Elements of an Implementable Resolution Plan* defined a "material operating entity" as a group entity necessary for the continuity of critical functions during resolution. In the assessment, CDIC will consider only those material legal entities for which funding would need to be monitored on an intra-day basis in a resolution (e.g. because of the FMI requirements, large movements in daily funding flows, or business needs).

2.4 Bail-in execution

CDIC will assess whether the bank demonstrated that it possesses the capabilities (i.e. people, processes, systems and information) to support a valuation to establish the bail-in conversion amount and terms and to support the overall bail-in execution. CDIC will consider the following criteria when assessing the bank's ability to support bail-in execution:[16]

Assessment criteria	Factors that will inform CDIC's assessment
2.4.1 **Valuation capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to enable CDIC to perform a valuation necessary for establishing the bail-in conversion amount and terms.	• The resolution plan provides an assessment of the bank's capabilities to produce the information CDIC and third-party valuators would rely upon in order to perform the valuation to support a bail-in conversion within 48 hours of entry into resolution.[17] The resolution plan outlines and justifies assumptions underpinning its assessment of valuation capabilities. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • The resolution plan: (i) assesses the potential delays or impediments to performing a valuation in resolution in the context of an immediate bail-in conversion[18], and (ii) identifies the high-risk valuation areas that could have a material impact on the balance sheet values and loss estimates. • The resolution plan provides ex-ante and in crisis options to mitigate the delays or impediments and conduct an expedited valuation to support an immediate bail-in conversion. • Testing of the capabilities to perform a valuation for bail-in conversion is incorporated into the resolution plan testing program.

[16] CDIC Resolution Planning By-law, s.4(e) and s. 4(i), and CDIC Guidance, s.3.2, s.3.3, and Appendices I, J and K
[17] CDIC Guidance, s.3.3.4.1 and Appendix K set out the required information.
[18] CDIC Guidance, Appendix J sets out the valuation challenges for the assessment.

Assessment criteria	Factors that will inform CDIC's assessment
2.4.2 **Capabilities for bail-in execution.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) required to support CDIC in executing bail-in conversion.	• The resolution plan (i) contains foundational information on the instruments that would be impacted in a bail-in resolution (i.e. common shares, non-viability contingent capital (NVCC), non-NVCC preferred shares and subordinated debt, and bail-in debt) across all jurisdictions, including program description, size and frequency of issuances, and relevant stakeholders, and (ii) provides an assessment of the bank's capabilities to produce complete and accurate information on all instruments within 24 hours of entry into resolution.[19] Where delays or impediments to the provision of the information are identified, the resolution plan provides options to mitigate the delays or impediments. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • Differentiating by jurisdiction that meet the coverage threshold, the resolution plan describes the sequence of steps needed for bail-in execution, and for each step identifies the information requirements of relevant market participants.[20] The resolution plan provides an assessment of the bank's capabilities to execute these steps and to provide information required by relevant market participants within 48 hours of entry into resolution. Where delays or impediments to the execution of steps or provision of the information are identified, the resolution plan provides options to mitigate the delays or impediments. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • For jurisdictions that fall outside the coverage threshold, the resolution plan includes a description of a bank's current understanding of expected conversion mechanics, including the role of relevant market participants, potential impediments, uncertainties, and possible mitigation actions across processes and securities law considerations. • Testing of the capabilities for bail-in execution in resolution is incorporated into the resolution plan testing program.

[19] CDIC Guidance, s.3.2.4.3 sets out the scope of this information.
[20] CDIC Guidance, s.3.2.4.4

2.4.3 **Trading/listing requirements.** The resolution plan considers the implications of securities law and securities exchange requirements in a bail-in.	• The resolution plan: (i) identifies the securities law and securities exchange requirements impacted by bail-in execution, (ii) describes the approach to comply with these requirements, (iii) identifies the implications of failing to comply with these requirements. The resolution plan outlines options to mitigate the delays or impediments associated with failing to comply with identified requirements. • Testing of the bank's ability to comply with securities law and securities exchange requirements in both Canada and foreign jurisdictions within the coverage threshold is incorporated into the resolution plan testing program.

2.5 Trading book wind-down

CDIC will assess the bank's conclusions about its ability to effectively unwind the segments of its trading book that would remain in resolution, while minimizing disruption to the financial systems in Canada and the host jurisdictions. CDIC will consider the following criteria when assessing the bank's trading book wind-down in resolution:[21]

Assessment criteria	Factors that will inform CDIC's assessment
2.5.1 **Identification of the risks.** The resolution plan identifies and assesses risks and challenges to executing a wind-down of the bank's trading book in resolution, based on its composition and characteristics.	• The resolution plan segments the bank's trading book according to the characteristics that can affect the choice of wind-down actions for the given segment. The scope of trading book is consistent with the definition outlined in CDIC's Guidance[22]. • The resolution plan estimates, at an aggregate bank level, the portion of eligible financial contracts[23] with external counterparties that are likely to exercise early termination rights upon the parent bank entering into resolution. The resolution plan demonstrates that, to the extent the bank is subject to regulatory requirements[24] for contractual measures to remediate the risk of early termination of such contracts, such measures have been implemented for the contracts in scope of such requirements and quantifies the contracts for which these remedial measures are not applicable. • The resolution plan identifies structural balance sheet hedge positions and provides an assessment of options to continue hedging the balance sheet in resolution. The assessment should consider the feasibility of these options in ensuring continuity of hedging through the trading book wind-down. • Where the trading positions are managed as a single book across different jurisdictions, the resolution plan assesses the likelihood that actions by subsidiary boards or host authorities to restrict transfer or roll-over of inter-affiliate trades or restrict the flow of assets across entities in different jurisdictions, impede the wind-down. • To the extent that segments of the trading portfolio will remain as a residual portfolio at the end of the wind-down period, the bank describes the risk associated with this residual portfolio and how this can be managed.

