



Banking Act 2009

2009 CHAPTER 1

PART 1

SPECIAL RESOLUTION REGIME

[^{F1}CHAPTER 3

SPECIAL RESOLUTION ACTION]

[^{F1}Replacement of provisional valuation

[^{F1}48Y. Consequences of a replacement valuation

- (1) Where the independent valuation carried out under section 48X(1) produces a higher valuation of the net asset value of the bank than a provisional valuation carried out under section 6E(3), the Bank of England may—
 - (a) modify any liability of the bank which has been reduced, deferred or cancelled by a mandatory reduction instrument or a resolution instrument so as to increase or reinstate that liability; or
 - (b) instruct a resolution company to pay additional consideration—
 - (i) to the bank for any property, rights or liabilities transferred to the resolution company by a property transfer instrument, or
 - (ii) to the previous holders of securities issued by the bank for any securities transferred to the resolution company by a share transfer instrument.
- (2) The power in subsection (1)(a)—
 - (a) may not be exercised so as to increase the value of the liability beyond the value it would have had if the resolution instrument which reduced, cancelled or deferred it had not been made, and

Changes to legislation: Banking Act 2009, Section 48Y is up to date with all changes known to be in force on or before 05 August 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

- (b) must be exercised by a mandatory reduction instrument or supplemental resolution instrument (whether or not that instrument contains any other provision authorised by this Part).]

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Textual Amendments

F1 Ss. 48X, 48Y and cross-heading inserted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#), arts. 1(2), **61**

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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\(4\)\(b\)](#)