
DRAFT STATUTORY INSTRUMENTS

2014 No.

The Bank Recovery and Resolution Order 2014

Special continuity obligations: property transfers

72.—(1) Section 64 (special continuity obligations: property transfers) is amended as follows.

(2) In subsection (2)(a), (b) and (c) for “a group company” (in each place it occurs) substitute “a third party”.

(3) For subsection (4) substitute—

“(4) The power under subsection (2) must be exercised by way of provision in a property transfer instrument (or supplemental instrument).

(5) The power in subsection (2)(d) and (e) may be exercised only—

(a) in so far as the Bank of England thinks it necessary to do so to ensure the provision of such services and facilities as are required to enable the transferee to operate the transferred business, or part of it, effectively, and

(b) with the consent of the Treasury.

(6) An obligation imposed on the residual bank or a group company under subsection (2)(d) or (e) continues to apply despite the residual bank or group company entering insolvency, and may not be disclaimed by a liquidator under section 178(2) of the Insolvency Act 1986⁽¹⁾ or Article 152(2) of the Insolvency (Northern Ireland) Order 1989⁽²⁾.”.

(4) After subsection (6) insert—

“(7) For the purposes of subsection (2), “third party” includes a group company.”.

(1) 1986 c. 45

(2) SI 1989/2405 (N.I. 19).