

First Financial Holding Co., Ltd.

Dodd-Frank Act Section 165(d) Resolution Plan

Part I: Public Section

Glossary

Banking Act

The Banking Act of the Republic of China.

CBC

Central Bank of the Republic of China (Taiwan)

FCB

First Commercial Bank, Ltd.

FCB LA Branch

First Commercial Bank, Ltd., Los Angeles Branch

FCB NY Branch

First Commercial Bank, Ltd., New York Branch

FCB Guam Branch

First Commercial Bank, Ltd., Guam Branch

FCB USA

First Commercial Bank (USA)

FDIC

Federal Deposit Insurance Corporation

FFHC

First Financial Holding, Co. Ltd.

FRB

Board of Governors of the Federal Reserve System or Federal Reserve Bank

FSC

Financial Supervisory Commission, R.O.C (Taiwan)

Plan

Resolution Plan

R.O.C.

Republic of China (Taiwan)

Rule

Rules for resolution plans under Parts 243 and 381, Title 12 of the Code of Federal Regulations

U.S.

United States of America

U.S. Authorities

FRB, FDIC, California Department of Business Oversight, and New York State Department of Financial Services

U.S. Entities

FCB USA, FCB NY Branch, FCB LA Branch, and FCB Guam Branch

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Introduction and Summary of Resolution Strategy

1. Introduction

In this Plan, First Financial Holding Co., Ltd., as a foreign-based covered company, describes a strategy for the rapid and orderly resolution of its entities that are domiciled in the U.S. in the event of material financial distress or failure of FFHC and all of its subsidiaries and branches.

FFHC's U.S. operations comprise solely the U.S. banking business of FFHC's banking subsidiary, FCB. FCB holds one bank subsidiary and three bank branches in the U.S. First Commercial Bank (USA) is the FDIC-insured subsidiary of FCB chartered by the state of California with branch offices in California. First Commercial Bank Ltd., New York Branch, First Commercial Bank Ltd., Los Angeles Branch, and First Commercial Bank Ltd., Guam Branch are the non-FDIC insured branches of FCB in the U.S. licensed by the State of New York, the State of California, and the Territory of Guam respectively.

As the Plan will describe, the U.S. Entities conduct very limited banking operations in their respective U.S. locales, focusing solely on traditional commercial banking business predominantly with their institutional clients. Other than informational technology support, the U.S. Entities generally have no material operational interconnections with each other, with FCB, or with the non-banking operations of FFHC outside the U.S. Further, none of these U.S. Entities is a Material Entity within FFHC's global framework because none conducts a Core Business Line for FFHC or a Critical Operation. Therefore, the relevant U.S. Authorities can resolve each of these U.S. Entities locally in a rapid and orderly manner, without the need to take into account mitigating the adverse effects of resolution on the other U.S. Entities, FCB, other FFHC entities, or on the stability of the U.S.

2. Key Elements of the Plan for the Rapid and Orderly Resolution of the U.S. Entities In the Event of Material Financial Distress or the Failure of FFHC

FCB USA, as an FDIC-insured depository institution, would be resolved under the provisions of the FDI Act with FDIC as receiver. FCB LA Branch, FCB NY Branch, and FCB Guam Branch, as state-licensed branches, would be resolved under the supervision of their respective state banking authorities and the FRB, pursuant to the applicable state bank insolvency regimes.

Considering its limited banking operation and the straightforward makeup of its assets and liabilities, the most likely and feasible resolution strategies for FCB USA under severely adverse scenario that would entail the least cost to the deposit insurance fund, are either an orderly wind-down or a purchase and assumption transaction under the FDI Act in which the assets and certain liabilities of FCB USA are transferred to a single acquirer. In a liquidation, the commercial lending portfolio, the predominant asset of FCB USA, can be marketed singly or in different pools of similar characteristics and/or packaged with its deposit franchise and other liabilities in a liquidation. Uninsured deposits and unaffiliated creditor claims can next be paid pro rata to the extent of the balance of the assets available.

