

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

# **BANKING ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 1: Special Resolution Regime**

##### **Incidental functions**

##### *Section 67: Special continuity obligations: share transfers*

183. This section provides for the relevant authority, through share transfer instrument or order, to create or vary rights and obligations between a transferred bank and former group companies. It applies following the exercise of share transfer powers.
184. *Subsection (2)* provides for how the Treasury or the Bank of England (with the consent of the Treasury) may create, modify or cancel contracts between the transferee, and the group company (as defined in section 63).
185. *Subsection (3)* provides that the continuity authority shall aim, so far as is reasonably practicable, to preserve or include provision for reasonable consideration and terms.
186. *Subsection (4)* provides that the powers under subsection (2) may be exercised only in so far as the Bank of England or Treasury thinks it necessary to ensure the provision of such services and facilities as are required to enable the transferred bank to operate effectively.