



SUMITOMO MITSUI
FINANCIAL GROUP

US RESOLUTION PLAN

PUBLIC SECTION

DECEMBER 31, 2018 SUBMISSION

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Table of Contents

PUBLIC SECTION	3
I. SUMMARY.....	3
I.A. Names of Material Entities	4
I.A.1. SMBC NYB	5
I.A.2. CMI	5
I.A.3. Nikko America	5
I.A.4. JRIA	5
I.B. Description of CBLs	6
I.B.1. Corporate Banking.....	6
I.B.2. Treasury.....	7
I.B.3. Capital Markets	7
I.B.4. Broker Dealer	8
I.C. Summary Financial Information Regarding Assets, Liabilities, Capital and Major Funding Sources.....	10
I.C.1. Funding.....	12
I.C.2. Capital Management.....	12
I.D. Description of Derivative and Hedging Activities.....	13
I.E. Memberships in Material Payment, Clearing, and Settlement Systems	14
I.F. Description of Foreign Operations	14
I.G. Material Supervisory Authorities.....	17
I.G.1. Japan.....	17
I.G.2. United States	17
I.H. Principal Officers.....	19
I.I. Resolution Planning Corporate Governance Structure and Processes Related to Resolution Planning	21
I.I.1. SMFG Board of Directors.....	22
I.I.2. SMBC Board of Directors	22
I.I.3. Americas Division Management.....	22
I.I.4. Governance and Control Committee.....	22
I.I.5. Living Will Project Team	22
I.J. Description of Material Management Information Systems	23
I.K. High-Level Description of Resolution Strategy.....	23
I.L. Material Changes to SMFG since its 2015 Submission	24
I.L.1. Board of Directors Changes.....	24
I.L.2. Addition of a Material Entity and Core Business Line	24
I.L.3. Organizational Material Changes	24

Public Section

I. Summary

Sumitomo Mitsui Financial Group, Inc. ("SMFG") is a joint stock corporation with limited liability incorporated under the laws of Japan and is headquartered in Tokyo, Japan. SMFG has an established global presence and offers a diverse range of financial services, centered on banking operations, leasing services, securities, consumer finance, system development, and information services. SMFG directly owns 100% of the issued and outstanding shares of Sumitomo Mitsui Banking Corporation ("SMBC"), one of the three largest commercial banks in Japan.

SMFG and SMBC are authorized to operate as US bank holding companies. In May 2013, SMFG and SMBC became financial holding companies for purposes of the US Bank Holding Company Act. In general, a financial holding company may engage in a broader spectrum of activities than a bank holding company that is not also a financial holding company. SMFG conducts multiple types of business in the US, including corporate banking, retail banking, leasing, capital markets, broker-dealer, and rail service financing. These operations are executed through different legal entities, many of which are subsidiaries of SMBC. SMFG additionally has operations in Canada, Mexico, and Brazil. SMFG's entities in the US, Canada, Mexico, and Brazil together comprise SMFG's "Americas Division".

SMBC currently maintains uninsured state-licensed branch offices in New York, Los Angeles, and San Francisco, of which the New York Branch constitutes the largest portion of SMFG's US operations. It also has a service center in Jersey City, NJ, and representative offices in: Houston, TX; Menlo Park, CA; Chicago, IL; Bogota, Colombia; Leon, Mexico; Mexico City, Mexico; Lima, Peru; and Santiago, Chile. In 2018, SMBC NYB opened an additional Representative Office in Dallas, TX and a White Plains, NY Service Center. Additionally, SMFG and SMBC control Manufacturers Bank, an insured California state non-member bank located in Los Angeles, California.

This Resolution Plan ("the 2018 US Resolution Plan") is being filed pursuant to 12 CFR § 243 and 12 CFR § 381 (the "Regulation"), unless otherwise noted information in the 2018 US Resolution Plan is based on SMFG's operations as of December 31, 2017. The Regulation defines a "Covered Company" to include a "foreign bank or company that is a bank holding company or is treated as a bank holding company ... and that has [USD] 50 billion or more in total consolidated assets."¹ In a multi-tiered holding company structure, the Covered Company is only the top-tier of the multi-tiered holding company. SMFG is the Covered Company under the Regulation because SMFG is a bank holding company with consolidated assets exceeding \$100 billion and is the top-tier company of SMFG.

The Regulation requires each Covered Company to periodically submit to the Federal Reserve Board of Governors ("Federal Reserve") and the Federal Deposit Insurance Corporation ("FDIC") (together the "Regulators") a plan for such company's rapid and orderly resolution in the event of material financial

¹ The Economic Growth, Regulatory Relief, and Consumer Protection Act, which became law on May 25, 2018, increased the 165(d) Resolution Planning reporting threshold from \$50 billion to \$100 Billion. On July 6, 2018, the *Interagency statement regarding the impact of the Economic Growth, Regulatory Relief, and Consumer Protection Act* was issued and made clear that total consolidated assets will be determined in a manner consistent with the Act. For additional details see, <https://www.federalreserve.gov/newsevents/pressreleases/files/bcreg20180706a1.pdf>.

distress or failure. The Regulation requires that the resolution plan provide a strategic analysis by the Covered Company of how it can be resolved under the US Bankruptcy Code or other applicable insolvency regime in a way that would not pose systemic risk to the financial stability of the US. In doing so, the Covered Company must map its Core Business Lines (“CBLs”) and Critical Operations (“COs”), if any, to Material Entities (“MEs”) and provide integrated analyses of its corporate structure, credit and other exposures, funding, capital, and cash flows, the domestic and foreign jurisdictions in which it operates, and its supporting information systems. The key building blocks of any resolution plan, therefore, are the identification of CBLs, COs, and MEs, each of which are identified below. SMFG, on behalf of itself and its subsidiaries, submits this public section of the 2018 US Resolution Plan in compliance with the Regulation.

Except as otherwise specifically required by the Regulation, the information contained in the 2018 US Resolution Plan relates to the "subsidiaries, branches and agencies, critical operations and CBLs, as applicable, that are domiciled in the United States or conducted in whole or material part in the United States."² SMFG is subject to regulation by financial regulators in multiple jurisdictions. Requirements of the non-US financial regulators relating to recovery and resolution planning differ from those under the Regulation. In particular, the 2018 US Resolution Plan is focused on planning for the resolution of SMFG's US operations, whereas plans being formulated in other jurisdictions, including SMFG's home jurisdiction, Japan, also contain plans for the recovery of SMFG in the event of financial distress. Accordingly, the definitions used for, and approach taken in, the 2018 US Resolution Plan may differ from those used/taken with similar plans with non-US regulators.