[21] CDIC Resolution Planning By-law, s.4(e), s.4(f), s.4(h) and s. 4(i), and CDIC Guidance, s.3.7 and Appendices P and R
[22] CDIC Guidance, s.3.7.2
[23] CDIC Guidance, Appendix A provides a definition of eligible financial contracts.
[24] CDIC Guidance, s. 3.7.4.1 and Appendices P and R

Assessment criteria	Factors that will inform CDIC's assessment
2.5.2 **Wind-down actions.** The resolution plan identifies a comprehensive set of actions the bank could take to unwind the segments of its trading book that would remain in resolution in support of the resolution strategy.	• The resolution plan identifies the wind-down actions for each segment of the trading book that would remain in resolution, and assesses the suitability of those actions based on the characteristics of the segments and the identified challenges. • The timeframe of the trading book wind-down appropriately balances the objectives to minimize: (i) the required liquidity from the parent bank or material legal entities, (ii) losses to the parent bank or material legal entities, and (iii) disruption to the operations of the financial system in Canada and host jurisdictions.
2.5.3 **Impact of the wind-down.** The resolution plan demonstrates that the trading book wind-down in resolution can be executed within the financial resources (liquidity and loss absorbing capacity) of the bank, while minimizing its impact on the stability of financial markets in Canada.	• The resolution plan describes a methodology, supported by well-founded industry, market and/or historical experience or observations, for quantifying the impact on the bank's financial resources (i.e. liquidity and loss absorbing capacity) associated with the execution of the trading book wind-down. • The resolution plan applies the methodology to quantify the amount and timing of the impact on: (i) liquidity, and (ii) losses, associated with the execution of the trading book wind-down, demonstrating that the proposed wind-down actions support meeting the bank's liquidity needs in resolution and can be executed within the bank's loss absorbing capacity. • The resolution plan identifies the segments of the trading book where the bank has a substantial market share as a market maker, and provides an assessment of how other financial institutions could absorb this market share within the timeframe outlined in the wind-down actions for these segments. • The resolution plan identifies the key assumptions that drive the assessment of the impact of the trading book wind-down on the bank's financial resources. The assumptions underpinning the assessment are consistent with the Guidance provided by CDIC, or otherwise supported by well-founded industry, market, legal and/or historical justification. The assumptions are applied consistently through the resolution plan.

Assessment criteria	Factors that will inform CDIC's assessment
2.5.4 **Capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to execute its trading book wind down actions in resolution.	• The resolution plan describes the approach taken, and functions involved, in the bank's self-assessment of its capabilities[25]. The results of the self-assessment, together with applicable testing, demonstrate that the bank has adequate capabilities to execute the trading book wind-down actions. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • The resolution plan demonstrates the existence of distribution capabilities and procedures for executing extraordinary transactions (i.e. transactions that are not carried out in business as usual), if the planned wind-down relies on such transactions. • The resolution plan identifies the financial market infrastructures (FMIs) needed to execute the wind-down and includes these FMIs in the contingency planning to ensure continuity of access (assessed in *section 2.6*). • Testing of the capabilities to execute the trading book wind-down in resolution is incorporated into the resolution plan testing program.

[25] CDIC Guidance, s.3.7.4 outlines the capabilities subject to the self-assessment under the heading *Operational capabilities.*

2.6 Continuity of access to financial market infrastructures (FMIs)

CDIC will assess the bank's conclusions on its ability to maintain continuity of access to critical FMIs and minimize disruption to the financial system associated with the services it provides to the FMIs or other financial institutions. CDIC will consider the following criteria, and may consult the Bank of Canada and/or OSFI, when assessing the bank's FMIs contingency plans:[26]

Assessment criteria	Factors that will inform CDIC's assessment
2.6.1 **Continuity of access to critical FMIs.** The resolution plan demonstrates that the bank can maintain continuity of access to the FMIs needed to support execution of the resolution strategy.	• The resolution plan identifies the critical FMIs to which the material legal entities will require access in resolution. The factors in the FSB's *Guidance on Continuity of Access to Financial Market Infrastructures (FMIs) for a Firm in Resolution*, section definitions and section 2.2, will inform CDIC's judgement when assessing the scope of critical FMIs. • The resolution plan identifies risks to maintaining continuity of access to each critical FMI based on: (i) Results of the bank's review of the rules and contractual requirements under which it accesses FMIs (i.e. the likelihood of being suspended, terminated or having other discretionary action taken against it by the FMI); (ii) Results of the bank's review of FMIs' responses to the *FMI questionnaire to support resolution planning*; (iii) Engagement with FMI intermediaries' using the FSB's *Framework for information from FMI intermediaries to support resolution planning*; and (iv) consideration for heightened operational requirements dependent on the method(s) by which the bank accesses each FMI (i.e. direct vs. indirect). • The resolution plan identifies the ex-ante and in crisis options to mitigate these risks. If the ex-ante mitigating options are not currently in place, the work plan includes actions to address the gaps. • For each critical FMI, the resolution plan includes a "worst case" estimate of the incremental financial resources necessary to maintain continuity of access for each phase of the resolution scenario. • The resolution plan identifies areas of residual risk or uncertainty that cannot be mitigated ex-ante.

