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## STATUTORY INSTRUMENTS

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# 2014 No. 3348

## The Bank Recovery and Resolution (No. 2) Order 2014

### PART 3

#### Recovery and resolution planning

##### Recovery planning: preparatory steps and simplified obligations

7.—(1) For each institution in relation to which Chapter 1 of Part 4 applies the appropriate regulator must determine the date by which the institution is required to draw up a recovery plan.

(2) For each relevant group in relation to which Chapter 2 of Part 4 applies the appropriate regulator must determine the date by which a group recovery plan is to be drawn up.

(3) The appropriate regulator may determine—

- (a) that specified information in addition to the information set out in [<sup>F1</sup>Schedule A1] is to be included in a recovery plan or group recovery plan; or
- (b) that any information set out in [<sup>F2</sup>that Schedule] or other detail which would otherwise have to be included in a recovery plan or group recovery plan does not have to be included.

[<sup>F3</sup>(3A) The PRA may make technical standards specifying further information to be contained in a recovery plan or a group recovery plan that is to be drawn up by an institution or group entity that is authorised by the PRA.

(3B) The FCA may make technical standards specifying further information to be contained in a recovery plan or a group recovery plan that is to be drawn up by an institution or group entity that is authorised by the FCA.]

(4) The appropriate regulator may determine that a plan drawn up by an institution or [<sup>F4</sup>a UK] parent undertaking is to be reviewed at intervals of more than one year.

[<sup>F5</sup>(4A) The Bank may make technical standards specifying relevant criteria which the appropriate regulator must take into account when exercising its functions under this article.

(4B) In paragraph (4A) “relevant criteria” means criteria that may be used to assess the impact that an institution's failure would have on financial markets, other institutions and on funding conditions.]

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#### Textual Amendments

- F1** Words in art. 7(3)(a) substituted (31.12.2020) by [The Bank Recovery and Resolution and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1394\)](#), reg. 1(2), **Sch. 3 para. 4(2)(a)**; 2020 c. 1, Sch. 5 para. 1(1)
- F2** Words in art. 7(3)(b) substituted (31.12.2020) by [The Bank Recovery and Resolution and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1394\)](#), reg. 1(2), **Sch. 3 para. 4(2)(b)**; 2020 c. 1, Sch. 5 para. 1(1)
- F3** Art. 7(3A)(3B) inserted (31.12.2020) by [The Bank Recovery and Resolution and Miscellaneous Provisions \(Amendment\) \(EU Exit\) Regulations 2018 \(S.I. 2018/1394\)](#), reg. 1(2), **Sch. 3 para. 4(3)**; 2020 c. 1, Sch. 5 para. 1(1)

*Status: Point in time view as at 31/12/2020.*

*Changes to legislation: There are currently no known outstanding effects for the The Bank Recovery and Resolution (No. 2) Order 2014, PART 3. (See end of Document for details)*

- F4** Words in art. 7(4) substituted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 4(4)**; 2020 c. 1, Sch. 5 para. 1(1)
- F5** Art. 7(4A)(4B) inserted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 4(5)**; 2020 c. 1, Sch. 5 para. 1(1)

### Resolution planning: preparatory steps and simplified obligations

8.—(1) For each institution in relation to which Chapter 1 of Part 5 applies the Bank must determine the date by which it aims to draw up a resolution plan.

(2) For each relevant group in relation to which Chapter 2 of Part 5 applies the Bank must determine the date by which it aims to draw up a group resolution plan.

(3) The Bank may determine—

- (a) that specified information in addition to the information set out in Schedule 1, in the case of a resolution plan, or Schedule 2, in the case of a group resolution plan, including any of the [<sup>F6</sup>additional information specified in Schedule 2A], is to be provided for the purpose of drawing up the plan; or
- (b) that a resolution plan does not need to contain all of the information set out in Schedule 1, or that a group resolution plan does not need to contain all of the information set out in Schedule 2.

[<sup>F7</sup>(3A) The Bank may make technical standards specifying relevant criteria which it must take into account when exercising its functions under this article.

(3B) In paragraph (3A) “relevant criteria” means criteria that may be used to assess the impact that an institution's failure would have on financial markets, other institutions and on funding conditions.]

(4) For the purpose of making an assessment of resolvability (within the meaning given in Chapter 1 of Part 6) or an assessment of group resolvability (within the meaning given in Chapter 2 of Part 6), the Bank may determine that it will—

- (a) consider specified matters in addition to the matters [<sup>F8</sup>provided for in Schedule 2B]; or
- (b) make the assessment at a lower level of detail than would otherwise be required by article 60(2) or 62(3).

(5) The Bank may determine that it will review a resolution plan or group resolution plan at intervals of more than one year.

#### Textual Amendments

- F6** Words in art. 8(3)(a) substituted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 5(2)**; 2020 c. 1, Sch. 5 para. 1(1)
- F7** Art. 8(3A)(3B) inserted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 5(3)**; 2020 c. 1, Sch. 5 para. 1(1)
- F8** Words in art. 8(4)(a) substituted (31.12.2020) by The Bank Recovery and Resolution and Miscellaneous Provisions (Amendment) (EU Exit) Regulations 2018 (S.I. 2018/1394), reg. 1(2), **Sch. 3 para. 5(4)**; 2020 c. 1, Sch. 5 para. 1(1)

### Consultation with the Financial Policy Committee

9.—(1) The PRA and the FCA must consult the Financial Policy Committee (“the Committee”) before adopting a general policy on the imposition of simplified obligations in respect of any class of undertaking if the policy would, in the opinion of the PRA or FCA, have a material adverse impact on the advancement by the Committee of any of the Committee's objectives under section 9C of the Bank of England Act 1998 <sup>M1</sup>.

(2) The Bank must consult the Committee before adopting a general policy on the imposition of simplified obligations in respect of any class of undertaking if the policy would, in the Bank's opinion, have a material adverse impact on the advancement by the Committee of any of the Committee's objectives under section 9C of the Bank of England Act 1998.

(3) In this article “simplified obligations”—

- (a) in relation to the PRA or FCA, means the less onerous obligations that would result from a determination under article 7(3)(b) or (4);
- (b) in relation to the Bank, means the less onerous obligations that would result from a determination under article 8(3)(b), (4)(b) or (5).

#### Marginal Citations

**M1** Section 9C was inserted by the Financial Services Act 2012, section 4(1).

### Provision of information to EBA

<sup>F9</sup>10. ....

#### Textual Amendments

**F9** Art. 10 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. 3 para. 6**; 2020 c. 1, Sch. 5 para. 1(1)

**Status:**

Point in time view as at 31/12/2020.

**Changes to legislation:**

There are currently no known outstanding effects for the The Bank Recovery and Resolution (No. 2) Order 2014, PART 3.