I.A. Names of Material Entities

MEs are defined in the Regulation as "a subsidiary or foreign office of the covered company that is significant to the activities of a critical operation or core business line."³ While the MEs listed below have been designated for resolution planning purposes, such entities do not represent the universe of legal entities that constitute SMFG and contribute to its success.

SMFG has designated the following subsidiaries and branches as MEs for purposes of the 2018 US Resolution Plan:

- Sumitomo Mitsui Banking Corporation, New York Branch ("SMBC NYB");
- SMBC Capital Markets, Inc. ("CMI");
- SMBC Nikko Securities America, Inc. ("Nikko America"); and
- JRI America, Inc. ("JRIA").

The 2018 US Resolution Plan includes a new ME when compared to previous submissions, Nikko America.

² See 12 CFR § 243 (2011); 12 CFR § 381 (2011).

³ *Id.*

I.A.1. SMBC NYB

SMBC NYB is a New York licensed uninsured state branch of SMBC and is subject to supervision and regulation by the New York State Department of Financial Services ("NYSDFS") and the Federal Reserve. SMBC NYB is primarily engaged in corporate banking (e.g., deposit taking and corporate lending) and treasury (e.g., providing funding for its operations, asset and liability management, and sales and trading) activities. As of fiscal year-end March 31, 2018, SMBC NYB had total assets of approximately \$135 billion and total liabilities of approximately \$135 billion under US Generally Accepted Accounting Principles ("US-GAAP").

I.A.2. CMI

CMI was incorporated in the State of Delaware on December 4, 1986. In 1989, CMI was approved by the Federal Reserve to act as agent, adviser, and principal with respect to interest rate and currency swaps and related transactions. CMI was provisionally registered as a swap dealer with the US Commodity Futures Trading Commission ("CFTC") on December 31, 2012, and as such, became a member of the National Futures Association ("NFA"). CMI is a market maker for swaps including, but not limited to, agreements, contracts or transactions that are options of any kind for the purchase or sale, or based on the value, of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind. As of December 31, 2017, CMI had total assets of \$2.79 billion and total liabilities of \$1.3 billion under US-GAAP.

I.A.3. Nikko America

Nikko America, a Securities and Exchange Commission ("SEC") registered Broker-Dealer and Financial Industry Regulatory Authority ("FINRA") regulated entity, provides underwriting services for debt and equity securities and assists in the sale of securities underwritten by other entities. Moreover, Nikko America enters into Repurchase Agreements ("Repo") and Reverse Repurchase Agreements ("Reverse Repo"), and engages in trading of US government securities, corporate debt securities, and asset-backed securities. Nikko America also provides buy-back services to corporate clients for the purchase of clients' own stock, and acts as selling agent by selling Japanese domestic equity offerings to clients. Nikko America's business lines also include brokerage services for certain debt and equity products, distribution of globally branded research reports, and mergers and acquisitions advisory services. The primary targets for these services are sophisticated institutional investors such as asset management companies, investment trusts, hedge funds, and trust banks. As of December 31, 2017, Nikko America had total assets of \$6.5 billion and total liabilities of \$5.9 billion under US-GAAP.

I.A.4. JRIA

JRIA, a Delaware corporation, is a wholly-owned subsidiary of The Japanese Research Institute, Ltd., a Japanese corporation which is wholly owned by SMFG. The Japanese Research Institute, Ltd. is a company that provides information systems services to SMFG entities. JRIA is a service entity that provides services only to SMFG entities and whose main business is system implementations, maintenance services, the enhancement of existing software from external vendors, and providing a wide range of Information Technology ("IT") services to the North America and Europe, the Middle East, and Africa ("EMEA") regions. As of December 31, 2017, JRIA had total assets of \$14 million under US-GAAP.

I.B. Description of CBLs

CBLs are defined in the Regulation as "those business lines, including associated operations, services, functions and support, that, in the firm's view, upon failure would result in a material loss of revenue, profit, or franchise value."⁴

SMFG identified four CBLs for purposes of the 2018 US Resolution Plan:

- Corporate Banking;
- Treasury;
- Capital Markets; and
- The Broker-Dealer.

The 2018 US Resolution Plan includes a new CBL when compared to previous submissions, the Broker-Dealer.

The Corporate Banking and Treasury CBLs are operated through SMBC NYB. The Capital Markets CBL is housed within CMI. The Broker-Dealer CBL is housed within Nikko America.

I.B.1. Corporate Banking

Corporate Banking includes a wide spectrum of commercial banking products and services including corporate loans, project finance, lease finance, foreign exchange, and trade finance. Although the Corporate Banking business line covers a range of products, the business has seven primary business departments, which account for the vast majority of the CBL's activities. These seven departments are as follows:

- Japanese & Asian Corporate Banking Department, Americas Division Department ("JDAD"), which provides the full range of Corporate Banking services primarily to subsidiaries of Japanese customers.
- US Corporate Banking Department ("USCB"), which promotes and manages US business related to transactions, primarily with non-Japanese corporations in the Americas region. USCB is the largest business by revenue within Corporate Banking.
- Specialized Finance Department, Americas Division ("SDAD"), which manages and promotes business related to transactions primarily with non-Japanese corporations, mainly focusing on local authorities, project finance, financial solutions, and the emerging markets in the Americas region, as well as the loan syndication business in North America.
- Real Estate Finance Department, Americas Division ("READ"), which promotes and manages the real estate finance business and assumes responsibility for real estate related transactions primarily with non-Japanese corporations in the Americas region, real estate investment trusts and real estate operating companies with global strategies, and gaming and hospitality companies with global strategies. It is also responsible for management of the fully centralized subscription financing businesses as well as note purchase agreements with various sponsors.

⁴ *Id.*

- Strategic Credit Products Department, Americas Division ("SCAD"), which manages the workout of deteriorated loans. It also monitors clients and provides credit administration, planning, and budgetary support to the other departments in Corporate Banking, provides banking services to mid-sized US companies, and identifies opportunities in new business areas for SMBC NYB.
- Global Financial Institutions Group ("GFIG"), which is responsible for SMBC NYB's relationships with global financial institutions. In addition to centralizing the global coverage of financial institution clients, GFIG provides various forms of financing to banks, broker-dealers, private equity firms, hedge funds, insurers, and specialty finance companies.
- Global Trade Finance Department, New York ("GTFD"), which manages and promotes trade finance using various working capital and risk mitigation structures to Japanese and non-Japanese clients of the Americas Division, primarily through four business lines: Financial Institutions Trade, Corporate Trade Solutions & Supply Chain Finance, Structured Trade & Commodity Finance, and Export & Agency Finance. GTFD also collaborates with different departments and regional GTFD offices to provide solutions through various stages of the clients' export and import trade flow.