Likewise, considering their limited banking operation and the straightforward makeup of their assets and liabilities, the most likely and feasible resolution strategy for FCB LA Branch, FCB NY Branch, and FCB Guam Branch under severely adverse scenario is liquidation under the applicable insolvency regimes. The commercial lending portfolio, the predominant asset of FCB LA Branch, FCB NY Branch, and FCB Guam Branch, can be marketed singly or in different pools of similar

characteristics and/or packaged with their short-term liabilities and/or non-insured wholesale deposits. Unaffiliated creditor claims would be satisfied to the extent of the proceeds of asset liquidation.

Funding for the U.S. Entities during the resolution process can be sourced from the sale of assets and potentially from secured funding from the FRB.

3. Integration of the U.S. Resolution Planning Process Into FFHC's Non-U.S. Resolution Planning Process

Resolution planning for the U.S. Entities is integrated into the risk management and contingency planning framework for FFHC and FCB.

FFHC and FCB have organized an internal task force consisting of the heads of all the relevant departments to prepare, update, and implement the Plan on an annual basis, under the supervision and guidance of the Board of Directors of FCB and FFHC, which ultimately oversees overall operations and risk management process for all global FFHC entities.

Starting from 2015, the filing of the Plan was conducted by delegation in accordance with Section 243.3(e)(2) of the Rule. The delegation was approved by FFHC's Board of Directors in 2014, which delegated the final approval of the Plan to the authorized signature of FCB's President.

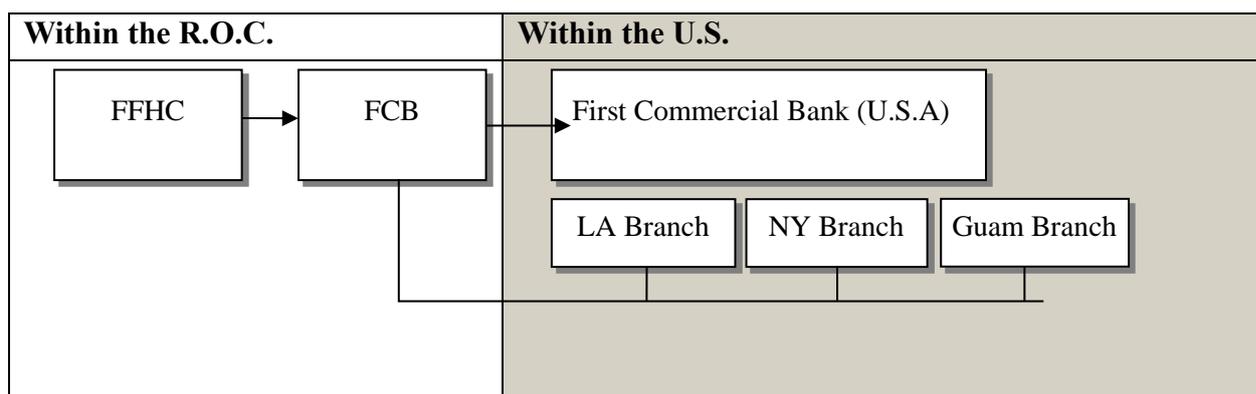
This Plan has been duly approved by the President of FCB on December 1, 2016.

4. Material Changes that Require Modifications to FFHC's filed Plan in 2015

After reevaluating the strategic analysis, corporate governance, organization structure and related operation and financial information, management information systems, interconnections and interdependencies, supervisory and regulatory information and contact information of FFHC's filed Plan in 2015, FFHC has determined that, since December 28, 2015, the filing date of the 2015 Plan, to 2016's Resolution Plan submission date, there have been no events, occurrences, or material changes in the conditions or circumstances of FFHC, including the U.S. Entities, that necessitate material changes to the Plan.

