



Banking Act 2009

2009 CHAPTER 1

PART 1

SPECIAL RESOLUTION REGIME

Introduction

1 Overview

- (1) The purpose of the special resolution regime for banks is to address the situation where all or part of the business of a bank has encountered, or is likely to encounter, financial difficulties.
- (2) The special resolution regime consists of—
 - (a) the three stabilisation options,
 - (b) the bank insolvency procedure (provided by Part 2), and
 - (c) the bank administration procedure (provided by Part 3).
- (3) The three “stabilisation options” are—
 - (a) transfer to a private sector purchaser (section 11),
 - (b) transfer to a bridge bank (section 12), and
 - (c) transfer to temporary public ownership (section 13).
- (4) Each of the three stabilisation options is achieved through the exercise of one or more of the “stabilisation powers”, which are—
 - (a) the share transfer powers (sections 15, 16, 26 to 31 and 85), and
 - (b) the property transfer powers (sections 33 and 42 to 46).
- (5) Each of the following has a role in the operation of the special resolution regime—
 - (a) the Bank of England,
 - (b) the Treasury, and
 - (c) the Financial Services Authority.

Status: This is the original version (as it was originally enacted).

(6) The Table describes the provisions of this Part.

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