

Notification template for Article 131 CRD – Other Systemically Important Institutions (O-SII)¹

1. Notifying national authority															
1.1 Name of the notifying authority	If several designated authorities, please mention all of them. The Financial and Capital Market Commission (FCMC)														
2. Description of the measure															
2.1 Concerned institution or group of institutions	<p>Measure: Identification of Other Systemically Important Institutions (O-SII) On which institution is the measure applied (name and LEI code)?</p> <table border="1"> <thead> <tr> <th>Bank name</th> <th>LEI code</th> </tr> </thead> <tbody> <tr> <td>ABLV Bank AS</td> <td>549300IHJ7SCANBWN17</td> </tr> <tr> <td>"Swedbank" AS</td> <td>549300FXBIWWGK7T0Y98</td> </tr> <tr> <td>AS "SEB banka"</td> <td>549300YW95G1VBBGGV07</td> </tr> <tr> <td>Akciju sabiedrība "Citadele banka"</td> <td>2138009Y59EAR7H1UO97</td> </tr> <tr> <td>Akciju sabiedrība "Rietumu Banka"</td> <td>2138007F5HA5FFJROB80</td> </tr> <tr> <td>AS DNB banka</td> <td>213800JDOTKJMCUB1M79</td> </tr> </tbody> </table> <p>Is the buffer set on:</p> <ul style="list-style-type: none"> - The highest level of consolidation - A sub-consolidated level - An individual level <p>The O-SII buffer is currently not being set.</p>	Bank name	LEI code	ABLV Bank AS	549300IHJ7SCANBWN17	"Swedbank" AS	549300FXBIWWGK7T0Y98	AS "SEB banka"	549300YW95G1VBBGGV07	Akciju sabiedrība "Citadele banka"	2138009Y59EAR7H1UO97	Akciju sabiedrība "Rietumu Banka"	2138007F5HA5FFJROB80	AS DNB banka	213800JDOTKJMCUB1M79
Bank name	LEI code														
ABLV Bank AS	549300IHJ7SCANBWN17														
"Swedbank" AS	549300FXBIWWGK7T0Y98														
AS "SEB banka"	549300YW95G1VBBGGV07														
Akciju sabiedrība "Citadele banka"	2138009Y59EAR7H1UO97														
Akciju sabiedrība "Rietumu Banka"	2138007F5HA5FFJROB80														
AS DNB banka	213800JDOTKJMCUB1M79														
2.2 Level of the buffer applied	What is the level of the buffer (in %) applied to the institution? N/A														
2.3 Name of the parent company	<p>If the institution is a subsidiary, what is the name and LEI code of the parent company?</p> <table border="1"> <thead> <tr> <th>Bank name</th> <th>Parent company name</th> <th>Parent company LEI code</th> </tr> </thead> <tbody> <tr> <td>"Swedbank" AS</td> <td>Swedbank AB</td> <td>M312WZV08Y7LYUC71685</td> </tr> <tr> <td>AS "SEB banka"</td> <td>Skandinaviska Enskilda Banken AB</td> <td>F3JS33DEI6XQ4ZBPTN86</td> </tr> <tr> <td>AS DNB banka</td> <td>DNB Bank ASA</td> <td>549300GKFG0RYRRQ1414</td> </tr> </tbody> </table>	Bank name	Parent company name	Parent company LEI code	"Swedbank" AS	Swedbank AB	M312WZV08Y7LYUC71685	AS "SEB banka"	Skandinaviska Enskilda Banken AB	F3JS33DEI6XQ4ZBPTN86	AS DNB banka	DNB Bank ASA	549300GKFG0RYRRQ1414		
Bank name	Parent company name	Parent company LEI code													
"Swedbank" AS	Swedbank AB	M312WZV08Y7LYUC71685													
AS "SEB banka"	Skandinaviska Enskilda Banken AB	F3JS33DEI6XQ4ZBPTN86													
AS DNB banka	DNB Bank ASA	549300GKFG0RYRRQ1414													

¹ To be filled in and submitted for each O-SII.

2.4 Names of subsidiaries	<p>If the institution is a parent institution and the buffer is applied on a (sub)consolidated level:</p> <p>a. Please name the subsidiaries of the institution</p> <p>b. Are subsidiaries notified as O-SIIs (please give name and LEI code)?</p> <p>N/A</p>
3. Timing of the measure	
3.1 Timing of the Decision	<p>What is the date of the official decision? <u>For SSM countries when notifying the ECB:</u> provide the date when the decision referred to in Article 5 of the SSMR shall be taken.</p> <p>16.12.2015</p>
3.2 Timing of the Publication	<p>What is the date of publication of the notified measure?</p> <p>29.12.2015</p>
3.3 Disclosure	<p>Information about the communication strategy of the notified measure to the market.</p> <p>Identified O-SIIs will be informed about the decision. The information on O-SII identification will be published in the "News" section of the FCMC website (http://www.fktk.lv/en/).</p>
3.4 Timing of Application	<p>What is the intended date of activation (i.e. as of which date shall the measure be applicable)?</p> <p>01.01.2016</p>
3.5 Phasing in	<p>What is the intended timeline for the phase-in of the measure?</p> <p>N/A</p>
3.6 Review of the measure	<p>When will the measure be reviewed (Article 131(6) and 131(12) specify that the buffer, the identification of O-SIIs and the allocation into subcategories must be reviewed at least annually)?</p> <p>December 2016</p>
4. Reason for activation of the O-SII buffer	
4.1 Scores of concerned institution or group of institutions, as per EBA guidelines on the assessment of O-SIIs	<p>Please list here the name, scores and indicator values of the identified O-SII related to</p> <ul style="list-style-type: none"> a. size; b. importance for the economy of the relevant Member State or the Union, capturing substitutability/financial institution infrastructure; c. complexity, including the additional complexities from cross-border activity; d. interconnectedness of the institution or (sub-)group with the financial system. <p>Please provide relevant information (methodology, calculations and formulas, data sources, information set used for denominators) in a separate Excel file.</p>