I. Names of Material Entities

As mentioned above, FFHC has no core business line under the Rule, and FFHC does not maintain any critical operation under the Rule. Therefore, it can be said that no material entity may be identified for FFHC for the purpose of this plan. However, for informational purposes, the Plan discusses the U.S. Entities, including the interconnections and interdependencies among the U.S. Entities and affiliates of FFHC around the world, and the integration of the resolution planning of the U.S. Entities into the contingency process of FFHC and FCB. FFHC streamlined the contents of this Plan with an intention to promote an accurate and comprehensive understanding on the part of the FRB and the FDIC about FFHC and, in particular, the operations of FFHC in the U.S. and to enhance the ability of the authorities and FFHC itself in facilitating a rapid and orderly resolution of FFHC in response to a material financial distress of FFHC.



Organizational Information of the U.S. Operations of FFHC as of December 31, 2015

Name	Address	RSSD ID
Subsidiary of First Commercial Bank, Ltd.		
First Commercial Bank (U.S.A)	200 E Main St., Alhambra, CA 91801	2332910
Branches of First Commercial Bank, Ltd.		
Los Angeles	600 Wilshire Blvd., Suite 800, Los Angeles, CA 90017	1438963
New York	750 Third Ave., 34 th Fl., New York, NY 10017	1751626
Guam	330 Hernan Cortes Ave., Hagatna, GU 96910	719870

II. Description of Core Business Lines

As FFHC does not conduct any business line in whole or material part in the U.S., FFHC has determined that, under the Rule, FFHC has no Core Business Lines in the U.S.

A minor part of the banking business of FFHC is conducted in the U.S. FFHC conducts its banking business in the U.S. through the subsidiary founded by FCB in the Los Angeles metropolitan area and the three branches of FCB in Los Angeles, New York, and Guam. The business of these subsidiary and branches is mainly focuses on corporate banking. The business volume of these subsidiary and branches is rather small compared to that of the entire banking business of FFHC with reference to either the net revenue, income before income tax, or assets and liabilities, and even less significant compared to the business volume of the entire FFHC.

The share in the business volume of the banking business line of FFHC (the business volume of FCB) contributed by the operations in the U.S. is no more than 10% in a usual year in terms of either net revenue or income before income tax. With respect to assets and liabilities, the share of U.S. operations in the banking business line of FFHC is less than 3%. Therefore, the banking business in the U.S. is not a core business line of FFHC as defined by Section 243 of the Rule.

III. Summary Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources

1. The following table is the consolidated financial information summary of FFHC, FCB and U.S. entities

Unit: NTD in millions

	FFHC		FCB Consolidated (Note)	
	2015.12.31	2014.12.31	2015.12.31	2014.12.31
Total Assets	\$ 2,500,096	\$ 2,355,709	\$ 2,437,081	\$ 2,296,743
Total Liabilities	\$ 2,312,109	\$ 2,201,332	\$ 2,253,597	\$ 2,143,532

Unit: NTD in millions

	FFHC		FCB Consolidated (Note)	
	2015.12.31	2014.12.31	2015.12.31	2014.12.31
Net Revenue	\$ 40,848	\$ 34,186	\$ 39,055	\$ 38,218
Income before income tax	\$ 18,976	\$ 16,483	\$ 19,182	\$ 15,999

Note: the consolidate numbers of FCB include both FCB and its branches within the U.S.

Source: Audited by certified public accountants.

Unit: USD in thousands

	FCB USA	FCB LA Branch	FCB NY Branch	FCB Guam Branch	U.S. Entities Total
2015.12.31					
Total Assets	\$ 489,051	\$ 781,243	\$ 1,113,096	\$ 152,763	\$2,536,153
Total Liabilities	\$ 380,506	\$ 691,850	\$ 1,048,417	\$ 135,003	\$2,255,776
2014.12.31					
Total Assets	\$ 481,691	\$ 640,651	\$ 823,824	\$ 144,030	\$ 2,090,196
Total Liabilities	\$ 376,975	\$ 556,920	\$ 770,280	\$ 128,579	\$ 1,832,754

