



Banking Act 2009

2009 CHAPTER 1

PART 2

BANK INSOLVENCY

Bank insolvency order

96 Grounds for applying

- (1) In this section—
 - (a) Ground A is that a bank is unable, or likely to become unable, to pay its debts,
 - (b) Ground B is that the winding up of a bank would be in the public interest, and
 - (c) Ground C is that the winding up of a bank would be fair.
- (2) The Bank of England may apply for a bank insolvency order only if—
 - (a) ^{F1}... the [^{F2}PRA] is satisfied that [^{F3}Condition 1 in section 7 is met], and
 - (b) the Bank of England is satisfied—
 - ^{F4}(ai) that Condition 2 in section 7 is met,
 - (i) that the bank has eligible depositors, and
 - (ii) that Ground A or C applies.
- (3) The [^{F2}PRA] may apply for a bank insolvency order only if—
 - (a) the Bank of England [^{F5}is satisfied that Condition 2 in section 7 is met, and]
 - (b) the [^{F2}PRA] is satisfied—
 - (i) that [^{F6}Condition 1 in section 7 is met],
 - (ii) that the bank has eligible depositors, and
 - (iii) that Ground A or C applies.
- (4) The Secretary of State may apply for a bank insolvency order only if satisfied—
 - (a) that the bank has eligible depositors, and
 - (b) that Ground B applies.

Status: Point in time view as at 01/03/2017.

Changes to legislation: Banking Act 2009, Section 96 is up to date with all changes known to be in force on or before 12 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)

- (5) The sources of information on the basis of which the Secretary of State may be satisfied of the matters specified in subsection (4) include those listed in section 124A(1) of the Insolvency Act 1986 (petition for winding up on grounds of public interest).

Textual Amendments

- F1** Words in s. 96(2)(a) omitted (1.3.2017) by virtue of [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 56\(2\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)
- F2** Word in s. 96 substituted (1.4.2013) by [Financial Services Act 2012 \(c. 21\)](#), s. 122(3), [Sch. 17 para. 33](#) (with [Sch. 20](#)); S.I. 2013/423, art. 3, [Sch.](#)
- F3** Words in s. 96(2)(a) substituted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#), arts. 1(2), [104\(2\)\(i\)](#)
- F4** S. 96(2)(b)(ai) inserted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#), arts. 1(2), [104\(2\)\(ii\)](#)
- F5** Words in s. 96(3)(a) substituted (1.3.2017) by [Bank of England and Financial Services Act 2016 \(c. 14\)](#), s. 41(3), [Sch. 2 para. 56\(3\)](#) (with [Sch. 3](#)); S.I. 2017/43, reg. 2(g)
- F6** Words in s. 96(3)(b)(i) substituted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#), arts. 1(2), [104\(3\)\(b\)](#)

Commencement Information

- I1** S. 96 in force at 21.2.2009 by [S.I. 2009/296](#), art. 3, [Sch. para. 2](#)

Status:

Point in time view as at 01/03/2017.

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