<p>4.2 Methodology and indicators used for designation of the O-SII (Article 131.3)</p>	<p>Please provide information on:</p> <ul style="list-style-type: none"> a. whether you followed the EBA guidelines on the assessment of O-SIIs <i>Yes, we followed the EBA guidelines on the assessment of O-SIIs</i> b. which threshold score has been set to identify O-SIIs <i>425 bps</i> c. which overall score is attributed to the O-SII <i>N/A</i> d. which of the optional indicators have been used to justify supervisory assessment decisions, if any, and what are the scores <i>No optional indicators have been used</i> e. why these optional indicators are relevant for the Member State <i>N/A</i> f. why the bank is systemically important in terms of those particular optional indicators <i>N/A</i> g. whether relevant entities with relative total assets not in excess of 0.02% have been excluded from the identification process <i>No, they have not been excluded</i> h. names and scores of all relevant entities not excluded from the identification process (could be sent in a separate excel file) i. whether non-bank institutions have been included in the calculations <i>No, they have not been included</i>
<p>4.3 Supervisory judgement</p>	<p>Has the institution listed in 2.1 been identified through supervisory judgement as laid down in EBA guidelines on the assessment of O-SIIs? <i>No</i></p> <p>If yes, please provide an outline of the methodology used for the supervisory assessment and specify which institutions have been identified through it.</p>
<p>4.4 Calibrating the O-SII buffer</p>	<p>Please provide information on the criteria and indicators used to calibrate the level of the O-SII buffer requirement and the mapping to institution-specific buffer requirements. <i>N/A</i></p>
<p>4.5 Effectiveness and proportionality of measure</p>	<p>Please provide a justification for why the O-SII buffer is considered likely to be effective and proportionate to mitigate the risk. <i>N/A</i></p>
<p>5. Combinations and interactions with other measures</p>	
<p>5.1 Assessment of cross-border effects and the likely impact on the internal market (Recommendation ESRB/2015/XXX)</p>	<p>Assessment of the cross-border effects of the implementation of the draft measure.</p> <ul style="list-style-type: none"> a. Assessment of the spillover channels operating via risk adjustment and regulatory arbitrage. The relevant indicators provided in Chapter 11 of the ESRB Handbook on Operationalising Macro-prudential Policy in the Banking Sector² can be used. <i>N/A</i> b. Assessment of:

² Available on the ESRB's website at www.esrb.europa.eu.

	<ul style="list-style-type: none"> ○ cross-border effects (leakages and regulatory arbitrage) of the implementation of the measure in your own jurisdiction (inward spillovers); and ○ cross-border effects on other Member States and on the Single Market of the measure (outward spillovers). <p>N/A</p>
5.2 Assessment of leakages and regulatory arbitrage within the notifying Member State	<p>Referring to your country's specific characteristics, what is the scope for "leakages and regulatory arbitrage" in your own jurisdiction (i.e., circumvention of the measure/leakages to other parts of the financial sector)?</p> <p>N/A</p>
6. Combinations and interactions with other measures	
6.1 Combinations between G-SII and OSII buffers (Article 131.14)	<p>In case both G-SII and O-SII criteria applied to the same institution at the consolidated level, which of the two buffers is the highest?</p> <p>N/A</p>
6.2 Combinations with SRB buffers (Article 131.14 + Article 133.5)	<p>Is the institution subject to a systemic risk buffer?</p> <p>N/A</p> <p>If yes, please provide the following information:</p> <ul style="list-style-type: none"> a. What is the level of the systemic risk buffer (in %) applied to the concerned institution b. Is the systemic risk buffer applied to all exposures located in your Member State only?
6.3 Combined buffer requirement (Article 131.16 and Article 131.17)	<ul style="list-style-type: none"> a. Does the combined buffer requirement apply to the institution? b. Is the combined buffer requirement above the sum of the buffers described in Article 131-16 and Article 131-17? <p>N/A</p>
6.4 O-SII requirement for a subsidiary (Article 131.8)	<p>In case the O-SII is a subsidiary of an EU parent institution which is subject to a G-SII or O-SII buffer on a consolidated basis, what is the O-SII buffer rate on a consolidated basis?</p> <p>N/A</p>
6.5 Interaction with other measures	<p>How does the buffer requirement interact with other measures addressing the same risk (e.g. with other supervisory measures)?</p> <p>N/A</p>
7. Miscellaneous	
7.1 Contact person(s) at notifying authority	<p>Contact person(s) for further inquiries (name, phone number and e-mail address)</p> <p>Arnis Jankovskis (Regulations expert, Regulations Division, arnis.jankovskis@fktk.lv)</p>
7.2 Any other relevant information	