2. The following table is the total consolidated equity of FCB and U.S. entities :

Unit: USD in thousands

	FCB	FCB USA	FCB LA Branch	FCB NY Branch	FCB Guam Branch
2015.12.31	\$5,580,415	\$ 108,545	\$ 89,394	\$ 64,679	\$ 17,760
2014.12.31	\$5,107,030	\$ 104,716	\$ 83,731	\$ 53,544	\$ 15,451

FCB USA's capital requirements are subject to the capital adequacy requirements of the federal banking supervisory authority. At present, the relevant indicators are calculated and measured based on Basel III guidelines and regulations. Related filing information is as follows:

2015.12.31 **Unit: USD in thousands**

Tier 1 Capital	\$ 108,530
Total risk-based capital	\$ 113,864

Risk-weighted assets	\$	424,802
Total assets at the end of the period	\$	489,051

The FFHC follows the *Bank Holding Company Act* (12 U.S.C. 1844(c)) and Section 5(c) and *International Banking Act* (12 U.S.C. 3106(c) and 3108) and file regular FR Y-7Q reports (The Capital and Asset Report for Foreign Banking Organizations) with the FRB. The reporting entity is FFHC. FFHC's capital related information is as follows:

2015.12.31	Unit: USD in Millions	
Tier 1 Capital	\$	5,059
Total risk-based capital	\$	6,331
Risk-weighted assets	\$	46,301
Total assets at the end of the period	\$	74,120

3. Major funding source analysis

FCB's primary funding sources are interbank loans, loans from Central Bank of the Republic of China (Taiwan), customer deposits, long term financial bonds, and shareholders' equity. Most of the balance sheet items are funds for the purposes of term structure matching and funding source diversification. The assets and liabilities for term structure matching include those with identical liquidity in term and value and as much financing for those that cannot be completely matched with the maturity dates of core deposits as possible.

The primary funding source for FCB USA is deposits. Hence, FCB USA focuses on maintaining and developing the deposit business since it provides a stable funding source in a very competitive market. In addition to deposits, FCB USA also maintain a certain amount of uncommitted interbank limits with partner banks and obtains funds by using loans or bonds as collaterals to borrow from the FRB.

Regarding FCB branches in the U.S., the primary funding sources are term deposits, current deposits, Yankee CD and loans from the head office and affiliated branches, Central Bank of the Republic of China (Taiwan), the FRB, and other banks. FCB branches in the U.S. are 100% held by the head office. The head office is fully committed to meet the capital and liquidity requirements of FCB branches in the U.S., although the Plan does not rely upon such support in insolvency regimes. Besides, in order to meet the liquidity needs, FCB LA Branch and FCB NY Branch collateralize partial assets (loans and/or bonds) to FRB to obtain the quota from discount window.

IV. Description of Derivative and Hedging Activities

Descriptions of derivative

According to FCB USA's *Investment Policy*, derivative trading or hedging transactions are not allowed.

Based on FCB and overseas branches' investment and derivative policies, derivative transactions only can be allowed for hedging purpose. For instance, whenever investments and loans related to fix-rate or FX, the derivative transactions for interest rate swap or currency swap can be allowed based on FCB's risk management policy.

Descriptions of hedging activities

To manage risk, FCB, including domestic and overseas branches, hedging activities are concentrated in risk transfer and management via net interest income and market value risk. The relevant hedging strategies and policies are in accordance with FCB's relevant regulations for derivatives.

According to the internal policy of FCB LA Branch, FCB NY Branch and FCB Guam Branch, only derivative transactions for hedging purposes can be allowed and every transaction is subject to FCB's prior approval. FCB NY Branch had an interest-rate swap hedging transaction for the fair value hedging of a fixed-rate loan. The derivative expired in February, 2015.