[26] CDIC Resolution Planning By-law, s.4(e), s.4(f), s.4(h) and s. 4(i), and CDIC Guidance, s.3.6 and Appendix O

Assessment criteria	Factors that will inform CDIC's assessment
2.6.2 **Provision of services to other financial institutions or to FMIs.** The resolution plan demonstrates that the bank can minimize negative effects on FMIs and financial institutions that rely on it for critical services as a result of the execution of the resolution strategy.	• The resolution plan identifies the financial institutions that rely on the bank for indirect access to FMIs and includes these services in the assessment of the bank's critical functions. The factors outlined in FSB's *Guidance on Identification of Critical Functions and Critical Shared Services*, section Annex 1.3, will inform CDIC's judgement when assessing the scope of the critical functions related to the FMI services. • The resolution plan identifies the FMIs that rely on the bank for critical operational and financial services and includes these services in the assessment of the bank's critical functions. The factors outlined in FSB's *Guidance on Identification of Critical Functions and Critical Shared Services*, section Annex 1.3, will inform CDIC's judgement when assessing the scope of the critical functions related to the FMI services.
2.6.3 **Capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to ensure continuity of access to the critical FMIs during resolution.	• The resolution plan provides an assessment of the bank's capabilities (i.e. people, processes, systems and information) to meet the heightened operational requirements that FMIs or FMI intermediaries might impose on a bank in resolution. If the assessment identifies gaps in capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to ensure continuity of access to critical FMIs in resolution is incorporated into the resolution plan testing program.

2.7 Operational continuity, crisis capabilities and governance

CDIC will assess the bank's conclusions about the ability to mitigate risks to service continuity posed by the non-viability of the operating Parent Bank, adequacy of its crisis capabilities (i.e. people, processes, systems and information) to support the execution of its resolution strategy and its governance practices for implementing its strategy. CDIC will consider the following criteria in its assessment:[27]

Assessment criteria	Factors that will inform CDIC's assessment
2.7.1 **Service delivery model.** The resolution plan demonstrates that the bank's service delivery model (or combination of models) supports the continuity of critical functions during resolution and facilitates the execution of the strategic options involving separation of the material legal entities and/or divestitures outlined in the resolution strategy.	• The resolution plan identifies the critical shared services provided between material legal entities and by third parties, and outlines the methodology to identify contracts supporting these critical shared services. The factors in the FSB's *Guidance on Arrangements to Support Operational Continuity in Resolution – Revised version*, *Annex section 3*, will inform CDIC's judgement when assessing the results of the bank's review of its contractual arrangements. • The resolution plan provides the bank's assessment of the likelihood of disruption of these services due to: (i) termination of contracts in resolution, or (ii) disposal or wind-down of entities providing the services. For the critical shared services that are at risk of termination in resolution, the resolution plan describes remedial measures, including the incorporation of resolution resilient clauses in such contracts or identification of contingency options, at a contract level, implementable within a timeframe that would avoid or minimize disruption to the continuity of critical functions. • The resolution plan provides an assessment of the bank's ability to provide timely and accurate information on the critical contracts, including a mapping to the applicable material legal entities. The factors in the FSB's *Guidance on Arrangements to Support Operational Continuity in Resolution – Revised version*, *Annex section 1* and *2*, will inform CDIC's judgement when assessing the information requirements. • If the resolution plan identifies gaps in the bank's capabilities, the work plan includes actions to address the gaps. • Testing of these capabilities is incorporated into the resolution plan testing program.

[27] CDIC Resolution Planning By-law, s.4(e), s.4(h) and s.4(i), and CDIC Guidance, s.3.1, s.3.5 and Appendices D, E, F, G H, M and N

Assessment criteria	Factors that will inform CDIC's assessment
2.7.2 **Communication.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to manage internal and external communications during resolution.	• The resolution plan demonstrates that the bank has (i) a crisis communications plan targeting internal and external stakeholders, including draft public messaging templates, and (ii) the capabilities and infrastructure to communicate effectively and timely in resolution, with the integration of CDIC. If the resolution plan identifies gaps in the bank's capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to execute the communications plan in resolution is incorporated into the resolution plan testing program.
2.7.3 **Resourcing.** The resolution plan demonstrates that the bank has the capabilities to identify and retain/replace sufficient human resources to implement the resolution strategy.	• The resolution plan identifies the roles required to execute the resolution strategy and provides an assessment of the bank's ability to: (i) identify and communicate effectively with key employees necessary to perform these roles, (ii) maximize retention of key employees in resolution with identified strategies, resources and estimated retention costs, and (iii) implement alternative strategies to fill vacancies of key positions if the retention actions are ineffective. If the resolution plan identifies gaps in the bank's capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to identify and retain/replace key employees in resolution is incorporated into the resolution plan testing program.
2.7.4 **Information capabilities.** The resolution plan demonstrates that the bank has the capabilities (i.e. people, processes, systems and information) to produce the information required for decision-making in resolution.	• The resolution plan identifies the data/management information required to support execution of the resolution strategy and provides an assessment of the bank's ability to produce timely and accurate data/management information to support decision-making in resolution. If the resolution plan identifies gaps in bank's capabilities, the work plan includes actions to address the gaps. • Testing of the capabilities to produce the data/management information required in resolution is incorporated into the resolution plan testing program.

