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STATUTORY INSTRUMENTS

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**2014 No. 3348**

**The Bank Recovery and Resolution (No. 2) Order 2014**

**PART 13**

**Preparation of business reorganisation plans after application of bail-in tool**

**CHAPTER 1**

**Assessment of business reorganisation plan drawn up by an institution**

**Purpose of assessment**

**161.**—(1) The purpose of the assessment of the business reorganisation plan is to determine whether the plan meets the criteria for assessment.

(2) The Bank must approve the plan when the Bank and the appropriate regulator are satisfied that the plan meets the criteria for assessment.

(3) The criteria for assessment are that—

[<sup>F1</sup>(a) the plan must include the details specified in—

(i) section 48H(2) of the Banking Act 2009;

(ii) any technical standards made under paragraph (4)(a);]

[<sup>F2</sup>(b) .....

(c) the arrangements proposed in the plan would, if implemented, be reasonably likely to restore the long-term viability of the institution or of part of its business.

[<sup>F3</sup>(d) the arrangements proposed in the plan must be based on realistic assumptions as to the economic and financial market conditions under which the institution will operate;

(e) the plan must take account of the current state of the financial markets and their future prospects, reflecting best-case and worst-case assumptions, including a combination of events allowing the identification of the institution's main vulnerabilities;

(f) the assumptions made in the plan must be compared with appropriate sector-wide benchmarks;

(g) the plan meets any further criteria specified in technical standards made under paragraph (4)(b).]

[<sup>F4</sup>(4) The Bank may make technical standards specifying—

(a) further details to be included in business reorganisation plans; or

(b) further criteria for the assessment of business reorganisation plans.]

### Textual Amendments

- F1** Art. 161(3)(a) substituted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 92(2)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F2** Art. 161(3)(b) omitted (31.12.2020) by virtue of The State Aid (Revocations and Amendments) (EU Exit) Regulations 2020 (S.I. 2020/1470), reg. 1(2), **Sch. 2 para. 15(2)** (with Sch. 3)
- F3** Art. 161(3)(d)-(g) inserted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 92(2)(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F4** Art. 161(4) inserted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 92(3)**; 2020 c. 1, Sch. 5 para. 1(1)

**Changes to legislation:**

There are currently no known outstanding effects for the The Bank Recovery and Resolution (No. 2) Order 2014, Section 161.