I.B.2. Treasury

Treasury's primary activities include funding SMBC NYB's operations, asset and liability management, bond investment, and sales and trading. Additionally, Treasury is responsible for executing the contingency funding plan for SMBC NYB. In the US, Treasury is divided into three departments:

- NY International Treasury, which consists of two groups: Money Markets & Fixed Income, and Strategic Investment. The Money Markets & Fixed Income group manages cash and off-balance sheet money positions and the funding operations for SMBC NYB. The Strategic Investment group is responsible for the research of various investment products and providing this research to the International Treasury Department that sits in SMFG's head office in Tokyo, Japan.
- NY Trading, which primarily focuses on foreign exchange spot and swaps and interest rate (bond futures) trading. It is divided into three groups: Trading I, Trading II, and Customer Desk. Trading I manages the short-term foreign exchange portfolio. Trading II manages the long-term foreign exchange and interest rate portfolio. The Customer Desk is responsible for handling the customers of the Americas Division.
- NY Treasury Planning, which is responsible for general activities including market research for Treasury. The Head of Treasury Planning reports directly to the head office Planning Department - Treasury Unit in Tokyo, Japan. NY Treasury Planning is engaged in management of credit lines for collateralized derivative transactions under Credit Support Annexes. While the Business Control Departments, Americas Division ("BCDAD") processes operations for negotiation and transfer of collateral, NY Treasury Planning provides any necessary instruction requested by BCDAD.

I.B.3. Capital Markets

The Capital Markets business is the front office business of CMI. Capital Markets is a dealer and market maker in interest rate, currency, and commodity derivatives. CMI was provisionally registered as a swap dealer with the CFTC on December 31, 2012, and as such, became a member of the NFA. Capital

Markets provides advisory services related to the timing of transactions and market information (upon request) in the derivatives and securities (government bonds) markets to the international customers of SMFG and its subsidiaries. Capital Markets consists of two primary businesses:

- Derivative Products, which represents Capital Markets' principal business line as a global dealer and market maker in derivatives. Capital Markets manages its derivative products business line on a portfolio basis. The derivative products portfolio consists of interest rate swaps, currency swaps, and related options as well as commodity derivatives.
- Corporate Treasury, which represents Capital Market's secondary business line, and encompasses long-term investment holdings and lending agreements, as well as cash/interest rate risk management associated with short-and long-term corporate treasury operations.

The Capital Markets front office is organized under the following departments:

- The Marketing Department, which is comprised of the Japan Desk, Financial Institutions/Municipals, Corporates, and Structured Finance/Commodities Groups. The Marketing Department is responsible for developing and maintaining business clients through client contact, and business promotion.
- The Trading Department, which is comprised of the Rates Trading, Options Trading, and X-Value Adjustment ("XVA") Hedging Groups. The Trading Department provides market coverage for the derivative products market in addition to performing portfolio monitoring and hedging. Either a trader or marketer can initiate a deal. Trading also consists of the Trade Support Group, which provides trading support to the Rates Trading, Options Trading, and XVA Hedging Groups.
- The Strategists Department, which is comprised of the Strategic Project Management, Quantitative Research, Core Library Development, and Electronic Trading Groups. The Strategists Department provides front office support.

I.B.4. Broker Dealer

The Broker-Dealer business line is the front office business of Nikko America. The Broker-Dealer is registered in the US with the SEC. Moreover, Nikko America is a member of FINRA. The Broker-Dealer CBL is comprised of the following groups:

- The Equity Sales & Trading Group ("EST"), which provides equity sales and trading services mainly to US investors. Specifically, this group provides buy-side corporate and institutional investors with investment opportunities in various stocks and equity products. EST services include brokerage services with sales and trading functions of permitted equity products.
- The Fixed Income Sales & Trading Group ("FIST"), which undertakes business to fulfil client bond investment needs. Traders facilitate clients' management of bond portfolios.
- The Debt Capital Markets Group ("DCM"), which underwrites and coordinates sales through a syndicate function, as well as make referrals for the group's main business products firm commitment offerings and best effort offerings. DCM also handles private placement of securities.

- The Equity Capital Markets Group (“ECM”), which functions at the New York-based syndicate for global and domestic equity offerings by Japanese issues, coordinating with the ECM groups of SMBC Nikko Capital Markets Limited (“CM Ltd.”) and SMBC Nikko Securities Inc. (“Nikko Tokyo”) with the support of Nikko America’s EST and Corporate Access Group (“CAG”). ECM also acts as an active or passive underwriter for equities and equity-linked convertible products for securities underwritings in the US, and engages in At-The-Market Offerings, which is considered part of Nikko America’s underwriting business.
- The Structured Finance Group (“SFG”), which is engaged in the following businesses and functions:
 - Origination and Structuring: SFG provides origination, arrangement, and advisory services of structured finance solutions for SMFG customers. Programs structured by SFG include asset-backed Commercial Paper (“CP”), asset-backed loans, or asset-backed securities. Concerning asset-backed CP, the group typically arranges such transactions through the Manhattan Asset Funding Company LLC.
 - Facilitation of Distribution: SFG facilitates distribution of structured finance products to various types of investors. SFG structures asset backed loans by funding from SMBC NYB. SFG also structures term securitizations for the private placement debt capital market including referral activities in collaboration with DCM.
- The Investment Banking Group (“IBG”), which is responsible for:
 - Establishing solid business relationship with clients;
 - Originating a wide range of financial services including, but not limited to, mergers and acquisitions advisory, underwriting business, advising on or facilitating debt or equity securities offerings through a private placement or a public offering, and any other activities through close collaboration with Nikko America’s other departments, Nikko Tokyo, and SMBC;
 - Providing mergers and acquisitions advisory services to Japanese and non-Japanese clients by itself or by collaborating with Nikko Tokyo;
 - Providing services, among other items, to advise mergers and acquisitions, securities issuances, structuring, sales and divestitures; and
 - Providing valuation opinions, as well as advice on takeover defense, recapitalizations, joint ventures, and management buyouts.
- The Relationship Management Group (“RMG”), which conducts business activities that include but are not limited to soliciting underwriting business, advising on or facilitating debt or equity securities offerings through a private placement or a public offering, and any other activities which may require that the registration as a broker-dealer under the Securities and Exchange Act or necessitate sponsorship by a FINRA member. RMG is primarily comprised of personnel that are employed by CMI or SMBC NYB but have obtained a securities license through Nikko America and are performing business activities for the Broker-Dealer. Business on behalf of the Broker-Dealer that is conducted by these employees is booked back to Nikko America.

