
DRAFT STATUTORY INSTRUMENTS

2016 No.

The Bank Recovery and Resolution Order 2016

PART 2

Amendments of the Banking Act 2009 and related provision

CHAPTER 1

Amendments of the Banking Act 2009

Onward transfers

9.—(1) After section 26 (supplemental instruments)(1), insert—

“Onward share transfer instruments

26ZA.—(1) This section applies where the Bank of England has made a share transfer instrument, in respect of securities issued by a bank, in accordance with section 12(2) (“the original instrument”).

(2) The Bank of England may make one or more onward share transfer instruments.

(3) An onward share transfer instrument is a share transfer instrument which—

(a) provides for the transfer of—

(i) securities which were issued by the bank before the original instrument and have been transferred by the original instrument or a supplemental share transfer instrument, or

(ii) securities which were issued by the bank after the original instrument;

(b) makes other provision for the purposes of, or in connection with, the transfer of securities issued by the bank (whether the transfer has been or is to be effected by that instrument, by another share transfer instrument or otherwise).

(4) An onward share transfer instrument may not transfer securities to the transferor under the original instrument.

(5) Sections 7 and 8 do not apply to an onward share transfer instrument (but it is to be treated in the same way as any other share transfer instrument for all other purposes, including for the purposes of the application of a power under this Part).

(6) Before making an onward share transfer instrument the Bank must consult—

(a) the PRA,

(b) the FCA, and

(c) the Treasury.

(1) Section 26 was amended by paragraphs 1 and 14 of Schedule 17 to the Financial Services Act 2012 (c.21), and by S.I. 2014/3329.

(7) Section 26 applies where the Bank of England has made an onward share transfer instrument.”

(2) In the table in section 83A (modifications of Part), after the entry for section 26, insert—

“Section 26ZA	Subsection (6)(a) does not apply unless the bank has as a member of its immediate group a PRA-authorised person.”
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