



Banking Act 2009

2009 CHAPTER 1

PART 1

SPECIAL RESOLUTION REGIME

[^{F1}CHAPTER 3

SPECIAL RESOLUTION ACTION]

Exercise of powers: general

[^{F1}8ZA. Specific conditions: asset management vehicle

- (1) The Bank of England may exercise a stabilisation power in respect of a bank in accordance with section 12ZA(3) only if satisfied that Conditions A and B are met.
- (2) Condition A is that the power is exercised in connection with the exercise of one or more stabilisation powers in respect of the bank, or a company which is a banking group company in relation to the bank, otherwise than for the purposes of the third stabilisation option.
- (3) Condition B is that the Bank of England is satisfied that—
 - (a) the situation of the market for the assets which it is proposed to transfer by the exercise of the stabilisation power is of such a nature that the liquidation of those assets under normal insolvency proceedings could have an adverse effect on one or more financial markets,
 - (b) the transfer is necessary to ensure the proper functioning of the bank or bridge bank from which the transfer is to be made, or
 - (c) the transfer is necessary to maximise the proceeds available for distribution.
- (4) Before determining whether Conditions A and B are met, and if so how to react, the Bank of England must consult—
 - (a) the PRA,

Changes to legislation: Banking Act 2009, Section 8ZA is up to date with all changes known to be in force on or before 13 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (b) the FCA, and
- (c) the Treasury.

^{F2}(5)

(6) The conditions in this section are in addition to the conditions in sections 7 and 8.]

Textual Amendments

- F1** S. 8ZA inserted (1.1.2015) by [The Bank Recovery and Resolution Order 2014 \(S.I. 2014/3329\)](#), arts. 1(2), **15**
- F2** S. 8ZA(5) omitted (31.12.2020) by virtue of [The Bank Recovery and Resolution and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1394\)](#), reg. 1(2), **Sch. 1 para. 14**; 2020 c. 1, Sch. 5 para. 1(1)

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(8A)(8B) inserted by [2012 c. 21 s. 96\(3\)](#)
- s. 8(2)(d) and word inserted by [2012 c. 21 s. 96\(4\)\(b\)](#)