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

The assets, liabilities, capital, and major funding sources of the consolidated organization are set forth in SMFG's Annual Report for the fiscal year ended March 31, 2018 (the "Annual Report").⁵ Please refer to Appendix II - Financial Data of the Annual Report starting on page 135. The consolidated balance sheet for SMFG as of March 31, 2018 is presented below. Figures have been prepared in accordance with accounting principles generally accepted in Japan ("Japanese GAAP").

Table I.C-1: SMFG Consolidated Balance Sheets as of March 31, 2018

Assets	
Assets:	(\$ Millions)
Cash and due from banks	505,718
Call loans and bills bought	17,712
Receivables under resale agreements	7,792
Receivables under securities borrowing transactions	78,472
Monetary claims bought	44,525
Trading assets	52,570
Money held in trust	14
Securities	242,002
Loans and bills discounted	686,550
Foreign exchanges	20,388
Lease receivables and investment assets	21,924
Other assets	75,349
Tangible fixed assets	32,707
Assets for rent	24,030
Buildings	3,218
Land	3,993
Lease assets	60
Construction in progress	320
Other tangible fixed assets	1,086
Intangible fixed assets	8,147
Software	4,035
Goodwill	2,562
Lease assets	2
Other intangible fixed assets	1,548
Net defined benefit asset	3,609
Deferred tax assets	260

⁵ Sumitomo Mitsui Financial Group, Inc., Annual Report for the fiscal year ended March 31, 2018.
<http://www.smfg.co.jp/english/investor/financial/annual.html>

Customers' liabilities for acceptances and guarantees	80,711
Reserve for possible loan losses	(5,046)
Total assets	1,873,404
Liabilities and Net Assets	
Liabilities:	(\$ Millions)
Deposits	1,096,259
Negotiable certificates of deposit	105,603
Call money and bills sold	11,209
Payables under repurchase agreements	51,856
Payables under securities lending transactions	67,641
Commercial paper	22,445
Trading liabilities	41,432
Borrowed money	101,922
Foreign exchanges	8,147
Short-term bonds	11,827
Bonds	85,249
Due to trust account	12,501
Other liabilities	59,748
Reserve for employee bonuses	791
Reserve for executive bonuses	36
Net defined benefit liability	376
Reserve for executive retirement benefits	19
Reserve for point service program	209
Reserve for reimbursement of deposits	167
Reserve for losses on interest repayment	1,362
Reserve under the special laws	23
Deferred tax liabilities	4,285
Deferred tax liabilities for land revaluation	287
Acceptances and guarantees	80,711
Total liabilities	1,764,106
Net assets:	
Capital stock	22,012
Capital surplus	7,136
Retained earnings	52,260
Treasury stock	(118)
Total stockholders' equity	81,290
Net unrealized gains (losses) on other securities	15,895
Net deferred gains (losses) on hedges	(645)
Land revaluation excess	349
Foreign currency translation adjustments	347

Accumulated remeasurements of defined benefit plans	556
Total accumulated other comprehensive income	16,503
Stock acquisition rights	27
Minority interests	11,479
Total net assets	109,298
Total liabilities and net assets	1,873,404

I.C.1. Funding

SMFG's domestic funding is derived primarily from deposits placed with SMBC by its corporate and individual customers, and also from call money (inter-bank), bills sold (inter-bank promissory notes), repurchase agreements, borrowings, and negotiable certificates of deposit issued by SMBC to domestic and international customers. International sources of funds are principally from deposits from corporate customers and inter-bank market, negotiable certificates of deposit, commercial paper, and also from repurchase agreements and cash collateral on securities lent. SMFG closely monitors maturity gaps and foreign exchange exposure in order to manage SMFG's liquidity profile.

SMFG has invested the excess balance of deposits against loans and advances primarily in marketable securities and other highly liquid assets, such as Japanese government bonds. SMBC's Treasury Unit actively monitors the movement of interest rates and the maturity profile of its bond portfolio as part of SMBC's overall risk management. The bonds can be used to enhance liquidity. When needed, they can be used as collateral for call money or other money market funding or short-term borrowings from the Bank of Japan.

Secondary sources of liquidity include short-term debts, such as call money, bills sold, and commercial paper issued at an inter-bank or other wholesale markets. SMFG also issues long-term debts, including both senior and subordinated debts, as additional sources of liquidity. With short- and long-term debts, SMFG can diversify its funding sources and effectively manage funding costs and enhance capital adequacy ratios when appropriate.

SMFG sources funding in foreign currencies primarily from financial institutions, general corporations, and institutional investors, through short-term and long-term financing. Even if there are declines in SMFG's credit quality or that of Japan in the future, SMFG expects to be able to purchase foreign currencies in sufficient amounts using the JPY funds raised through the domestic customer base. As further measures to support foreign currency liquidity, SMFG holds foreign debt securities, maintains credit lines and swap facilities denominated in foreign currencies, and pledges collateral to the Federal Reserve Banks.

I.C.2. Capital Management

With regard to capital management, SMFG strictly abides by the capital adequacy guidelines set by the Financial Services Agency of Japan ("JFSA"). Japan's capital adequacy guidelines are based on the Basel Capital Accord, which was proposed by the Basel Committee on Banking Supervision for uniform application to all banks which have international operations in industrialized countries. Japan's capital adequacy guidelines, although substantially similar to those of other countries' central banks or supervisory bodies, differ in some ways as they have been designed by the JFSA to suit the Japanese

banking environment. SMFG banking subsidiaries outside of Japan are also subject to the local capital ratio requirements.

On a consolidated basis, the table below presents summary capital information for SMFG.

Table I.C.2-1: SMFG (Consolidated) Summary Capital Information as of March 31, 2018 (International Standard)

Capital Components	JPY Billions (Except Percentages)
Common Equity Tier 1 capital	9,217.4
Additional Tier 1 capital	1,392.9
Tier 1 capital	10,610.2
Tier 2 capital	1,693.9
Total capital	12,304.1
Common Equity Tier 1 risk-weighted capital ratio	14.50%
Tier 1 capital ratio	16.69%
Total capital ratio	19.36%
Risk-weighted assets	63,540.3

I.D. Description of Derivative and Hedging Activities

SMFG makes use of derivatives to proactively and flexibly manage its risks, including market risks, interest rate risks, credit risk, and foreign currency risks. The use of derivatives helps minimize unplanned fluctuations in earnings, fair values of assets and liabilities, and cash flows caused by interest rate, foreign currency, and other market value volatility. Furthermore, SMFG undertakes derivative transactions to meet customers' hedging needs and to make a profit on fluctuations in interest rates, foreign exchange rates, etc. One of SMFG's US MEs, CMI, engages in a level of swap dealing activities sufficient to require registration with the CFTC as a "swap dealer."

