Banking Act 2009

2009 CHAPTER 1

PART 3

BANK ADMINISTRATION

Multiple transfers

151 Property transfer from bridge bank

(1) This section applies where the Bank of England —

   (a) transfers all or part of the business of a bank ("the original bank") to a bridge bank ("the original bridge bank") by making a property transfer instrument in accordance with section 12(2), and

   (b) later makes or proposes to make an onward property transfer instrument under section 43(2) from the bridge bank to a transferee ("the onward transferee").

(2) If the onward transferee is a company which is wholly owned by the Bank of England—

   (a) the onward transferee is treated as a bridge bank for the purposes of this Part, and

   (b) the original bridge bank is treated as a residual bank for the purposes of this Part.

(3) In any other case, the Bank of England may determine that the original bridge bank is to be treated as a residual bank for the purposes of this Part.

(4) Where the original bridge bank is put into bank administration in reliance on subsection (2)(b), Objective 1 shall apply in accordance with section 138(4) in relation to both—

   (a) services provided by the original bank to the original bridge bank, and

   (b) services provided by the original bridge bank to the onward transferee.

(5) Where the original bridge bank is put into bank administration in reliance on a determination under subsection (3), Objective 1 shall apply in accordance with—

    (a)   section 138(3) in relation to services provided by the original bridge bank to the onward transferee, and

    (b)   section 138(4) in relation to services provided by the original bank to the original bridge bank.

(6) But the Bank may determine—

    (a)   that subsection (5) does not apply, and

    (b)   that section 150 shall apply as if the Bank had given—

        (i) an Objective 1 Interim Achievement Notice in respect of the original bridge bank, and

        (ii) a notice under section 150(1)(b) in respect of the onward transferee.