



February 18, 2022

Mr. Mark White
Chief Executive Officer
Financial Services Regulatory Authority of Ontario (FSRA)
25 Sheppard Avenue West, Suite 100
Toronto, ON M2N 6S6

Re: Public consultation on proposed Resolution Planning Guidance, No. CU0082INT

Dear Mr. White:

The Desjardins Group (“Desjardins”), on behalf of our various connected entities under FSRA’s regulatory responsibility¹, is pleased to respond to the request for comment on FSRA’s proposed Resolution Planning Guidance.

Desjardins is the leading cooperative financial group in Canada serving over 7.5 million members and clients across the country. For over 120 years, Desjardins has listened and responded to its members’ needs and adapted to change. We provide Canadians with wealth management, life and health insurance, property and casualty insurance, and personal, business, and institutional financial services. In Ontario, the DOCU is the second largest credit union in the province with 130,000 members, 51 branches, and just shy of 10 billion in assets.

Overall, our comments on the proposed Guidance’s implementation relate to Desjardins’s unique structure, the recognition of the Desjardins Group’s commitment of support to the DOCU as part of its risk mitigation strategies, and the DOCU’s affiliation to the Desjardins Financial Group.

We recognize that Resolution Planning has been a requirement for CDIC at the federal level, but while Resolution Planning is a sound risk management practice, the development of these plans in addition to a Recovery Plan poses an important burden at a time when we were advised, and the government has reiterated, that we could expect burden reduction. We suggest the approach to Resolution Planning be proportional to the credit union’s risk profile, size, nature, scope, and complexity of their operations.

Furthermore, we understand the proposed Guidance gives FSRA unilateral discretionary power to determine that a credit union has reached the PONV. In addition to the criteria outlined in the proposed Guidance, it is critical that FSRA adopts a holistic approach and considers the DOCU’s affiliation to the Desjardins Group, and thus the Group’s financial situation, as essential factors in the determination of DOCU’s Point of Non-Viability (PONV). Considering the DOCU’s affiliation to the Desjardins Financial Group, and the Desjardins Group’s obligations towards the AMF, we believe close collaboration and communication between both provincial authorities is essential to implement a strategy that would be satisfactory for both regulators, as well as the members and depositors in both jurisdictions.

¹ Desjardins’s connected entities include the Desjardins Ontario Credit Union (DOCU), Desjardins Financial Security, and Desjardins General Insurance Group.



In conclusion, we thank FSRA for its commitment to engaging the sector and welcome the opportunity to discuss our comments in greater detail.

A handwritten signature in black ink, appearing to read "Bernard Brun".

Bernard Brun
Vice-President, Institutional and Government Relations
Desjardins Group