Assessment criteria	Factors that will inform CDIC's assessment
2.7.5 **Governance framework.** The resolution plan demonstrates that the bank has an effective governance framework for resolution planning, crisis preparedness and to ensure the timely execution of its resolution strategy.	• The resolution plan describes the governance protocol for activation of the resolution plan that will ensure timely coordination with CDIC. • The resolution plan outlines the process to support replacing members of the Board of Directors and executive management, with external candidates, while maintaining good corporate governance in resolution. If the bank identifies gaps in its capabilities, the work plan includes actions to address the gaps. • Testing of the governance framework in resolution is incorporated into the resolution plan testing program.

2.8 Resolution plan testing program

CDIC will assess whether the bank has tested or validated the adequacy of its capabilities (i.e. people, processes, systems and information) required for execution of the resolution strategy:[28]

Assessment criteria	Factors that will inform CDIC's assessment
2.8.1 **Resolution plan testing program.** The bank has a resolution plan testing program that supports maintenance of the resolution plan and continuously improves the bank's state of resolution preparedness.	• The resolution plan contains a resolution plan testing program that sets out the principles, methodology and governance over the resolution plan testing activities. Specific to governance, it must result in an appropriate forward-looking schedule (minimum one-year) to meet CDIC's testing expectations and scoping documents that meet CDIC's requirements. • The resolution plan identifies and prioritizes testing exercises for the most critical resolution capabilities and outlines a testing approach for each of those critical resolution capabilities. • The testing inventory captures the capabilities identified in sections 2.1 through to 2.7 of the CDIC's *D-SIB Resolution Plan Assessment Framework* and as outlined in Appendix T of the CDIC Guidance. • The resolution plan provides a schedule of the resolution testing exercises that have been completed and are planned to be undertaken with a minimum of one year outlook.
2.8.2 **Demonstrating resolvability.** The bank follows a rigorous process in testing the required capabilities for execution of the resolution strategy.	• For the resolution testing exercises, CDIC will review scoping documents and the results of the testing exercises submitted by the bank. In the review CDIC will assess whether: (i) the test exercise was relevant to validating the effectiveness of the resolution capability, (ii) the test exercise involved rigorous method, appropriate level of expertise and senior management involvement, and (iii) whether the findings from the testing exercise have been captured in the work plan, where applicable.

[28] CDIC Resolution Planning By-law, s.4(i), and CDIC Guidance, Module 4 and Appendices S and T

3. Acceptable work plan to address deficiencies

Where deficiency/(ies) are identified in the current resolution plan, CDIC will review the bank's current work plan[29] to verify if it sets out sufficient remedial actions to address the deficiencies identified. If the current work plan does not outline sufficient remedial actions, CDIC will request a revised work plan.[30]

CDIC will assess the revised work plan against the recommendations in the Notice of Compliance.[31] In assessing the revised work plan, CDIC will consider whether the outlined remedial actions mitigate the resolvability risks and whether the timing to implement the remedial actions is proportionate to the complexity involved in mitigating the resolvability risk. The bank can mitigate a resolvability risk in many ways, and as such, mitigating options will be judged to be specific to the bank and assessment area.

Where deficiencies were identified in the previous resolution plan, CDIC will verify if the previous work plan to remediate the deficiency/(ies) has been substantially complied with. The bank will be deemed to substantially comply with the work plan, if the bank takes the steps to complete the agreed remedial actions in accordance with associated timeframes specified in the work plan. If the bank, during the course of implementing the agreed work plan, determines that the actions or the schedule for the actions needs to be amended, a revised work plan may be agreed and provided to CDIC.[32] The revised work plan will supersede the previously submitted work plans for the purposes of assessing compliance.

[29] The current work plan is the work plan submitted with the resolution plan under the By-law s.4(k).
[30] CDIC Resolution Planning By-law, s.11(1) to s.11(3)
[31] CDIC Resolution Planning By-law, s.11(5)
[32] CDIC Resolution Planning By-law, s.11(6)

Appendix: Completeness checklist

This completeness checklist is based on the CDIC Resolution Plan Guidance for the Domestic Systemically Important Banks issued until July 2026.