V. Memberships in Material Payment, Clearing and Settlement Systems

The material payment, clearing and settlement systems for FCB USA, FCB LA Branch, FCB NY Branch and FCB Guam Branch are as follows:

Name of payment, clearing and settlement systems	Services
1. Fedwire Fund Service	Payment Processing & Cash Settlement
2. Clearing House Interbank Payments System (CHIPS)	Payment Processing & Cash Settlement
3. Society for Worldwide Interbank Financial Telecommunication (SWIFT)	Interbank Financial Telecommunication
4. Euroclear Bank (Euroclear)	Clearing and Depositories Settlement

VI. Descriptions of Foreign Operations

FFHC has many subsidiaries out of the U.S., mostly in the R.O.C. The businesses of these subsidiaries span banking, securities & futures, security investment trusts, insurance, leasing, investment consulting, business consulting, holding company, and venture capital. However, as noted above, under FFHC, the scale of banking business is larger than any other business line.

Subsidiaries directly and/or indirectly held by FFHC as of Sep. 30, 2016, including their major business activities, are listed below:

Name of Entity <small>note 1</small>	Principal Place of Business	Jurisdiction of Incorporation <small>note 2</small>	Percentage of Equity Directly Held		Chairperson of the Board	Major Business Activities
			voting	non-voting		
Subsidiaries Held Directly by First Financial Holding Co., Ltd.						
First Commercial Bank, Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Ching-Nain Tsai	Banking
First Securities Inc.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Han-Chyi Lin	Securities & Futures
First Securities Investment	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Shwu-Mei Shiue	Security investment trust

Name of Entity note 1	Principal Place of Business	Jurisdiction of Incorporation note 2	Percentage of Equity Directly Held		Chairperson of the Board	Major Business Activities
			voting	non-voting		
Trust Co., Ltd.						
First Financial Asset Management Co., Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Ming-Hua Zheng	Loan purchase and related service
First Venture Capital Co., Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Warren Chen (acting)	Venture Capital
First Financial Management Consulting Co., Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Warren Chen (acting)	Investment consulting & Financial management consulting
First-Aviva Life Insurance Co., Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	51%	note 3	Joseph Day	Personal insurance
Subsidiaries Held Directly by First Commercial Bank, Ltd.						
First Commercial Bank (USA)	Alhambra, California, U.S.A.	California U.S.A.	100%	note 3	Po-Chiao Chou	Banking
FCB Leasing Co., Ltd.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Deng-Yao Xu note 4	Leasing, investment consulting and business management consulting
Subsidiaries Held Directly by First Securities Inc.						
First Capital Management Inc.	Taipei R.O.C. (Taiwan)	R.O.C. (Taiwan)	100%	note 3	Yi-Guang Chen note 4	Prepare the research and analysis opinions or suggestions to the relative matters of securities investments, to hold seminars on securities investment and other related securities investment consulting approved by the authority.
FSC Asia Investment Limited	Tortola, BRITISH	BRITISH VIRGIN ISLANDS	100%	note 3	Han-Chyi Lin note 4	Holding company

Name of Entity note 1	Principal Place of Business	Jurisdiction of Incorporation note 2	Percentage of Equity Directly Held		Chairperson of the Board	Major Business Activities
			voting	non-voting		
	VIRGIN ISLANDS					
Subsidiaries Held Directly by First Financial Asset Management Co., Ltd.						
First Financial AMC Capital International (B.V.I) Ltd.	Taipei R.O.C. (Taiwan)	BRITISH VIRGIN ISLANDS	100%	note 3	Ming-Hua Zheng note 4	Holding company
Subsidiaries Held Directly by FCB Leasing Co., Ltd.						
FCBL Capital International (B.V.I.) Co., Ltd.	Taipei R.O.C. (Taiwan)	BRITISH VIRGIN ISLANDS	100%	note 3	Deng-Yao Xu (Director) Shun-Liang Luo (Director) note 4	The business except banking
Subsidiaries Held Directly by FSC Asia Investment Limited						
First Worldsec Securities Ltd	Central Hong Kong	Hong Kong	100%	note 3	note 4	Engage the securities trading of H.K and Taiwan, prepare the opinion of business financing, and prepare the assistant of business asset management
Subsidiaries Held Directly by First Financial AMC Capital International (B.V.I) Ltd.						
First Financial Leasing (Chengdu) Ltd.	Chengdu CHINA	CHINA	100%	note 3	Ming-Hua Zheng note 4	Leasing
Subsidiaries Held Directly by FCBL Capital International (B.V.I.) Co., Ltd						
FCB International Leasing Co., Ltd.	Suzhou CHINA	CHINA	100%	note 3	Deng-Yao Xu note 4	Leasing
FCB Leasing(Xiamen) Ltd	Xiamen CHINA	CHINA	100%	note 3	Deng-Yao Xu note 4	Leasing

