

**LLOYDS
BANKING
GROUP**



Ms. Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
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Washington, D.C. 20551
regs.comments@federalreserve.gov

Mr. Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, NW
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comments@FDIC.gov

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10th June 2011

Dear Ms. Johnson and Mr. Feldman,

**Federal Reserve Board and FDIC Joint Notice of Proposed Rulemaking Regarding
Resolution Plans and Credit Exposure Reports
(Board Docket No. 1414; FDIC RIN 3064-AD77)**

Lloyds Banking Group ('the Group') is a UK headquartered banking group, currently operating in 30 countries, including the United States of America. We welcome the opportunity to comment on these proposals.

With regards to the Joint Notice of Proposed Rulemaking (JNPR), we agree with recommendations of the Institute of International Bankers in their comment letter. Overall, we are very supportive of firms having a robust, fit-for-purpose recovery and resolution plan that, in a non-systemic crisis, enables authorities to undertake an orderly and managed wind-down of a firm. We have been working closely with the UK Financial Services Authority and Bank of England in this respect.

The objective of this letter is to highlight one issue of particular interest to the Group, namely the definition of 'covered companies' in the JNPR, which requires foreign banking organizations (FBOs) with over \$50 billion of worldwide assets to have a separate US resolution plan.

Adopting a global threshold of \$50 billion instead of applying the threshold to an FBO's US operations is neither necessary nor effective. For banks like ourselves, with relatively small operations in the US, a Group-level plan would encompass businesses outside the United Kingdom. We believe that an approach to resolution that coordinates with the FBO's home country supervisor(s), where appropriate through a Core Regulatory or Crisis Management College, would be aligned with Congressional intent, which focuses on mitigating risks to the financial stability of the United States.

If it would be helpful to you, we would be happy to discuss the views expressed in this letter or recovery / resolution planning more generally. If you have any questions, please do not hesitate to contact me.

Yours sincerely,

Jonathan Gray
Regulatory Developments Director