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
Module 1 – Resolution profile and strategy		
1.1 Resolution profile		
a. The plan identifies the bank's critical functions:		
i. home critical functions,		
ii. host critical functions.		
b. The plan identifies the bank's critical shared services.		
c. The plan identifies the bank's material legal entities (MLEs).		
d. The plan provides information for each MLE on:		
i. scope,		
ii. size,		
iii. regulatory information.		
e. MLEs are plotted on a simplified corporate structure.		
f. The plan provides a mapping of critical shared services to critical functions and the legal entities that perform them.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
1.2 Resolution strategy		
a. The plan sets strategic objectives (immediate and long-term) for critical functions and MLEs identified in the resolution profile.		
b. The plan provides key dependencies and pre-conditions for each objective.		
c. The plan identifies a preferred point(s) of entry into resolution.		
d. The plan provides a rationale for why the selected point(s) of entry support the strategic objectives.		
e. The plan identifies the resolution tool(s) to be applied at the selected point(s) of entry:		
i. the resolution regimes applicable to each point of entry and the associated resolution authorities,		
ii. a narrative on the sequencing of actions where tools are applied by multiple resolution authorities,		
iii. the risks to the execution of the resolution strategy if there is a disruption in the sequencing of resolution actions,		
iv. impediments related to coordination/competing actions of various resolution authorities and the use of multiple resolution tools.		
f. The plan identifies stabilization options (recapitalization and private or public sources of funding) for the bank in resolution, and the potential impediments or constraints for each option.		
g. The plan identifies restructuring options to reach the exit from resolution (the end-state) along with method, potential variants, sequencing and timelines.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
Module 2: Financial feasibility analysis		
a. The plan provides a narrative for the sequencing of the resolution scenario.		
Resolution scenario: Liquidity and funding position		
a. The plan provides explicit assumptions for:		
i. asset monetization haircuts,		
ii. run-off rates (deposits and loans),		
iii. access to wholesale funding markets,		
iv. utilization of unencumbered assets and eligible collateral for central banks and other secured funding,		
v. counterparty actions associated with financial contracts subject to early termination or margin calls,		
vi. custodial arrangements and return of client assets,		
vii. actions by regulatory authorities,		
viii. increased liquidity needs for FMIs and intermediaries, as well as peak usage buffer for intra-day requirements.		
b. For each resolution period, the plan provides quantitative analysis on sources and uses of liquidity for each MLE (or group of MLEs) agreed with CDIC, including CET1, Leverage Ratio, and LCR metrics in the consolidated bank's projected balance sheet schedule.		
c. The plan provides quantitative information on the funding gaps for each MLE (or group of MLEs) agreed with CDIC.		
d. The plan provides quantitative information on funding gaps in material currencies in which the bank operates.		
e. The plan provides an inventory of funding options for each MLE with a funding gap. The inventory identifies:		
i. funding options that could be available in resolution (with and without public-sector support),		
ii. quantum of funding generated and its timing,		
iii. options for maintaining adequate liquidity in material currencies,		
iv. types of assets that could be rapidly sold / mobilized as collateral,		
v. exit strategies from public sector backstop support and timing.		
f. The plan describes the bank's liquidity management strategy, including strategies to manage foreign currency needs and mitigate impediments.		
g. The plan includes the required sensitivity analysis and additional analyses required by any applicable *Resolution Scenario Technical Note*.		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
h. The plan includes reporting schedules to support the resolution scenario analysis.[33]		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
Module 2: Financial feasibility analysis		
Resolution scenario: Recapitalization needs		
a. The plan provides explicit assumptions for:		
i. the composition and amount of TLAC,		
ii. ability to upstream losses and downstream capital,		
iii. levels of realized losses that impact the capital.		
b. For each resolution period, the plan provides quantitative information on:		
i. development of losses in the resolution group and maximum losses that can be absorbed at each resolution entity, supported by the following for each MLE (or group of MLEs) agreed with CDIC: – a balance sheet snapshot, – regulatory capital ratios, and – levels of internal and external loss absorbency.		
ii. options to generate additional loss absorbency,		
iii. indicative losses that shareholders and different classes of creditors would face following completion of the resolution strategy.		
c. The plan includes the required sensitivity analysis and provides additional analyses required by any applicable *Resolution Scenario Technical Note*.		
Additional relevant sections / pages		
Comments		

