

“subsidiary undertaking” has the meaning given by section 420 of the Financial Services and Markets Act 2000(a);

“undertaking” has the meaning given by section 1161 of the Companies Act 2006(b).

Modification of the Financial Services and Markets Act 2000 (Ring-fenced Bodies and Core Activities) Order 2014

2.—(1) Article 11 of the Financial Services and Markets Act 2000 (Ring-fenced Bodies and Core Activities) Order 2014(c) (circumstances in which UK deposit-takers are not ring-fenced bodies) is modified as set out in paragraph (2) in relation to Silicon Valley Bank UK Limited and any of its subsidiary undertakings (where Silicon Valley Bank UK Limited or any of its subsidiary undertakings is the UK deposit-taker).

(2) Paragraph (2) is to be read as though the words from “and” to the end of sub-paragraph (b) were omitted and the following were inserted in its place—

“(b) that Silicon Valley Bank UK Limited and any of its subsidiary undertakings comply with the core deposit level condition in article 12, except that, for the purposes of article 12(1)(b)—

(i) Silicon Valley Bank UK Limited is to be treated as if it is a member of a group only in respect of its subsidiary undertakings; and

(ii) any subsidiary undertaking of Silicon Valley Bank UK Limited is to be treated as if it is a member of a group only in respect of Silicon Valley Bank UK Limited and any other subsidiary undertaking of Silicon Valley Bank UK Limited;

(c) that neither HSBC UK Bank plc nor any undertaking in its group transfers any part of its business to Silicon Valley Bank UK Limited or any subsidiary undertaking of Silicon Valley Bank UK Limited, other than permitted business; and

(d) that neither Silicon Valley Bank UK Limited nor any of its subsidiary undertakings undertakes any new business, other than permitted business.

(2A) In this article, “permitted business” means—

(a) any business which is closely connected with, directly relates to, or is of a similar nature to, the products and services offered by way of business by Silicon Valley Bank UK Limited as at 13th March 2023; and

(b) any ancillary services, facilities or operations which are provided, administered or otherwise carried out for the purposes of that business.”.

Amendments to the Amendments of the Law (Resolution of Silicon Valley Bank UK Limited) Order 2023

3.—(1) The Amendments of the Law (Resolution of Silicon Valley Bank UK Limited) Order 2023(d) is amended as follows.

(2) In article 1(4) (interpretation)—

(a) after the definition of “FSMA”, insert—

““group” has the meaning given by section 421 of FSMA;”;

(b) omit the definition of “the 2006 Act”;

(c) in the definition of “HSBC UK Bank plc”, for “with that name which has”, substitute “incorporated on 23rd December 2015 with”;

(a) Section 420 has been amended by S.I. 2008/948 and 2019/632.

(b) 2006 c. 46.

(c) S.I. 2014/1960.

(d) S.I. 2023/319.

- (d) in the definition of “Silicon Valley Bank UK Limited”, for “with that name on 13th March 2023, and which has”, substitute “incorporated on 3rd April 2020 with”;
- (e) after the definition of “Silicon Valley Bank UK Limited”, insert—
 - ““undertaking” has the meaning given by section 1161 of the Companies Act 2006.”.
- (3) In article 3(1) (modification of the FCA’s and PRA’s rule-making powers), for “both provisions”, substitute “each provision”.
- (4) In article 3(2) (modification of the FCA’s and PRA’s rule-making powers)—
 - (a) in the text before sub-paragraph (a)—
 - (i) before “applies”, insert “also”;
 - (ii) for “Silicon Valley Bank UK Limited”, substitute “HSBC UK Bank plc and any undertaking in its group”;
 - (b) in paragraphs (a) and (b), for “Silicon Valley Bank UK Limited” in each place where it occurs, substitute “HSBC UK Bank plc or the relevant undertaking in its group”.

	<i>Name</i>
	<i>Name</i>
Date	Two Lords Commissioners of His Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made for the purpose of enabling Part 1 of the Banking Act 2009 (c. 1) to be used effectively in connection with the sale of Silicon Valley Bank UK Limited to HSBC UK Bank plc on 13th March 2023. This Order supplements the Amendments of the Law (Resolution of Silicon Valley Bank UK Limited) Order 2023 (S.I. 2023/319) (First SVB Order).

Article 2 modifies the application of Article 11 of the Financial Services and Markets Act 2000 (Ring-fenced Bodies and Core Activities) Order 2014 (S.I. 2014/1960) (the 2014 Order) in relation to Silicon Valley Bank UK Limited and any subsidiary undertakings it may have from time to time. Article 11 of the 2014 Order applies where a UK deposit-taker (or a member of its group) acquires property, rights or liabilities from another institution, or acquires securities issued by another institution, as a result of action being taken under (or in accordance with) the powers in Part 1 of the Banking Act 2009 (the special resolution regime). Such a UK deposit-taker is not a ring-fenced body as a result of this action if it would not otherwise be a ring-fenced body, and if not more than four years have passed since the action under the special resolution regime was taken. The modifications made by this Order have the effect that the four year period in Article 11(2)(b) of the 2014 Order is disapplied subject to the conditions specified in Article 2(2).

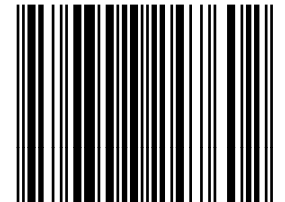
Article 3 makes certain minor amendments to the First SVB Order. Article 3(2) makes certain amendments to defined terms used in that Order. Article 3(3) makes a minor correction to clarify that the modification made by article 3(1) of the First SVB Order applies to each of the provisions of the Financial Services and Markets Act 2000 (c. 8) (FSMA) which are specified. Article 3(4) of this Order amends article 3(2) of the First SVB Order so that the modification it makes to section 138A of FSMA applies in relation to HSBC UK Bank plc and any undertaking in its group (which will include Silicon Valley Bank UK Limited), and so that this modification applies in addition to the current application of section 138A of FSMA, as opposed to replacing it.

A full impact assessment has not been produced for this instrument, as no, or no significant, impact on the private, voluntary or public sector is foreseen.

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