



Scottish National Investment Bank Act 2020

2020 asp 3

PART 2

OPERATIONAL MATTERS

Scottish Government financing of the Bank

24 Power to capitalise

- (1) The Scottish Ministers may capitalise the Bank in such manner, and to such extent, as they consider appropriate.
- (2) For the purposes of subsection (1), capitalising the Bank means—
 - (a) taking and paying up shares in the Bank, and
 - (b) giving it loans.
- (3) The Scottish Ministers may attach conditions (including conditions as to repayment or the payment of interest) in respect of any finance provided under this section.

25 Requirement to get State aid approval before significant capitalisation

- (1) The Scottish Ministers may not spend more than the sterling amount of the authorised minimum on capitalising the Bank unless they have obtained any approval which, under State aid rules, they are required to obtain before doing so.
- (2) For the purposes of subsection (1), no account is to be taken of administration costs.
- (3) In subsection (1)—
 - “authorised minimum” has the meaning given in section 763 of the Companies Act 2006,
 - “capitalising the Bank” has the meaning given in section 24(2).

26 Power to finance

- (1) The Scottish Ministers may provide such finance as they consider appropriate to—
 - (a) the Bank, and
 - (b) any relevant subsidiary.
- (2) Finance under this section may be provided—
 - (a) to the Bank in the form of grants, loans and guarantees,
 - (b) to a relevant subsidiary in the form of loans only.
- (3) The Scottish Ministers may attach conditions (including conditions as to repayment or the payment of interest) in respect of any finance provided under this section.
- (4) In this section, relevant subsidiary means a body that—
 - (a) is a subsidiary of the Bank, and
 - (b) provides services on a commercial basis only.

27 Requirement to get State aid approval for financing

The Scottish Ministers may not provide finance to the Bank unless they have obtained any approval which, under State aid rules, they are required to obtain before doing so.

28 Meaning of State aid rules

In sections 25 and 27, State aid rules means—

- (a) Articles 107 and 108 of the Treaty on the Functioning of the European Union, and
 - (b) any regulation made under Article 109 of that Treaty,
- as they form part of the law of Scotland and as modified by the law of Scotland from time to time.