Derivatives handled by SMFG include foreign exchange futures, futures, forwards, swaps and options related to interest rates, currencies, equities, bonds, and commodities, and credit and weather derivatives. SMFG does trade in weather derivatives outside of the US through non-US entities. However, SMBC NYB, CMI, Nikko America, and JRIA do not engage in weather derivatives. Major risks associated with derivatives include market risk, liquidity risk, and credit risk arising from nonperforming of contractual obligations due to deterioration in the counterparty's financial conditions. SMFG has in place a risk management framework that properly monitors and manages these risks.⁶

⁶

For further detail, please see the Annual Report, including the Consolidated Financial Statements particularly Note 3 on page 162.

I.E. Memberships in Material Payment, Clearing, and Settlement Systems

Certain entities in SMFG are members of numerous payment, clearing, and settlement systems (Financial Market Utilities, or "FMUs"). The table below provides the FMU memberships used for products of SMBC NYB, CMI, and Nikko America. JRIA does not use any FMUs.

Table I.E-1: Memberships in Material Payment, Clearing and Settlement Systems

FMU	Description
BNYM Broker-Dealer Clearance	Used for the settlement of Fed Wire eligible securities such as US Treasuries and Repo
BNYM Global Securities Processing	Used for the settlement of DTC eligible securities such as US Corporate Bond
Broadridge - Impact/Gloss	Used to facilitate trade processing supporting middle/back office for most Fixed Income and Japanese Equities
CHIPS	USD payment system
Continuous Linked Settlement Bank International	FX Payment Versus Payment settlement system
Depository Trade and Clearing Corporation – Global Trade Repository	Global trade repository
Federal Reserve Check Clearing	Nationwide check clearing house
Fedwire	USD payment system, US clearing securities settlement, and financial institution depository
FICC	US clearing and settlement system
London Clearing House	Clearing for swaps
NetX360	Back office system for some corporate bonds (DTC and Euroclear base settlement) and US equities (Pershing)
SWIFT	Interbank financial telecommunication

I.F. Description of Foreign Operations

SMFG is a global financial group that develops operations in a wide range of fields including banking, leasing, securities, credit cards, and consumer finance. SMFG was established on December 2, 2002 as a holding company through a statutory share transfer (*kabushiki iten*) of all of the outstanding equity securities of SMBC in exchange for SMFG's newly issued securities. Upon formation of SMFG and completion of the statutory share transfer, SMBC became a direct wholly owned subsidiary of SMFG.

SMBC offers commercial banking services to a wide range of customers including individuals, small and medium sized enterprises, large corporations, governments, and governmental entities. In Japan, SMBC accepts deposits from, makes loans to, extends guarantees to, and provides other products and services to individuals, corporations, governments, and governmental entities. SMBC also underwrites and deals in bonds issued or guaranteed by the Government of Japan and local government authorities and act in various administrative and advisory capacities for select types of corporate and government bonds. In the overseas market, SMBC operates through a network of branches, representative offices, subsidiaries, and affiliates to provide loan syndication, project finance, and cash management services, and participates in international securities markets.

The following table identifies SMFG’s principal subsidiaries in Japan. Entities that are also a consolidated subsidiary of SMBC are shaded in green.

Table I.F.1.-1: SMFG’s Principal Subsidiaries in Japan

Company Name	Main Business
Sumitomo Mitsui Banking Corporation	Commercial banking
SMBC Trust Bank Ltd.	Trust service and commercial banking
Sumitomo Mitsui Finance and Leasing Company, Limited	Leasing
SMBC Nikko Securities Inc.	Securities
Sumitomo Mitsui Card Company, Limited	Credit card services
Cedyna Financial Corporation	Credit card services, Installment
SMBC Consumer Finance Co., Ltd.	Consumer loans
The Japan Research Institute, Limited	System engineering, data processing, management consulting, and economic research
Sumitomo Mitsui Asset Management Company, Limited	Investment management
SMBC Guarantee Co., Ltd.	Credit guarantee
SMFL Capital Co., Ltd.	Leasing
SMFG Card & Credit, Inc.	Business management
SMM Auto Finance, Inc.	Automotive financing
SMBC Finance Service Co., Ltd.	Collecting agent and factoring
SMBC Mobit Co., Ltd.	Consumer lending
SAKURA KCS Corporation	System engineering and data processing
JAIS, Limited	System engineering and data processing
NCORE Co., Ltd.	Data processing service and e-trading consulting
SMBC GMO PAYMENT, Inc.	Settlement agent
SMBC Venture Capital Co., Ltd.	Venture capital
SMBC Consulting Co., Ltd.	Management consulting and seminar organizer
Japan Pension Navigator Co., Ltd.	Defined contribution plan administrator
SMBC Loan Business Planning Co., Ltd.	Management support services
SMBC Servicer Co., Ltd.	Servicer
SMBC Electronic Monetary Claims Recording Co., Ltd.	Electronic monetary claims recording
SMBC Staff Service Co., Ltd.	Fee-based headhunting services and contracting of human resources-related procedures
SMBC Learning Support Co., Ltd.	Seminar organizer
SMBC PERSONNEL SUPPORT CO., LTD.	Banking clerical work
SMBC Center Service Co., Ltd.	Banking clerical work
SMBC Delivery Service Co., Ltd.	Banking clerical work
SMBC Green Service Co., Ltd.	Banking clerical work
SMBC International Business Co., Ltd.	Banking clerical work
SMBC Loan Administration and Operations Service Co., Ltd.	Banking clerical work
SMBC Real Estate Appraisal Service Co., Ltd.	Banking clerical work
Polarify, Inc.	Biometric Authentication Platform as a Service

The following table identifies SMFG’s principal subsidiaries outside of Japan. Entities that are also a consolidated subsidiary of SMBC are shaded in green.