note 1: The names of the entities include information about their corporate forms.

note 2: All entities in the table has obtained the licenses required to engage in their major business activities at their principal place of business.

note 3: The company does not issue any non-voting share.

note 4: The entity does not conduct business in the U.S. and is not material to FFHC; we do not include the key management of the entity here.

VII. Material Supervisory Authorities

Supervisory Authorities for the U.S. Subsidiary

The supervisory authorities are the FRB, the FDIC, and California Department of Business Oversight.

Supervisory Authorities for the U.S. Branches

The supervisory authorities for FCB LA Branch are the FRB and the California Department of Business Oversight.

The supervisory authorities for FCB NY Branch are the FRB and the New York State Department of Financial Services.

The supervisory authorities for FCB Guam Branch are the FRB and the Guam Department of Revenue and Taxation.

Taiwan Supervisory Authorities for the Covered Company

Pursuant to the Financial Holding Company Act, the Organic Law of Banking Bureau, Financial Supervisory Commission, the Organic Act Governing the Establishment of the Financial Examination Bureau, Financial Supervision Commission, FFHC is subject to the supervision of the FSC, the Banking Bureau of the FSC, and the Financial Examination Bureau of the FSC.

Pursuant to the Banking Act, the Organic Law of Banking Bureau, Financial Supervisory Commission, the Organic Act Governing the Establishment of the Financial Examination Bureau, Financial Supervision Commission, the Central Bank of the Republic of China (Taiwan) Act, and the Deposit Insurance Act of the Republic of China, FCB is subject to the supervision of the FSC, the Banking Bureau of the FSC, the Financial Examination Bureau of the FSC, the CBC, and the Central Deposit Insurance Corporation of the Republic of China.

VIII. Principal Officers

List of Incumbent Members of the Steering Committee (Risk Management Committee):

Role in the Committee	Title	Name
Chairman of the Steering Committee (Risk Management Committee)	President of FCB	Po-Chiao Chou
Members of the Steering Committee (Risk Management Committee)	Executive Vice President of FCB	Ying Wu
	Executive Vice President of FCB	Miao-Fen Tuan
	Executive Vice President of FCB	Chung-Huei Yeh
	Executive Vice President of FCB	Hui-Chin Hong

Role in the Committee	Title	Name
	Executive Vice President of FCB	Shang-Shing Chiang
	Executive Vice President of FCB	Chia-Hsiang Lee
	Executive Vice President of FCB	Pei-Wen Liu
Supervisor of the Risk Management Division of FCB	Division Chief	Ying-Chi Fang
Supervisor of the Credit Approval Division of FCB	Division Chief	Shun-Rung Huang
Supervisor of the Credit Analysis Division of FCB	Division Chief	Mei-Liang Yu
Supervisor of the Special Asset Management Division of FCB	Division Vice Chief	Mei-Feng Hsu
Supervisor of the Compliance & Legal Division of FCB	Division Chief	Brenda Wu
Supervisor of the Risk Management Division of FFHC	Executive Vice President of FCB	Hui-Chin Hong
	Division Vice Chief of Risk Management Dept. of FFHC/ Division Chief of Risk Management Dept. of FCB	Ying-Chi Fang
Counsel of FFHC and others	Vice Manager of Legal Affairs Division	Hui-An Tsang
	Manager of Business Development Division	Cheng-Kuan Hsu