[33] CDIC Guidance, Appendix C

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
Module 3: Operational plan		
3.1 Crisis preparedness capabilities		
Governance		
a. The plan describes activation of the bank's financial crisis response and governance protocol for resolution in coordination with CDIC.		
b. The plan describes roles and responsibilities of governance personnel within the bank and the role of CDIC in resolution.		
c. The plan describes the processes that exist to support replacing members of the Board of Directors and/or executive management over a resolution weekend by CDIC.		
d. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
e. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Resourcing		
a. The plan describes the process for identifying roles necessary for executing the resolution strategy and applicable key employees and communicating with the key employees at short notice.		
b. The plan describes the strategies and resources identified to maximize retention of key employees in resolution, including the rationale and estimated costs of retention.		
c. The plan identifies alternative strategies to fill vacancies among key positions in the event retention actions are ineffective.		
d. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
e. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Communication		
a. The plan describes stakeholder groups (internal and external), communications infrastructure (i.e. the delivery channels) and contacts that CDIC can leverage.		
b. The plan describes the processes to issue communications, identifies areas of coordination with CDIC and incorporates its participation in the Communications Coordination Committee.		
c. The plan includes draft templates aligned with CDIC's messages and objectives consisting of key public communication products and content specific messaging and draft Qs&As for each stakeholder group.		
d. The plan describes the process for reviewing, testing, and validating the execution of the bank's communication plan in resolution.		
e. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
f. The resolution plan testing program includes testing activities to test / validate the capabilities.		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
Module 3: Operational plan		
3.1 Crisis preparedness capabilities		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.2 Bail-in execution		
a. The plan contains a bail-in execution playbook that describes the bank's overall plan to manage and support bail-in execution.		
b. The playbook contains foundational information on all instruments that would be impacted in a bail-in resolution, including common shares, non-viability contingent capital (NVCC), non-NVCC preferred shares and subordinated debt, and bail-in debt:		
i. list of jurisdictions in which impacted instruments have been issued and explains the method used to determine the jurisdiction of issuance.		
ii. a breakdown of the total size and frequency of issuances of each type of impacted instruments issued in each jurisdiction.		
iii. a description of the issuance programs and the forms of the instruments that are issued in each jurisdiction,		
iv. the relevant market participants[34] in each jurisdiction and a brief description of the role that participants would have in bail-in execution,		
v. other bail-in execution information specific to the jurisdiction in which instruments are issued.		
vi. the processes that will be used to track and produce information on all instruments that are eligible to be bailed-in on an instrument-by-instrument basis, including an ability to calculate accrued and unpaid interest and any declared unpaid dividends.		
vii. the level of accuracy, the amount of internal review and the governance procedures related to producing the information.		
c. The playbook provides an overall timeline of the sequential steps and processes that would be required to effect the bail-in conversion in each identified jurisdiction falling within the coverage threshold (i.e. >95%). The playbook describes the steps to:		
i. notify relevant market participants of the bank's entry into resolution,		
ii. reflect the transfer of common shares outstanding at entry into resolution and non-NVCC preferred shares or subordinated debt to CDIC in the case of Share E-FIRP, and to provide instructions to depositories to reflect the transfer of shares and other instruments to CDIC,		
iii. instruct depositories and other market participants to halt dividend, interest or principal payments, including unpaid redemptions amounts, following entry into resolution,		
iv. convert NVCC instruments,		
v. provide instructions to depositories to reflect the conversion terms determined by CDIC on an instrument-by-instrument basis, including: – the number of shares that will be provided for each liability,		

[34] CDIC Guidance s. 3.2.4.2 sets out the scope for this information.

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.2 Bail-in execution		
– a description of calculating accrued interest and foreign currency conversions for each instrument, and – the process to amend global notes or modify book entries.		
vi. issue new common shares to NVCC and bail-in debt holders, including the creation and delivery of new global certificates to depositories (or the modification of book entries) in all relevant jurisdictions,		
vii. provide instructions to depositories at CDIC exit to inform shareholders of the return of their voting rights.		
viii. For each step, the playbook identifies the specific information required by relevant market participants to facilitate each action.		
d. For each jurisdiction falling within the coverage threshold, the playbook contains an assessment of how the bank considered the following issues:		
i. treatment of unsettled transactions following entry into resolution,		
ii. the legal forms of the securities,		
iii. the information, format and manner in which the list of impacted securities and conversion terms are to be provided to depositories,		
iv. changes to processes or information requirements associated with a partial conversion,		
v. whether the new shares issued as a result of the conversion meet all requirements of depositories.		
e. For each jurisdiction falling within the coverage threshold, the playbook addresses securities law and exchange requirements. The playbook:		
i. provides contact information of relevant market participants that would be needed for purposes of bail-in execution and a process to keep this information up to date.		
ii. identifies the securities law and securities exchange requirements in a bail-in resolution (i.e. disclosure requirements, requirements related to the distribution of new shares).		
iii. identifies the exemptions or extensions from securities law or exchange requirements that the bank would rely on and the situations or factors that would be considered in their application.		
iv. describes the process to coordinate its actions with respect to any differing requirements, to the extent that securities law and exchange requirements may differ across jurisdictions.		
v. describes the approach to the listing and trading of the bank's securities and specifies whether a consistent		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.2 Bail-in execution		
approach would be pursued across jurisdictions while in resolution.		
vi. identifies the consequences of failing to meet identified securities law and exchange requirements, including whether the failure to meet certain requirements may result in a cease trade order (CTO), trading suspensions or de-listing from exchanges, or other actions in a particular jurisdiction.		
vii. includes a discussion on how these securities and exchange implications (e.g. a CTO) could impact the overall resolution strategy (i.e. access to funding and liquidity, ability to absorb or contain losses, market communications, or similar).		
viii. identifies mitigating options to any undesirable outcomes for failing to comply with any securities requirements.		
f. For jurisdictions that fall outside the coverage threshold, the playbook includes a description of the bank's current understanding of expect conversion mechanics, including the role of relevant market participants, uncertainties, and possible mitigation actions across processes and securities law considerations.		
g. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
h. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.3 Valuation capabilities in resolution		
a. The plan provides results of the bank's self-assessment of the valuation readiness. The plan includes the completed checklist and conclusions from the assessment.[35]		
b. The plan identifies valuation challenges covering:		
i. off-cycle and control environment,		
ii. future outlook and forecasts (absence of a business plan),		
iii. multi-jurisdictions and ring-fencing,		
iv. lack of meaningful market data and market illiquidity,		
v. other challenges identified by the bank.		
c. The plan identifies high risk valuation areas (asset classes, portfolios, instruments) that are inherently subject to higher valuation uncertainty or volatility that could materially impact the estimate of losses.		
d. The plan describes mitigating options for the identified challenges:		
i. in crisis, and		
ii. ex-ante measures to either mitigate the challenges or expedite the valuation analysis.		
e. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
f. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Additional relevant sections / pages		
Additional Comments:		

