



Banking (Special Provisions) Act 2008

2008 CHAPTER 2

General

15 Interpretation

(1) In this Act—

“authorised UK deposit-taker” has the meaning given by section 1;

“body corporate” includes a body incorporated outside the United Kingdom, but does not include the Bank of England;

“company” means a company within the meaning of section 1 of the Companies Act 2006 (c. 46);

“director”, in relation to a body corporate whose affairs are managed by its members, means a member of the body corporate;

“enactment” includes—

- (a) an enactment comprised in subordinate legislation within the meaning of the Interpretation Act 1978 (c. 30),
- (b) an enactment contained in, or in an instrument made under, an Act of the Scottish Parliament, and
- (c) an enactment contained in, or in an instrument made under, Northern Ireland legislation within the meaning of the Interpretation Act 1978;

“financial assistance”, in relation to any person, includes—

- (a) assistance provided by way of loan, guarantee or indemnity,
- (b) assistance provided by way of any transaction which equates, in substance, to a transaction for lending money at interest (such as a transaction involving the sale and repurchase of securities or other assets), and
- (c) assistance falling within paragraph (a) or (b) provided indirectly to or otherwise for the benefit of the person (including the provision of assistance within paragraph (a) or (b) to any group undertaking of that person),

whether provided in pursuance of an agreement or otherwise and whether provided before or after the passing of this Act;

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“FSMA 2000” means the Financial Services and Markets Act 2000 (c. 8);
“group undertaking” has the meaning given by section 1161 of the Companies Act 2006;

“indemnity” includes any undertaking or other arrangement entered into for the purpose of indemnifying any person or for any similar purpose;

“liabilities” includes obligations;

“modifications” includes omissions, additions and alterations, and “modify” has a corresponding meaning;

“pension scheme” means a scheme or other arrangements for the provision of benefits to or in respect of people—

- (a) on retirement,
- (b) on death,
- (c) on having reached a particular age,
- (d) on the onset of any serious ill-health or incapacity, or
- (e) in similar circumstances;

[^{F1}“PRA Rulebook” means the rulebook published by the Prudential Regulation Authority containing rules made by that Authority under FSMA 2000 as that rulebook has effect on 1 January 2022;]

“relevant guarantee arrangements”, in relation to any authorised UK deposit-taker, has the meaning given by section 2(6);

“securities” includes—

- (a) shares and stock,
- (b) debentures, including debenture stock, loan stock, bonds, certificates of deposit and other instruments creating or acknowledging indebtedness, and
- (c) warrants or other instruments entitling the holder to subscribe for, or otherwise acquire, securities falling within paragraph (a) or (b),

and see also subsection (2);

“specified”, in relation to any order or regulations under this Act, means specified in the order or regulations;

“statutory provision” means any provision made by or under an enactment (whenever passed or made);

“subsidiary undertaking” has the meaning given by section 1162 of the Companies Act 2006 (c. 46);

“UK undertaking” means an undertaking which is incorporated in, or formed under the law of any part of, the United Kingdom;

“undertaking” has the meaning given by section 1161 of the Companies Act 2006 (except in the definition of “indemnity”);

“wholly owned”, in relation to the Bank of England or the Treasury, is to be construed in accordance with subsection (6);

“wholly-owned subsidiary” has the meaning given by section 1159 of the Companies Act 2006.

- (2) In this Act any reference (however expressed) to securities issued by any authorised UK deposit-taker includes a reference to rights granted by the deposit-taker which form part of its own funds for the purposes of [^{F2}Title 1 of Part Two of [Regulation \(EU\) No. 575/2013](#) of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and the Own

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Funds and Eligible Liabilities (CRR) Part of the PRA Rulebook] (and which would not otherwise be securities by virtue of subsection (1)).

- ^{F3}(3)
- [^{F4}(4) For the purposes of this Act any undertaking that was an authorised UK deposit-taker immediately before the making of the first order under section 3 or 6 in relation to the undertaking is to be regarded as continuing to be an authorised UK deposit-taker, whether or not it would be one apart from this subsection.
- (5) For the purposes of this Act any reference (however expressed) to an undertaking which is—
- (a) a group undertaking of an authorised UK deposit-taker, or
 - (b) a subsidiary undertaking of an authorised UK deposit-taker,
- includes, in relation to any time after the making of the first order under section 3 or 6 in relation to the deposit-taker (“ the relevant time ”), a reference to an undertaking which was a group or subsidiary undertaking of the deposit-taker immediately before the making of that order but is not one at the relevant time.
- (6) For the purposes of this Act—
- (a) a company is to be regarded as wholly owned by the Bank of England at any time if at that time—
 - (i) it is a company of which no person other than the Bank or a nominee of the Bank is a member, or
 - (ii) it is a wholly-owned subsidiary of a company within subparagraph (i); and
 - (b) a company is to be regarded as wholly owned by the Treasury at any time if at that time—
 - (i) it is a company of which no person other than a nominee of the Treasury is a member, or
 - (ii) it is a wholly-owned subsidiary of a company within subparagraph (i).
- (7) This subsection makes transitional provision for the purposes of this Act in relation to expressions defined by subsection (1) by reference to provisions of the Companies Act 2006 (c. 46) (“ the 2006 Act ”)—
- (a) in relation to any time before the commencement of section 1 of the 2006 Act, “ company ” means a company within the meaning of the Companies Act 1985 (c. 6) (“ the 1985 Act ”) or the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)) (“ the 1986 Order ”);
 - (b) in relation to any time before the commencement of section 1159 of the 2006 Act, “ wholly-owned subsidiary ” has the meaning given by section 736 of the 1985 Act or Article 4 of the 1986 Order;
 - (c) in relation to any time before the commencement of sections 1161 and 1162 of the 2006 Act, “ group undertaking ”, “ subsidiary undertaking ” and “ undertaking ” have the meanings given by sections 258 and 259 of the 1985 Act or Articles 266 and 267 of the 1986 Order.]

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Textual Amendments

- F1** Words in s. 15(1) inserted (1.1.2022) by The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), **7(2)**
- F2** Words in s. 15(2) substituted (1.1.2022) by The Financial Services Act 2021 (Prudential Regulation of Credit Institutions and Investment Firms) (Consequential Amendments and Miscellaneous Provisions) Regulations 2021 (S.I. 2021/1376), regs. 1(3), **7(3)**
- F3** S. 15(3) omitted (1.1.2014) by virtue of The Capital Requirements Regulations 2013 (S.I. 2013/3115), reg. 1(2), **Sch. 2 para. 43(3)**
- F4** Words in s. 15(3) inserted (31.12.2010) by The Capital Requirements (Amendment) Regulations 2010 (S.I. 2010/2628) , reg. 1 , **Sch. 1 para. 3**

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