



Tools

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When choosing the resolution tools appropriate for the resolution of a particular credit institution, resolution authorities shall have regard to the resolution objectives, the application of the general principles governing resolution and the circumstances of the case.

The resolution of a credit institution may be carried out by applying one or more of the following resolution tools:

1. sale of business tool - the mechanism for effecting a transfer by a resolution authority of shares or other instruments of ownership issued by an institution under resolution, or assets, rights or liabilities, of an institution under resolution to a purchaser that is not a bridge institution;
2. bridge institution tool - the mechanism for transferring shares or other instruments of ownership issued by an institution under resolution or assets, rights or liabilities of an institution under resolution to a bridge institution;
3. asset separation tool - the mechanism for effecting a transfer by a resolution authority of assets, rights or liabilities of an institution under resolution to an asset management vehicle; and
4. bail-in tool - the mechanism for effecting the exercise by a resolution authority of the write-down and conversion powers in relation to liabilities of an institution under resolution.

Any resolution tool may be applied individually or in any combination, with the exception of the asset separation tool, which may be applied only together with another resolution tool.

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