Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)



Banking Act 2009

CHAPTER 1

BANKING ACT 2009

PART 1

SPECIAL RESOLUTION REGIME

Introduction

- 1 Overview
- 2 Interpretation: "bank"
- 3 Interpretation: other expressions

Objectives and code

- 4 Special resolution objectives
- 5 Code of practice
- 6 Code of practice: procedure

Exercise of powers: general

- 7 General conditions
- 8 Specific conditions: private sector purchaser and bridge bank
- 9 Specific conditions: temporary public ownership
- 10 Banking Liaison Panel

The stabilisation options

- 11 Private sector purchaser
- 12 Bridge bank
- 13 Temporary public ownership

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

Transfer of securities

- 14 Interpretation: "securities"
- 15 Share transfer instrument
- 16 Share transfer order
- 17 Effect
- 18 Continuity
- 19 Conversion and delisting
- 20 Directors
- 21 Ancillary instruments: production, registration, &c.
- 22 Termination rights, &c.
- 23 Incidental provision
- 24 Procedure: instruments
- 25 Procedure: orders
- 26 Supplemental instruments
- 26A Private sector purchaser: reverse share transfer
 - 27 Supplemental orders
 - 28 Onward transfer
 - 29 Reverse share transfer
 - 30 Bridge bank: share transfers
 - 31 Bridge bank: reverse share transfer
 - 32 Interpretation: general

Transfer of property

- 33 Property transfer instrument
- 34 Effect
- 35 Transferable property
- 36 Continuity
- 37 Licences
- 38 Termination rights, &c.
- 39 Foreign property
- 40 Incidental provision
- 41 Procedure
- 42 Supplemental instruments
- 42A Private sector purchaser: reverse property transfer
 - 43 Onward transfer
 - 44 Reverse property transfer
 - 45 Temporary public ownership: property transfer
 - 46 Temporary public ownership: reverse property transfer
 - 47 Restriction of partial transfers
- 48 Power to protect certain interests
- 48A Creation of liabilities

Bail-in option

- 48B Special bail-in provision
- 48C Meaning of "protected deposit"
- 48D General interpretation of section 48B
- 48E Report on special bail-in provision
- 48F Power to amend definition of "excluded liabilities"
- 48G Priority between creditors
- 48H Business reorganisation plans
- 48I Bail-in administrator: further functions

Document Generated: 2024-07-23

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

- 48J Bail-in administrator: supplementary
- 48K Bail-in administrator: money
- 48L Powers in relation to securities
- 48M Termination rights, etc
- 48N Directors
- 480 Directions in or under resolution instrument
- 48P Orders for safeguarding certain financial arrangements
- 480 Continuity
- 48R Execution and registration of instruments etc
- 48S Resolution instruments: general matters
- 48T Procedure
- 48U Supplemental resolution instruments
- 48V Onward transfer
- 48W Reverse transfer

Compensation

- 49 Orders
- 50 Sale to private sector purchaser
- 51 Transfer to temporary public ownership
- 52 Transfer to bridge bank
- 53 Onward and reverse transfers
- 54 Independent valuer
- 55 Independent valuer: supplemental
- 56 Independent valuer: money
- 57 Valuation principles
- 58 Resolution fund
- 59 Third party compensation: discretionary provision
- 60 Third party compensation: mandatory provision
- 60A Further mandatory provision: bail-in provision
- 60B Principle of no less favourable treatment
- 61 Sources of compensation
- 62 Procedure

Incidental functions

- 63 General continuity obligation: property transfers
- 64 Special continuity obligations: property transfers
- 65 Continuity obligations: onward property transfers
- 66 General continuity obligation: share transfers
- 67 Special continuity obligations: share transfers
- 68 Continuity obligations: onward share transfers
- 69 Continuity obligations: consideration and terms
- 70 Continuity obligations: termination
- 71 Pensions
- 72 Enforcement
- 73 Disputes
- 74 Tax
- 75 Power to change law

Treasury

- 76 International obligation notice: general
- 77 International obligation notice: bridge bank

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

78	Public funds: general
79	Public funds: bridge bank
80	Bridge bank: report
81	Temporary public ownership: report
	Groups
81B	Sale to commercial purchaser and transfer to bridge bank
81C	Section 81B: supplemental
81D	Interpretation: "banking group company" &c.
82	Temporary public ownership
83	Supplemental
	Banks not regulated by PRA
83A	Modifications of Part
	Building societies, &c.
84	Application of Part 1: general
85	Temporary public ownership
86	Distribution of assets on dissolution or winding up
87	Interpretation
88	Consequential provision
89	Credit unions
	Investment firms
89A	Application to investment firms
	Recognised central counterparties
89B	Application to recognised central counterparties
89C	Recognised central counterparty rules
89D	Recognised central counterparty membership
89E	Recognition of transferee company
89F 89G	Recognised central counterparty compensation orders
09U	Interpretation: "recognised central counterparty" &c. PART 2
	BANK INSOLVENCY
	Introduction
90	Overview
91	Interpretation: "bank"
92	Interpretation: "the court"
93	Interpretation: other expressions
	Bank insolvency order
94	The order
95	Application
96	Grounds for applying
97	Grounds for making
98	Commencement

Document Generated: 2024-07-23

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

Process of bank liquidation

~ ~	01.	
99	Objectives	ı

- 100 Liquidation committee
- 101 Liquidation committee: supplemental
- 102 Objective 1: (a) or (b)?
- 103 General powers, duties and effect
- 104 Additional general powers
- 105 Status of bank liquidator

Tenure of bank liquidator

- 106 Term of appointment
- 107 Resignation
- 108 Removal by court
- 109 Removal by creditors
- 110 Disqualification
- 111 Release
- 112 Replacement

Termination of process, &c.

