

RULES

on systemic risk buffer for financial undertakings

Article 1

Scope

These Rules apply to financial institutions authorised to collect deposits pursuant to Article 3, cf. Article 20, of the Act on Financial Undertakings, no. 161/2002, and obliged to hold capital buffer for systemic risk pursuant to Article 86(g) of the same Act.

The capital buffer shall be maintained on a consolidated and entity basis, as applicable; cf. Article 83(d) of the Act on Financial Undertakings.

Article 2

Systemic risk buffer rate

Financial undertakings that are authorised to collect deposits shall maintain a systemic risk buffer equivalent to 2% of the risk base for their domestic exposures; cf. Article 86(h) and Article 86(i), Item 1 of the Act on Financial Undertakings.

Article 3

Entry into effect

These Rules, which are issued on the basis of Article 86(g), Paragraph 1 of the Act on Financial Undertakings, have been approved by the Financial Stability Committee and shall take effect at once. Upon their entry into effect, the Rules on Systemic Risk Buffers for Financial Undertakings, no. 323/2020, shall cease to apply.

Central Bank of Iceland, 3 December 2024

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