[35] CDIC Guidance, Appendix K

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.4 Capabilities to support recapitalization and funding actions		
a. The resolution plan includes a playbook that outlines the bank's recapitalization framework and detailed considerations for each MLE. The playbook should include:		
i. The steps to evaluate and quantify capital shortfalls,		
ii. An overview of available recapitalization options,		
iii. A description the assessment framework for selecting appropriate recapitalization options for each MLE,		
iv. The steps to execute the identified recapitalization option for each MLE,		
v. Timelines for recapitalization options.		
b. The resolution plan provides the results of the bank's assessment of its capabilities to:		
i. estimate funding needs upon entry to resolution for each MLE (or group of MLEs) agreed with CDIC,		
ii. identify funding concentrations by counterparty, instrument, or product where withdrawals and/or rating downgrades could trigger liquidity issues,		
iii. monitor intraday liquidity needs for the material operating entities,		
iv. track payments, clearing and settlement activities,		
v. manage, value, and track available and encumbered collateral, including tools to readily identify the amount, level, type and eligibility of collateral by jurisdiction and the effects of re-hypothecation,		
vi. measure the overall level of asset encumbrance,		
vii. produce information required to reinstate funding from investors under different resolution scenarios.		
c. The resolution plan outlines the bank's ability to execute its funding options covering the following areas:		
i. functions and processes that support execution of the funding option,		
ii. preconditions that MLEs would need to satisfy,		
iii. processes for identifying assets that have the potential to be used as collateral,		
iv. mitigating options for impediments,		
v. communication strategies that would support the proposed actions,		
vi. measures to support execution of options for maintaining or moving liquidity in different currencies.		
d. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
e. The resolution plan testing program includes testing activities to test / validate the capabilities.		

Resolution Plan Section	Y/N	Sections and appendices (page numbers)
3.4 Capabilities to support recapitalization and funding actions		
Additional relevant sections / pages		
Comments:		

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.5 Operational continuity of critical shared services		
a. The plan includes an analysis of the risks of interruption to the continuity of the critical shared services based on the bank's operational continuity self-assessment.		
b. The plan outlines the methodology that is used to identify contracts governing the provision of services necessary for critical shared service and by extension, continuity of critical functions.		
c. The plan includes a status update on the bank's remediation of all critical contracts, following the template for *Remediation of internal and external contracts*[36].		
d. For the contracts at risk of termination, the plan identifies specific contingency options, at a contract level, that are implementable within a timeframe that would maintain the continuity of critical shared services in support of the resolution strategy.		
e. The plan provides the results of the bank's assessment of its capabilities to access accurate and timely information required for operational continuity.		
f. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
g. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Additional relevant sections / pages		
Comments:		

[36] CDIC Guidance, Appendix N

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.6 Continuity of access to FMIs		
a. The plan identifies critical FMIs and FMI intermediaries and includes required mapping and foundational information		
b. The plan describes the strategy for maintaining access to each critical FMI that covers:		
i. quantum of the "worst case" additional financial requirements for each phase of resolution scenario, and aggregate total for all FMIs,		
ii. an assessment of the bank's ability to maintain and meet incremental non-financial requirements,		
iii. an overall conclusion on the bank's ability to maintain access to critical FMIs in resolution.		
c. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
d. The resolution plan testing program includes testing activities to test / validate the capabilities.		
e. Contingency plans (including all required appendices) are included for all critical FMIs.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.7 Trading book wind-down		
a. The trading book profile includes[37]:		
i. a completed segmentation of the bank's trading book including the segmentation template,		
ii. a summary of the segmentation the information, including: – a description of key activities of the bank's trading book, – the approach used to determine the segmentation, and – a discussion on the less liquid parts of the trading book.		
b. The plan includes actions to wind down the trading book, including:		
i. a wind-down strategy or actions for each segment of the trading book,		
ii. characteristics of the proposed wind-down strategies,		
iii. a rationale for the chosen wind-down strategies or actions.		
c. The plan includes a description of the risks associated with a residual portfolio, if applicable.		
d. The plan provides estimates of the impact of the wind-down on the bank's financial resources, including:		
i. estimates of the losses over time, until the completion of the wind-down,		
ii. estimates of the impact on liquidity over time, until the completion of the wind-down.		
e. The plan includes a discussion on assumptions made as part of the analysis, including the impact on the bank's liquidity and capital and on the financial markets.		
f. The plan includes a sensitivity analysis of the aggregate estimates of the bank's financial resources, based on changes to the key assumptions.		
g. The plan includes an analysis of hedging strategies resolution, in lieu of bilateral derivative contracts used for structural balance sheet hedges in the business as usual.		
h. The plan identifies the number of EFCs in scope of the CDIC EFC By-law and quantifies the number and notional exposure of the EFCs that remain unmediated.[38]		
i. The plan provides the result of a self-assessment of the capabilities to execute the wind-down strategies, covering:		
i. the ability to track and monitor risk positions during the wind-down,		
ii. the ability to continue to perform obligations under financial contracts upon entry into resolution,		
iii. the ability to rapidly aggregate detailed trading book positions and exposure data to determine how and when positions can be exited,		
iv. capabilities to track sources and uses of collateral in a timely manner,		

