

*These notes refer to the Banking Act 2009 (c.1)
which received Royal Assent on 12 February 2009*

BANKING ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1: Special Resolution Regime

Transfer of property

Section 39: Foreign property

105. This section describes how a property transfer instrument may make provision for the transfer of property situated outside the United Kingdom and rights and liabilities governed by foreign law.
106. *Subsection (3)* states that both the transferor and the transferee must take any necessary steps to ensure that the transfer is effective as a matter of foreign law.
107. *Subsection (4)* makes provision for the period before a transfer may be fully effective as a matter of foreign law. For this period, the transferor must act on behalf of the transferee by holding any property or right for its benefit and discharging any liability on its behalf. Expenses incurred by the transferor in relation to these acts must be met by the transferee.
108. *Subsections (6) and (7)* relate to obligations imposed by the operation of this section. Such obligations are enforceable as contracts and the Bank of England may give directions in relation to those obligations, with which the transferor must comply.