Table I.F.1.-2: SMFG’s Principal Subsidiaries Outside Japan

Company Name	Country	Main Business
Sumitomo Mitsui Banking Corporation Europe Limited	U.K.	Commercial banking
Sumitomo Mitsui Banking Corporation (China) Limited	China	Commercial banking
Manufacturers Bank	U.S.A.	Commercial banking
Banco Sumitomo Mitsui Brasileiro S.A.	Brazil	Commercial banking
JSC Sumitomo Mitsui Rus Bank	Russia	Commercial banking
PT Bank Sumitomo Mitsui Indonesia	Indonesia	Commercial banking
Sumitomo Mitsui Banking Corporation Malaysia Berhad	Malaysia	Commercial banking
SMBC Leasing and Finance, Inc.	U.S.A.	Leasing, investments
SMBC Aviation Capital Limited	Ireland	Leasing
SMBC Rail Services LLC	U.S.A.	Leasing
SMBC Nikko Securities America, Inc.	U.S.A.	Securities, investments
SMBC Nikko Capital Markets Limited	U.K.	Derivatives and investments, securities services
SMBC Capital Markets, Inc.	U.S.A.	Derivatives and investments
SMBC Financial Services, Inc. ⁷	U.S.A.	Investments, investment advisor
SMBC Cayman LC Limited	Cayman Islands	Credit guarantee, bond investment
SMBC MVI SPC	Cayman Islands	Loans, buying/ selling of monetary claims
SMBC DIP Limited	Cayman Islands	Loans, buying/selling of monetary claims
SFVI Limited	British Virgin Islands	Investments
SMBC, S.A.P.I. DE C.V., SOFOM, E.N.R.	Mexico	Money lending business, Services related to leasing and used lease properties
SMBC International Finance N.V.	Curaçao	Finance
SMFG Preferred Capital JPY 1 Limited	Cayman Islands	Finance
SMFG Preferred Capital USD 3 Limited	Cayman Islands	Finance
SMFG Preferred Capital GBP 2 Limited	Cayman Islands	Finance
SMFG Preferred Capital JPY 2 Limited	Cayman Islands	Finance
SMFG Preferred Capital JPY 3 Limited	Cayman Islands	Finance
SMBC Preferred Capital JPY 1 Limited	Cayman Islands	Finance
SMBC Preferred Capital USD 3 Limited	Cayman Islands	Finance
SMBC Preferred Capital GBP 2 Limited	Cayman Islands	Finance
SMBC Preferred Capital JPY 2 Limited	Cayman Islands	Finance
Sumitomo Mitsui Finance Dublin Limited	Ireland	Finance
Sakura Finance Asia Limited	Hong Kong	Investments
SMBC Capital Partners LLC	U.S.A.	Holding and trading securities
SMBC Derivative Products Limited	U.K.	Derivatives and investments
SMBC Advisory Services Saudi Arabia LLC	Saudi Arabia	Consulting

⁷ As of September 2018, SMBC Financial Services, Inc. has changed its name to SMBC Americas Holdings, Inc.

The following table identifies SMFG’s principal affiliates. Entities that are consolidated subsidiaries or affiliates of SMBC are shaded in green.

Table I.F.1.-2: SMFG’s Principal Affiliates

Company Name	Main Business
The Japan Net Bank, Limited	Commercial banking
Kansai Urban Banking Corporation	Commercial banking
THE MINATO BANK, LTD.	Commercial banking
PT Bank Tabungan Pensiunan Nasional Tbk	Commercial banking
PT Oto Multiartha	Automotive financing
PT Summit Oto Finance	Motorcycle financing
Vietnam Export Import Commercial Joint Stock Bank	Commercial banking
ACLEDA Bank Plc.	Commercial banking
The Bank of East Asia, Limited	Commercial banking
Sumitomo Mitsui Auto Service Company, Limited	Leasing
POCKET CARD CO., LTD.	Credit card services
JSOL CORPORATION	System engineering and data processing
Sakura Information Systems Co., Ltd.	System engineering and data processing
brees corporation	Information processing services
Daiwa SB Investments Ltd.	Investment management
China Post & Capital Fund Management Co., Ltd.	Investment management
Daiwa Securities SMBC Principal Investments Co., Ltd.	Investments, fund management
MSD Investment, Ltd.	Investments

I.G. Material Supervisory Authorities

As discussed above, SMFG is a global financial institution with operations across the globe. The subsections below identify the material supervisory authorities both for SMFG in Japan as well as in the US.

I.G.1. Japan

Pursuant to Japan's Banking Act, JFSA has the authority in Japan to supervise banks, bank holding companies, and banks' principal shareholders, meaning bank shareholders having 20% (or 15% in some cases) or more of the voting rights of a bank. The Bank of Japan also has supervisory authority over banks in Japan based primarily on its contractual agreements and transactions with Japanese banks. Only companies licensed by the Prime Minister of Japan are defined as banks under the Banking Act, and licenses may be granted only to a *kabushiki kaisha*, a joint stock corporation, with paid-up capital of ¥2 billion or more.

I.G.2. United States

As a result of its operations in the US, SMFG and SMBC are subject to federal and state banking and securities supervision and regulation. SMBC engages in US banking activities directly through its branches in Los Angeles, San Francisco, and New York, and through its representative offices in Houston, TX; Chicago, IL; Menlo Park, CA; Bogota, Colombia; Leon, Mexico; Mexico City, Mexico; Lima, Peru; and Santiago, Chile. SMFG and SMBC also have a service center in Jersey City, NJ.

The following table identifies the primary supervisors and regulators of SMFG’s CBLs and MEs.

Table I.G.2.-1: Primary Prudential Supervisors

Regulatory Agency	Entities
Board of Governors of the Federal Reserve System with certain supervisory and regulatory functions delegated to the Federal Reserve Bank of New York	SMFG’s US Entities, including: SMBC NYB CMI JRIA Nikko America
Commodity Futures Trading Commission	CMI
Financial Industry Regulatory Authority – New York	Nikko America
New York State Department of Financial Services	SMBC NYB
National Futures Association	CMI
US Securities and Exchange Commission	Nikko America

The following table identifies supervisors and regulators with significant supervisory or regulatory authority over SMFG’s MEs.

Table I.G.2.-2: Other Prudential Supervisors

Regulatory Agency	Entities
Federal Reserve Bank of Dallas	SMBC NYB (Houston Representative Office)
Federal Reserve Bank of San Francisco	SMBC Los Angeles Branch SMBC San Francisco Branch SMBC NYB (Menlo Park Representative Office)
California Department of Business Oversight	SMBC Los Angeles Branch SMBC San Francisco Branch SMBC NYB (Menlo Park Representative Office)
Illinois Department of Professional and Financial Regulation	SMBC NYB (Chicago Representative Office)
State of New Jersey Department of Banking and Insurance	SMBC NYB (Service Center at the Harborside facility)
Texas Department of Banking	SMBC NYB (Houston Representative Office)
Federal Deposit Insurance Corporation	Reviewers of the 2018 US Resolution Plan

The following table identifies foreign supervisors and regulators with significant supervisory or regulatory authority over SMFG’s MEs.

Table I.G.2.-3: Foreign Prudential Supervisors

Regulatory Agency	Entities
Japanese Financial Services Agency	SMBC NYB CMI Nikko America
Bank of Japan	SMBC NYB
Central Reserve Bank of Peru	SMBC NYB (Lima, Peru Representative Office)
Banco Central de Chile	SMBC NYB (Santiago, Chile Representative Office)

Regulatory Agency	Entities
Banco de México	SMBC NYB (Mexico City, Mexico, and Leon, Mexico Representative Offices)
Comisión Nacional Bancaria y de Valores	SMBC NYB (Mexico City, Mexico, and Leon, Mexico Representative Offices)
Banco de la República, Colombia	SMBC NYB (Bogotá, Colombia Representative Office)

I.H. Principal Officers

The following table lists SMFG’s Board of Director members as of June 28, 2018.

