

ISDA Launches BRRD II Omnibus Module

NEW YORK, September 14, 2021 – The International Swaps and Derivatives Association, Inc. (ISDA) has launched a new module to the ISDA Resolution Stay Jurisdictional Modular Protocol (JMP) that will enable firms to comply with changes to the EU Bank Recovery and Resolution Directive (BRRD) that require recognition of certain powers given to EU resolution authorities to be included in financial contracts governed by third-country laws.

The resolution powers include the suspension of payment or delivery obligations, the restriction of enforcement of a security interest and the suspension of termination rights relating to a regulated entity that is under resolution. The revised BRRD also clarifies that certain crisis prevention or management measures would not constitute enforcement events or insolvency proceedings.

The [ISDA BRRD II Omnibus Module](#) covers jurisdictions that have transposed the revised BRRD into national law and have been identified as a priority by market participants, and supersedes the earlier French and German modules to the JMP that enabled compliance with local resolution legislation in those countries. The covered jurisdictions include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Luxembourg, Spain and Sweden. Other jurisdictions will be added to the omnibus module based on market participant feedback as and when they implement the revised BRRD into local law.

The JMP was [launched in May 2016](#), and was developed in response to regulators introducing requirements for certain banks in their jurisdiction to obtain consent from their counterparties for statutory stays on early termination rights to apply to financial contracts between those parties, regardless of the governing law of the contract.

The requirement to include language in contracts expressly recognizing resolution stay powers is intended to address the risk that these powers may not be effective when applied to contracts governed by a third-country law.

Please visit the [protocols section of the ISDA website](#) to access the ISDA BRRD II Omnibus Module, updates to the list of adhering firms and frequently-asked-questions documents. The latest module to the JMP can be used by any counterparty to a financial contract and is open to ISDA members and non-members.

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About ISDA

Since 1985, ISDA has worked to make the global derivatives markets safer and more efficient. Today, ISDA has over 960 member institutions from 78 countries. These members comprise a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers. Information about ISDA and its activities is available on the Association's website: www.isda.org. Follow us on [Twitter](#), [LinkedIn](#), [Facebook](#) and [YouTube](#).

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