

# Memorandum of Understanding Concerning Consultation, Cooperation and the Exchange of Information Related to the Resolution of Insured Depository Institutions with Cross-Border Operations in the United States and the United Kingdom

*January 25, 2010*

## OVERVIEW

On January 22, 2010, the Federal Deposit Insurance Corporation (FDIC) and the Bank of England (BOE), the two governmental bodies with resolution authority for insured depository institutions in their respective countries, announced that Governor Mervyn King and FDIC Chairman Sheila Bair signed a Memorandum of Understanding (MOU), expanding the cooperation between the FDIC and the BOE in dismantling troubled deposit-taking financial institutions with activities in the United States and the United Kingdom. Most importantly, the MOU represents a commitment to cooperate in the resolution of cross-border financial firms in compliance with the laws and regulations of both countries and emphasizes the importance of close and effective communication and consultation between the FDIC and the BOE regarding general resolution developments and issues concerning the operations, activities, and regulations of the global operations of financial firms. However, the MOU does not create any legally binding obligations or supersede domestic laws and does not alter the terms and conditions of a previous memorandum of understanding between the U.S. and UK bank regulators.

## LINKS TO THE JOINT PRESS RELEASES

FDIC: <http://www.fdic.gov/news/news/press/2010/pr10013.html>

BOE: <http://www.bankofengland.co.uk/publications/news/2010/004.htm>

Link to the MOU: <http://www.fdic.gov/news/news/press/2010/pr10013a.pdf>