Table I.H-1: SMFG Board of Directors Members (As of June 28, 2018)

Name	Title
Koichi Miyata	Chairman of the Board
Takeshi Kunibe	President
Makoto Takashima	Director
Kozo Ogino	Director
Jun Ohta	Director
Katsunori Tanizaki	Director
Toshikazu Yaku	Director
Toshiyuki Teramoto	Corporate Auditor
Toru Mikami	Director
Tetsuya Kubo	Director
Masayuki Matsumoto	Director (Outside)
Arthur M. Mitchell	Director (Outside)
Shozo Yamazaki	Director (Outside)
Masaharu Kohno	Director (Outside)
Yoshinobu Tsutsui	Director (Outside)
Katsuyoshi Shinbo	Director (Outside)
Eriko Sakurai	Director (Outside)

The following table lists SMFG’s corporate executive officers and deputy chairman as of June 28, 2018.

Table I.H-2: SMFG Corporate Executive Officers and Deputy Chairman (As of June 28, 2018)

Name	Title
Manabu Narita	Deputy President and Executive Officer, Head of Wholesale Business Unit
Masahiko Oshima	Head of International Business Unit
Naoki Tamura	Head of Retail Business Unit
Hiroshi Munemasa	Head of Global Markets Business Unit
Yasuyuki Kawasaki	Deputy Chairman

The following table lists SMFG’s senior managing executive officers as of June 28, 2018.

Table I.H-3: SMFG Senior Managing Executive Officers (As of June 28, 2018)

Name	Title
Gotaro Michihiro	Deputy Head of Wholesale Business Unit
Shosuke Mori	Private Banking Planning Department
Naoki Ono	Transaction Business Planning Department
Kimio Matsuura	Deputy Head of Wholesale Business Unit

The following table lists SMFG’s managing executive officers as of June 28, 2018.

Table I.H-4: SMFG Managing Executive Officers (As of June 28, 2018)

Name	Title
Youichi Mori	Group Deputy Chief Information Officer
Kohei Hirota	Deputy Head of Wholesale Business Unit
Hiroshi Mishima	Deputy Head of Global Markets Business Unit
Akira Inoue	Group Deputy Chief Risk Officer
Takehisa Ikeda	Wholesale Business Unit
Chow Ying Hoong	Co-Head of Asia Pacific Division
Naoya Ishida	Wholesale Business Unit
Toshihiro Isshiki	Deputy Head of Retail Business Unit
Hiroaki Toyoda	Deputy Head of Retail Business Unit
Kenichi Hosomi	Deputy Head of International Business Unit
Takashi Aiki	Group Deputy Chief Information Officer and Group Deputy Chief Digital Innovation Officer
Tetsuro Imaeda	Head of Europe, Middle East and Africa Division
Nobuyuki Kawabata	Head of Americas Division
Toru Sawada	General Manager, General Affairs Department
Eiichi Sekiguchi	Wholesale Business Unit
Naoki Takahashi	Deputy Head of Wholesale Business Unit
Toru Nakashima	Corporate Planning Department, Financial Accounting Department, Subsidiaries & Affiliates Department
Toshihiro Sato	Global Markets Business Unit, International Business Unit
Kazuhiro Notsu	Group Deputy Chief Strategy Officer
Hitoshi Minami	Deputy Head of International Business Unit
Iwao Kawaharada	Wholesale Business Unit
Masaaki Sasai	Co-Head of Asia Pacific Division
Kengo Nakagawa	Wholesale Business Unit
Masayoshi Furusho	Group Deputy Chief Human Resources Officer
Narumitsu Yoshioka	Head of East Asia Division
Masamichi Koike	Global Markets Business Unit
Shoji Masuda	General Manager, Operations Planning Department
Takaki Ono	Wholesale Business Unit (Planning Department, Wholesale Business Unit)
Kotaro Hagiwara	General Manager, Corporate Planning Department
Yoshihiro Hyakutome	Deputy Head of Asia Pacific Division
Takashi Yamashita	Retail Business Unit (Planning Department, Retail Business Unit)

The following table lists SMFG’s executive officers as of June 28, 2018.

Table I.H-5: SMFG’s Executive Officers (As of June 28, 2018)

Name	Title
Yukio Noda	Group Deputy Chief Compliance Officer
Ryo Suzuki	Deputy Head of Americas Division
Yaoki Tsutsumi	Group Deputy Chief Financial Officer
Rie Asayama	Retail Business Unit, Quality Management Department
Yukiko Yoritaka	General Manager, Learning and Development Institute, Human Resources Department
Kenji Hirao	Public Relations Department, Olympic and Paralympic Department, Corporate Planning Department, Wholesale Business Unit
Takeshi Mikami	General Manager, Financial Accounting Department
Keiichiro Nakamura	General Manager, Planning Department, International Business Unit
Nobuaki Nakamura	Global Markets Business Unit
Jun Uchikawa	General Manager, IT Planning Department
Yoshiyuki Gono	General Manager, Corporate Risk Management Department
Hiroyuki Fukumaru	General Manager, Credit & Investment Planning Department
Takanori Kato	General Manager, Planning Department, Wholesale Business Unit
Hirofumi Otsuka	General Manager, Business Development Department, International Business Unit and Asia Growing Markets Department
Takashi Kobayashi	General Manager, Human Resources Department
Isaac Deutsch	Deputy Head of Americas Division

For a more detailed list of directors, officers, and senior management of SMFG, please see SMFG’s 2018 Annual Report.⁸

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

Ultimate responsibility for governance of SMFG worldwide, including the US resolution planning process, lies with SMFG's Board of Directors. As permitted by the Regulation, approval of the 2018 US Resolution Plan was delegated by SMFG’s Board of Directors under express authority to the Director/Executive Officer in charge of the Planning Department International Business Unit. Utilizing this approval delegation, the 2018 US Resolution Plan was approved on December 13, 2018. A detailed explanation of the corporate governance of SMFG is set forth in the Corporate Governance section of the Annual Report.⁹ The resolution planning corporate governance structure is comprised of multiple levels of oversight including board level oversight, senior management oversight (both at head office and in the US), and project team oversight, the subsections below provide a description of some of the key groups/individuals within that governance structure.

⁸ *Id.* at 54.

⁹ *Id.* at 44.