[37] CDIC Guidance, Appendix P
[38] CDIC Guidance, Appendix R

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.7 Trading book wind-down		
v. capabilities to produce information on financial contracts,		
vi. ability to rapidly produce information on netting arrangements,		
vii. ability to produce contact details for counterparties, FMIs and authorities that would need to be contacted to support an orderly wind-down.		
j. The plan outlines the process to identify and retain key employees to execute the wind-down strategies.,		
k. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
l. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.8 Execution of restructuring options		
a. The plan includes an overarching framework for determining its restructuring strategy in resolution.		
b. The plan includes restructuring playbook(s) for each restructuring option(s) that:		
i. Outlines a stage-based execution process.		
ii. Identifies roles, responsibilities, and key deliverables at each stage.		
iii. Identifies major stakeholders, including foreign authorities that could take ring-fencing actions, and assesses potential impacts and communication requirements.		
iv. Estimates the impact on capital and liquidity.		
v. Assesses ease of separation, interconnections (financial, operational, and legal), transitional services requirements and potential impact on remaining businesses.		
vi. Assesses market interest and depth and identifies any external valuations performed (for divestitures).		
c. The plan demonstrates the bank's ability to produce and prioritize due diligence information and data, including high-priority information.		
d. The plan demonstrates the bank's ability to establish and populate a virtual data room (VDR), including: i. Identification of the technology platform(s) utilized. ii. Identification of roles and responsibilities. iii. Outline of process and timeline to establish and populate the data room iv. Description of access controls and management of confidential information v. Description of monitoring protocols vi. Assessment of obstacles, mitigants, and escalation paths.		
e. The plan assesses the bank's ability to establish a VDR and populate it with high-priority information within a compressed timeframe of 48 hours.		
f. The plan assesses the feasibility of accelerated and concurrent execution of multiple restructuring actions including associated constraints, mitigants, and impacts on VDR requirements.		
g. Where the bank does not have the capabilities related to the specific requirements above, the corresponding gaps are reported in the work plan actions.		
h. The resolution plan testing program includes testing activities to test / validate the capabilities.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
3.9 Key regulators and actions to satisfy regulatory requirements		
a. The plan provides:		
i. A description of the bank's regulatory compliance framework relative to domestic and foreign jurisdictions in which the bank's MLEs operate.		
ii. A comprehensive list of regulatory authorities[39], including contact information, for all the jurisdictions in which the bank's MLEs operate.		
iii. Details regarding the: a. regulatory notice requirements and approvals needed (or the exemptions available for approvals or notices, if applicable) during resolution to maintain regulatory compliance for the bank's MLEs, and b. persons and functions within the bank, including contact information, that would be responsible for engaging with the MLEs' regulatory authorities to provide notices and/or seek approvals		
iv. A detailed description of the potential risks relative to restrictions on the ability to transfer funds from or to the bank's MLEs in resolution, and the manner in which the bank intends to mitigate those risks.		
b. The plan provides the bank's assessment of:		
i. the implications for the group resolution strategy from the host authorities taking actions in respect of the MLEs under their jurisdiction during resolution of the parent bank, and		
ii. the relevance of impediments and ex-ante actions identified in the host resolution plans to the execution of the group resolution strategy		
Additional relevant sections / pages		
Comments		

[39] For each authority identified in Module 1: Resolution Profile & Strategy

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
Module 4: Resolution plan testing		
a. The plan describes the bank's governance and policies over its resolution plan testing program.		
b. The plan describes the testing methodology.		
c. The plan outlines a framework for identifying testing priorities.		
d. The plan includes a testing inventory.		
e. The plan includes a schedule for its testing exercises.		
f. The plan identifies aspects of resolution that may be jointly tested with CDIC.		
g. For the tests conducted between the previous and the current submissions of the resolution plan, the bank provided CDIC with scoping documents and results of the testing exercises upon completion. Note if these documents were provided outside of the resolution plan submission.		
Additional relevant sections / pages		
Comments		

Resolution Plan Section	Y/N	Relevant sections and appendices (page numbers)
Module 5: Impediments and work plan		
5.1 Impediments		
a. The plan provides a summary of the bank's assessment of the impact of the identified impediments in the key resolvability risk areas on CDIC's ability to implement the resolution strategy and on the continuity of critical functions.		
5.2 Work plan		
a. The plan outlines the governance process to ensure oversight for development and review of the work plan.		
b. The plan includes a work plan.[40]		
c. For each action there is a start and end date, ownership, and progress update.		
Additional relevant sections / pages		
Comments		

[40] CDIC Guidance, Appendix U