



Banking Act 2009

2009 CHAPTER 1

PART 3

BANK ADMINISTRATION

Introduction

140 Objective 2: “normal” administration

- (1) Objective 2 is to—
 - (a) rescue the residual bank as a going concern (“Objective 2(a)”), or
 - (b) achieve a better result for the residual bank’s creditors as a whole than would be likely if the residual bank were wound up without first being in bank administration (“Objective 2(b)").
- (2) In pursuing Objective 2 a bank administrator must aim to achieve Objective 2(a) unless of the opinion either—
 - (a) that it is not reasonably practicable to achieve it, or
 - (b) that Objective 2(b) would achieve a better result for the residual bank’s creditors as a whole.
- (3) In pursuing Objective 2(b) in bank administration following transfer to a bridge bank, the bank administrator may not realise any asset unless—
 - (a) the asset is on a list of realisable assets agreed between the bank administrator and the Bank of England, or
 - (b) the Bank of England has given an Objective 1 Achievement Notice.