

SCHEDULES

SCHEDULE 9

BANK LEVY

PART 1

CHARGEABLE EQUITY AND LIABILITIES

Definition of “UK allocated equity and liabilities”

- 4 (1) Paragraph 25 (UK allocated equity and liabilities: netting) is amended as follows.
- (2) In sub-paragraph (1), in the words before paragraph (a), after “applies” insert “for the purposes of Steps 1 and 2 in paragraph 24(1)”.
- (3) In sub-paragraph (1)(c), for the words from “makes provision” to “occurs” substitute “makes net settlement provision”.
- (4) After sub-paragraph (1) insert—
- “(1A) In sub-paragraph (1)(c), “net settlement provision” means provision for there to be a single net settlement—
- (a) if a netting event occurs, or
- (b) at the option of the bank or N, if a netting event occurs.
- (1B) The reference in sub-paragraph (1A) to a “single net settlement” is a reference to a single net settlement of—
- (a) all the bank’s liabilities (so far as covered by the provision mentioned in sub-paragraph (1)(c)), and
- (b) all N’s liabilities (so far as covered by that provision).
- (1C) But a provision for there to be single net settlement—
- (a) at the option of the bank, but not at the option of N, if a netting event occurs, or
- (b) at the option of N, but not at the option of the bank, if a netting event occurs,
- is not to be treated as a net settlement provision for the purposes of sub-paragraph (1)(c).”
- (5) For sub-paragraph (2) substitute—
- “(2) If the UK allocated equity and liabilities of the bank are being determined for the purposes of paragraph 15(2)(b), this paragraph does not apply if N is—
- (a) a UK resident entity which is a member of a UK sub-group,
- (b) a chargeable UK resident entity (see paragraph 15C), or

Status: This is the original version (as it was originally enacted).

- (c) another relevant foreign bank which is a member of the relevant group.”
- (6) In sub-paragraph (3)(d), for ““the netting event occurs”” substitute ““a netting event occurs””.
- (7) Omit sub-paragraph (8).
- (8) Omit sub-paragraph (13).