IX. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning

Board of Directors

The Board of FFHC is at the top of the hierarchy of the management, approval and supervision processes for the resolution planning. The policies, procedures, internal controls relating to and the compliance with the Plan are under the supervision of and are periodically reported to the Board of FFHC. Starting from 2015, the filing of the Plan was conducted by delegation in accordance with Section 243.3(e)(2) of the Rule. The delegation was approved by FFHC's Board of Directors in 2014, which delegated the final approval of the Plan to the authorized signature of FCB's President.

Steering Committee

FCB Risk Management Committee under the Board of FCB is the Steering Committee for this Plan, which is responsible for the review, supervision, and reports in connection with the resolution planning and for the coordination among the various divisions. The Steering Committee (Risk Management Committee) reviews and oversees the policies, procedures and internal controls relating to the Plan in accordance with the relevant laws and regulations and the overall management strategy of FCB. All major suggestions and advices concerning the Plan are submitted to and reviewed by the Steering Committee. The Steering Committee makes sure that the Plan satisfies all information requirements stipulated in the Rules, modifies and

improves the resolution strategy and the scope of the Plan from time to time, and oversees the implementation of the Plan pursuant to the directives of the Boards.

Resolution Plan Task Force

The Resolution Plan Task Force is composed of the heads or officers of related responsible departments. FCB Overseas Business Administration Division provides secretarial support to the Resolution Plan Task Force. The Task Force drafts the Plan in accordance with the Rules, drafts the policies, procedures, and internal controls relating to the Plan, and processes all major suggestions and advices concerning the Plan from people involved in the implementation of the Plan. The Task Force shall examine the effectiveness and adequacy of the policies, procedures, and internal controls relating to the Plan at least once a year, and shall report its findings to the Steering Committee (Risk Management Committee) and the President of FCB.

X. Description of Material Management Information Systems

FCB USA's material MIS is designed and provided by external supplier while FCB U.S. branches' (FCB LA Branch, FCB NY Branch and FCB Guam Branch) material MIS is designed and developed by FCB IT Division. FCB U.S. entities' material MIS have been broadly applied for daily transactions, valuation, risk management, funding, performance management, regulatory reporting and financial reporting and the material MIS provide sufficient information to produce a resolution plan. In addition, with regards to the framework and security of material MIS, U.S. entities have related policies and procedures to manage and maintain.

XI. High-level Description of Resolution Strategy

As required by the FRB and FDIC, FFHC has prepared the Plan under the assumption that FFHC and all of its subsidiaries and branches have reached the point of simultaneous failure. This hypothetical failure is addressed under severely adverse scenario. Further, as required by FRB and FDIC, in this Plan FFHC will state a resolution strategy solely for its U.S. operations.

FCB USA, as an FDIC-insured depository institution, would be placed into FDIC receivership and be resolved under the provisions of the Federal Deposit Insurance Act. FCB LA Branch, FCB NY Branch, and FCB Guam Branch, as state-licensed branches, would be placed into the receivership of the state banking authorities in California, New York and Guam respectively, and be resolved under the applicable state insolvency regimes.

Considering the limited wholesale banking operations of FCB USA, FCB LA Branch, FCB NY Branch, and FCB Guam Branch, the preferred resolution strategy under severely adverse scenario for each of the U.S. Entities is an orderly and deliberate wind-down of operations and sale of assets and liabilities or a purchase and assumption transaction under the applicable insolvency regime. Under this approach, the key assets of FCB USA, FCB LA Branch, FCB NY Branch, and FCB Guam Branch likely would be liquidated or would be transferred along with their deposits and other liabilities to an acquirer. The liabilities not thereby assumed in such transfers would be satisfied to the extent of the assets remaining in the respective receiverships.