



PRESS RELEASE

Federal Deposit Insurance Corporation

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FDIC and United Kingdom Financial Services Authority Sign Memorandum of Understanding

Agreement Formalizes Cross-Border Cooperation, Consultation and Information Exchange

London, ENGLAND – FDIC Chairman Sheila C. Bair and Sir Callum McCarthy, Chairman of the United Kingdom Financial Services Authority (FSA), today signed a memorandum of understanding (MOU) that will provide formal information-sharing and contingency planning arrangements in connection with cross-border banking activities in the United States and the United Kingdom. The MOU is designed to enhance the ongoing working relationship between the two authorities.

The MOU expresses the FDIC's and FSA's intent to enhance and strengthen their consultation and cooperation in mutually understanding the complexities inherent in cross-border banking operations by firms in the United States and United Kingdom, in conducting cooperative analyses of the challenges in the resolution of the firms, and in contingency planning and simulation exercises to prepare for future challenges.

Chairman Bair said: "With the increasing globalization of banking and the concomitant expansion of major banks' cross-border operations, this MOU is important for building on the already strong working relationship that exists between the FSA and the FDIC. The MOU will provide tremendous assistance to both countries in promoting opportunities to learn from each other's experience and expertise – and could serve as a template for future agreements with other countries. I'm very pleased by our agreement with the FSA to work together on the common goal of promoting confidence and stability in our financial markets."

The MOU will strengthen the FDIC's and FSA's continued cooperation with each other in the interest of fulfilling their respective regulatory mandates. The FDIC and the FSA intend to periodically review the functioning and effectiveness of these arrangements, with a view toward expanding or altering the MOU's scope or operation should that become necessary.

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Attachment:

[Memorandum of Understanding - PDF 364k \(PDF Help\)](#)



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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