
DRAFT STATUTORY INSTRUMENTS

2014 No.

The Bank Recovery and Resolution Order 2014

Contractual variation: share transfers

- 75.**—(1) Section 67 (special continuity obligations: share transfers)(1) is amended as follows.
- (2) In subsection (2)(a) and (b), for “a former group company” substitute “a third party”.
- (3) For subsection (4) substitute—
- “(4) The power under subsection (2) must be exercised by way of provision in a share transfer instrument or order or resolution instrument (or supplemental instrument or order).
- (5) The power in subsection (2)(c) may be exercised—
- (a) only in so far as the continuity authority thinks it necessary to do so to ensure the provision of such services and facilities as are required to enable the transferred bank to operate effectively, and
- (b) by the Bank of England only with the consent of the Treasury.
- (6) An obligation imposed on the transferred bank or a former group company under subsection (2)(b) or (c) continues to apply despite the transferred bank or former group company entering insolvency, and may not be disclaimed by a liquidator under section 178(2) of the Insolvency Act 1986(2) or Article 152(2) of the Insolvency (Northern Ireland) Order 1989(3).”.

(1) Section 67 was amended by paragraph 19 of Schedule 2 to the Financial Services (Banking Reform) Act 2013 (c.33).
(2) 1986 c. 45
(3) SI 1989/2405 (N.I. 19).