

---

DRAFT STATUTORY INSTRUMENTS

---

**2011 No.**

**FINANCIAL SERVICES AND MARKETS**

**The Investment Bank Special Administration Regulations 2011**

*Made* - - - - *\*\*\**

*Coming into force in accordance with regulation 1*

**THE INVESTMENT BANK SPECIAL  
ADMINISTRATION REGULATIONS 2011**

1. Citation and commencement
  2. Interpretation
  3. Overview
  4. Special administration order
  5. Application
  6. Grounds for applying
  7. Powers of the court
  8. Notice to FSA of preliminary steps to other insolvency proceedings
  9. Application where investment bank is a deposit-taking bank
  10. Special administration objectives
  11. Objective 1 – distribution of client assets
  12. Objective 1 - shortfall in client assets held in omnibus account
  13. Objective 2 – engaging with market infrastructure bodies and the Authorities
  14. Continuity of supply
  15. General powers, duties and effect
  16. FSA direction
  17. Administrator’s proposals in the event of FSA direction
  18. Revision of proposals in the event of FSA direction
  19. FSA direction withdrawn
  20. Successful rescue
  21. Dissolution or voluntary arrangement
  22. Special administration order as an alternative order
  23. Disqualification of directors
  24. Limited liability partnerships
  25. Partnerships
  26. Northern Irish equivalent enactments
  27. Modifications and consequential amendments to legislation
- Signature

---

SCHEDULE 1 — Special administration (bank insolvency)

1. This Schedule provides for a procedure known as special administration...
2. A special administration (bank insolvency) order is an order appointing...
3. A special administration (bank insolvency) order is to be treated...
4. (1) An administrator appointed under a special administration (bank insolvency)...
5. (1) The provisions of the Insolvency Act as applied by...
6. (1) The provisions of Part 2 of the Act (bank...
7. Section 120 of the Act is applied with the following...
8. (1) Section 135 of the Insolvency Act is applied with...
9. In this Schedule— “eligible depositor” has the meaning set out...

SCHEDULE 2 — Special administration (bank administration)

1. General provisions
2. A special administration (bank administration) order is an order appointing...
3. (1) An administrator appointed under a special administration (bank administration)...
4. An administrator appointed under a special administration (bank administration) order...
5. A special administration (bank administration) order is to be treated...
6. Application of Part 3 of the Act and the Insolvency Act
7. Statement of proposals
8. (1) The statement is to be agreed with the Bank...
9. (1) The administrator shall send the statement to—
10. Meeting of creditors and clients to approve statement
11. Revision to the statement of proposals (Objective A not yet achieved)
12. Revision to the statement of proposals (Objective A achieved and no FSA direction)
13. Revision to the statement of proposals (Objective A achieved and FSA direction has not been withdrawn)
14. Powers of the court
15. Ending of special administration (bank administration) (rescue)
16. Ending of special administration (bank administration) (dissolution or voluntary arrangement)
17. Interpretation

SCHEDULE 3 — Application of these Regulations to limited liability partnerships

1. In this Schedule, “the 2001 Regulations” means the Limited Liability...
2. These Regulations apply where the investment bank is a limited...
3. (1) Those provisions of the Insolvency Act, as applied and...
4. (1) The provisions of the Disqualification Act shall apply with...
5. Application to Scotland
6. Subordinate legislation

SCHEDULE 4 — Application of these Regulations to partnerships

1. In this Schedule, “the 1994 Order” means the Insolvent Partnerships...
2. These Regulations apply where the investment bank is a partnership...
3. In the application of these Regulations and the Disqualification Act...
4. (1) The provisions of Schedule B1 as applied by regulation...
5. (1) The provisions of the Insolvency Act other than those...

SCHEDULE 5 — Table of enactments referred to in these Regulations together with the equivalent enactment having effect in relation to Northern Ireland

SCHEDULE 6 — Modifications and consequential amendments  
PART 1

1. (1) Where this Part of this Schedule applies, the enactments...

*Primary Legislation*

*Secondary Legislation*

PART 2 — Specific modifications

2. Where this Part of this Schedule applies, the enactments set...
3. Financial Services and Markets Act 2000
4. Pensions Act 2004
5. Companies Act 2006
6. Land Registration Rules 2003
7. Credit Institutions (Reorganisation and Winding Up) Regulations 2004

PART 3 — Consequential amendments

8. Companies Act 1985
9. Finance Act 1986

Explanatory Note