



Banking Act 2009

2009 CHAPTER 1

PART 6

BANKNOTES: SCOTLAND AND NORTHERN IRELAND

Specific issues

220 Insolvency, &c.

- (1) Banknote regulations may make provision in connection with the application to an authorised bank of—
 - (a) the special resolution regime (under Parts 1 to 3), or
 - (b) a provision about insolvency within the meaning of section 217(6).
- (2) The regulations may, in particular—
 - (a) provide for the destruction of banknotes which have not been issued;
 - (b) provide for the destruction of banknotes which have been exchanged in accordance with section 217(5)(c);
 - (c) extinguish a claim to or interest in un-issued or exchanged banknotes.
- (3) A right to rely on section 213 cannot be transferred by or acquired from an authorised bank (and, in particular, cannot be acquired by virtue of or in connection with anything done under Part 1).
- (4) The fact that an authorised bank is taken into temporary public ownership in accordance with section 13 does not itself prevent the bank from relying on section 213.
- [^{F1}(4A) The fact that ownership of an authorised bank is transferred or otherwise changed as a result of a resolution instrument (or an instrument treated as a resolution instrument) does not itself prevent the bank from relying on section 213.]
- (5) If an authorised bank enters insolvency (within the meaning of section 217(6)) it loses the right to rely on section 213.

Changes to legislation: Banking Act 2009, Section 220 is up to date with all changes known to be in force on or before 07 September 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (6) Transitional provision of banknote regulations (included in reliance on section 259(1)(c)) may include provision for a case where a bank loses the right to rely on section 213; in particular, the regulations may allow the bank to rely on the section for a specified transitional period or in respect of a specified class of transitional case.
- (7) A reference in this section to the special resolution regime includes a reference to any provision of the law of a country or territory outside the United Kingdom which the Treasury identifies, in banknote regulations, as serving a similar purpose.

Textual Amendments

- F1** S. 220(4A) inserted (31.12.2014) by [Financial Services \(Banking Reform\) Act 2013 \(c. 33\)](#), s. 148(5), [Sch. 2 para. 30](#); S.I. 2014/3160, art. 2(1)(b)

Commencement Information

- I1** S. 220 in force at 12.11.2009 for specified purposes and 23.11.2009 in so far as not already in force by [S.I. 2009/3000](#), [arts. 2, 3](#)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(8A)(8B) inserted by [2012 c. 21 s. 96\(3\)](#)
- s. 8(2)(d) and word inserted by [2012 c. 21 s. 96\(4\)\(b\)](#)