Implementation and execution of an orderly cross-border resolution of an internationally active bank

~ Overcoming operational challenges and building trust ~

4 June 2015

Masamichi Kono
Vice Minister for International Affairs
Financial Services Agency, Japan

* Any views expressed in this presentation are those of the speaker, and not necessarily identical to those of the JFSA or any other institution.
1. The operational challenges of an effective and orderly resolution

- The challenges for ensuring the continuity of a bank's critical functions:
  - Operationalizing stays on early termination rights
  - Preventing bank-runs and gaining confidence in the markets through implementation of a speedy and effective resolution process
  - Loss absorption, recapitalization and funding in resolution
  - Managing changes in ownership and control
  - Employee retention and other necessary elements for ensuring the continuity of a bank's day-to-day operations in resolution
  - IT issues
2. The operationalization of a bail-in

- The design of bail-in instruments and RRP\text{s}
- Valuation and disclosure issues
- Finding the right investor base

3. Cross border coordination and cooperation

- What more can we do?
Thank you very much for your kind attention!

www.fsa.go.jp/en/