- 113 Company voluntary arrangement
- 114 Administration
- 115 Dissolution
- 116 Dissolution: supplemental

Other processes

- 117 Bank insolvency as alternative order
- 118 Voluntary winding-up
- 119 Exclusion of other procedures
- 120 Notice to PRA of preliminary steps
- 121 Disqualification of directors
- 122 Application of insolvency law

Miscellaneous

- 123 Role of FSCS
- 124 Transfer of accounts
- 125 Rules
- 126 Fees
- 127 Insolvency Services Account
- 128 Evidence
- 129 Co-operation between courts
- 129A Banks not regulated by PRA
 - 130 Building societies
 - 131 Credit unions
 - 132 Partnerships
 - 133 Scottish partnerships
 - 134 Northern Ireland
 - 135 Consequential provision

PART 3

BANK ADMINISTRATION

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

	Introduction
136 137	Overview Objectives
138	Objective 1: supporting private sector purchaser or bridge bank
139 140	Objective 1: duration Objective 2: "normal" administration
	Process
141 142	Bank administration order Application
143	Grounds for applying
144	Grounds for making
145	General powers, duties and effect
145A	Power to direct bank administrator
146	Status of bank administrator
147	Administrator's proposals
148	Sharing information
	Multiple transfers
149	General application of this Part
150	Bridge bank to private purchaser
151	Property transfer from bridge bank
152	Property transfer from temporary public ownership
	Termination
153	Successful rescue
154	Winding-up or voluntary arrangement
	Miscellaneous
155	Disqualification of directors
156	Application of other law
157	Other processes
157A	Banks not regulated by PRA
158	Building societies
159	Credit unions
160 161	Rules
162	Fees Evidence
163	Partnerships
164	Scottish partnerships
165	Co-operation between courts

PART 4

FINANCIAL SERVICES COMPENSATION SCHEME

169 Overview

165 166

167

168

170 Contingency funding

Interpretation: general

Consequential provision

Northern Ireland

Banking Act 2009 (c. 1)

Document Generated: 2024-07-23

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

171 172 173 174 175 176 177 178 179 180	Borrowing from National Loans Fund Procedure for claims Rights in insolvency Information Payments in error Regulations
	PART 5
	INTER-BANK PAYMENT SYSTEMS
	Introduction
181	Overview
182 183	1 1 3
	Recognised systems
184	\mathcal{E}
185	\mathcal{E}
186	
186A 187	\mathcal{E}
	Regulation
188	Principles
189	
190	System rules
191	
192	Role of FCA and PRA
	Enforcement
193	Inspection
194	Inspection: warrant
195	Independent report
196	Compliance failure
197 198	Publication Penalty
198	Closure
200	Management disqualification
201	Warning
202	Appeal
202A	Injunctions
	Miscellaneous
203	Fees
203A	Records
203B	Annual report

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

204	Pretending to be recognised
206 206A	Saving for informal oversight Services forming part of recognised inter-bank payment systems
206B	International obligations
	PART 6
	BANKNOTES: SCOTLAND AND NORTHERN IRELAND
	Introduction
207	Overview
	Key terms
208	"Banknote"
209	"Issue"
210211	"Authorised bank" "Commencement"
	Authorisation to issue
212	Repeal of old authorising enactments
213	Saving for existing issuers
214	Consequential repeals and amendments
	Regulations and rules
215 216	Banknote regulations Banknote rules
210	Dankhote rates
	Specific issues
217	Backing assets
218 219	Information Ceasing the business of issuing notes
220	Insolvency, &c.
	Enforcement
221	Offence: unlawful issue
222	Financial penalty
223	Termination of right to issue
224	Application to court
	Bank of England
225	Organisation
226 227	Discretionary functions Exemption
	PART 7
	MISCELLANEOUS

Treasury support for banks

Banking Act 2009 (c. 1)

Document Generated: 2024-07-23

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 2024. There are changes that may be brought into force at a future date. Changes that have

ix

23 July 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)

229 230	National Loans Fund "Financial institution"
231	Reports
	Investment banks
232	Definition
233	, ,
234	Regulations: details
235 236	Regulations: procedure Review
250	
227	Banking (Special Provisions) Act 2008
237	Compensation: valuer
	Bank of England
238	UK financial stability
239	Number of directors
240	Meetings Chair of court
241 242	Quorum
243	Tenure
244	Immunity
245	Weekly return
246	Information
247	Bank of England Act 1946
	Financial Services Authority
248	Variation of permission
249	Functions
250	Information
	Central banks
251	Financial assistance to building societies
252	Registration of charges
253	Registration of charges: Scotland
	Funds attached rule (Scotland)
254	Abolition for cheques
	Financial collateral arrangements
255	Regulations
256	Supplemental
	PART 8
	GENERAL
257	"Financial assistance"
258	"Enactment"
258A	"Investment firm"

Status: Point in time view as at 05/06/2014.

Changes to legislation: Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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)

- 259 Statutory instruments
- 260 Money
- 261 Index of defined terms
- 262 Repeal
- Commencement 263
- 264 Extent
- 265 Short title

Status:

Point in time view as at 05/06/2014.

Changes to legislation:

Banking Act 2009 is up to date with all changes known to be in force on or before 23 July 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.