I.I.1. SMFG Board of Directors

SMFG's Board of Directors are located at the head office in Tokyo, Japan. The SMFG Board of Directors generally meet in Tokyo on a monthly basis.

I.I.2. SMBC Board of Directors

As SMBC led the drafting efforts for the 2018 US Resolution Plan, SMBC's Board of Directors are responsible for the contents of the 2018 US Resolution Plan.

I.I.3. Americas Division Management

Management of the Americas Division, which includes operations in North and South America, is the primary management body in the US responsible for the review and development of the US resolution plan. Americas Division management receives updates on plan progress, provides direction on the US resolution plan development, and ultimately are responsible for reviewing and approving the US Resolution Plan on behalf of the US operations before it is sent to the Planning Department International Business Unit.

I.I.4. Governance and Control Committee

The Governance and Control Committee ("GCC") tracks topics, issues, and regulatory concerns across all functions geographically located in the US. As such, the GCC is responsible for a formal escalation process and will use its authority to make recommendations that will mitigate major governance and control risks for SMBC's US Operations. The GCC is involved in staying informed about US resolution planning requirements as well as the development of the US resolution plan.

I.I.5. Living Will Project Team

The SMBC Living Will Project Team, the team with primary responsibility for US resolution planning on a day-to-day basis, consists of project managers and project members. Managers are responsible for the US enterprise-wide oversight (across all departments and legal entities) of the Living Will project. In this capacity, they review and approve data provided by SMFG US in support of the US resolution plan, review and approve report drafts and final reports, assist with the follow-up on management's responses, as appropriate, and report US resolution plan related matter to management and/or internal audit.

The Living Will Team Project Members are accountable for the successful implementation of the Living Will project and the day-to-day management of resolution planning activities. In this capacity, they develop project plans, develop and review weekly status reports, provide subject matter advice, and identify and share relevant documents. They are also responsible for identifying and documenting project issues, risks, and change requests in accordance with documented processes.

The Planning Department, Americas Division ("PDAD") of SMBC is responsible for coordinating this and future versions of the US resolution plan.

I.J. Description of Material Management Information Systems

SMFG uses information technology and management information systems (“MIS”) to support a variety of business functions. These systems include applications to conduct business activities across SMFG’s financial products, as well as to generate accounting, financial, operations, regulatory, and risk management reports.

PDAD maintains a centralized database of all MIS reporting for regulatory purposes. In the event of distress, this database can be leveraged for further information.

I.K. High-Level Description of Resolution Strategy

The 2018 US Resolution Plan provides a strategic analysis for the rapid and orderly resolution of each of SMFG’s US MEs and CBLs. If the SMFG-wide recovery efforts fail, given the integration of the US branches and subsidiaries within SMBC and short period of time available for recovery efforts under the baseline, adverse and severely adverse financial conditions that must be assumed, for purposes of the 2018 US Resolution Plan, SMFG assumed that it would not sell any of its US MEs or CBLs, individually or together, as a going concern. Accordingly, SMFG believed that the resolution strategies demonstrate how the MEs and CBLs may be resolved in a way that would not pose a threat to the financial stability of the United States.

For the purposes of the 2018 US Resolution Plan, SMFG assumes that an idiosyncratic event occurs during severely adverse economic conditions that threatens the solvency of SMFG. It is assumed that the idiosyncratic event did not cause failure of the MEs overnight, allowing a seven-day runway period prior to entering resolution proceedings. During the runway period, it is expected that some liquid assets will be sold by the MEs, and that CMI may utilize the uncommitted credit facility it has with SMBC NYB. SMFG in Tokyo will be stressed during this time and will not provide any additional support to SMFG US.

SMFG believes that it would be difficult and highly unlikely to be able to identify a buyer and effectuate a sale of SMBC NYB, CMI, JRIA, or any of their CBLs (individually or together) to a competitor during the runway period or in resolution given the strong integration of the branch, subsidiaries, and business into SMFG. The level of integration would also make it impossible to reorganize them separately from SMFG. Additionally, SMBC NYB provides numerous support services to most of the affiliated entities in the US and divesting SMBC NYB would not facilitate the orderly unwind of other US entities. Accordingly, as in previous years, SMFG’s resolution strategy for the MEs and CBLs is to wind-down operations in a coordinated and integrated manner with the resolution of SMFG in Japan under the authority of the JFSA. SMFG, which conducts no Critical Operations and has a relatively small footprint in the US, has concluded that a wind-down strategy of the MEs and CBLs would not pose any material adverse impact on the financial stability of the US.

SMFG believes going into resolution after the expiration of this seven day runway period would be financially prudent as it would allow implementation of the US resolution plan with the most cash on hand. There are four MEs in the US that will need to be resolved: SMBC NYB, CMI, Nikko America, and JRIA. The SMBC NYB houses two of the four CBLs, Corporate Banking, and Treasury. CMI houses the Capital Markets CBL, and Nikko America houses the Broker-Dealer CBL. JRIA houses no CBLs.

SMFG's resolution strategy is to wind-down operations of the US MEs and CBLs. Only SMBC NYB and CMI would need to be resolved pursuant to formal insolvency proceedings. This will entail coordinated insolvency proceedings under the NYBL and Chapter 11 of the US Bankruptcy Code and coordination and cooperation with the JFSA, SMFG's primary regulator. It is expected that Nikko America will have sufficient liquidity to close out all of its positions and wind down operations without needing to enter into insolvency proceedings. JRIA will continue operating in accordance with applicable Service Level Agreements until the MEs that rely on its services no longer require its services. Once JRIA's services are no longer needed, JRIA will be wound down and resolved in accordance with state corporate law.

I.L. Material Changes to SMFG since its 2015 Submission

I.L.1. Board of Directors Changes

Since SMFG's 2015 US Resolution Plan submission, the membership of SMFG's Board of Directors has changed. For a detailed list of SMFG's current Board of Directors please see section I.H.

I.L.2. Addition of a Material Entity and Core Business Line

Since SMFG's 2015 US Resolution Plan submission, SMFG has added an additional Material Entity – Nikko America and Core Business Line – the Broker-Dealer to its US resolution plan.

I.L.3. Organizational Material Changes

Since SMFG's 2015 US Resolution Plan submission, SMFG has undergone changes to the ownership structure of its US legal entities, including the MEs. Specifically, since the last submission, SMFG has created a holding company structure where many of the entities that comprise SMFG in the US are either directly or indirectly owned by SMBC Financial Services, Inc. SMBC Financial Services, Inc. is a Delaware registered entity which is wholly owned by SMBC in Japan. In the event of failure, the change to the ownership structure of entities that comprise SMFG in the US is expected to improve the ability to separate US operations from those in Japan and improve the resolvability of the US operations.