



# Banking Act 2009

## 2009 CHAPTER 1

### PART 1

#### SPECIAL RESOLUTION REGIME

#### [<sup>F1</sup>CHAPTER 3

#### SPECIAL RESOLUTION ACTION]

#### [<sup>F1</sup>Groups]

#### [<sup>F1</sup>[ <sup>F2</sup>81BB. **Bail-in option: supplemental powers in relation to certain holding companies**

- (1) Without prejudice to the operation of section 81BA, the Bank of England may exercise a stabilisation power in respect of a banking group company in accordance with section 12A(2) if the following conditions are met.
- (2) Condition 1 is that the banking group company is an undertaking incorporated in, or formed under the law of any part of, the United Kingdom.
- (3) Condition 2 is that the banking group company is an entity within [<sup>F3</sup>subsection (2A) of section 81AA].
- (4) Condition 3 is that the PRA is satisfied that the banking group company is failing or likely to fail.
- (5) Condition 4 is that the Bank of England is satisfied that, having regard to timing and other relevant circumstances, it is not reasonably likely that (ignoring the stabilisation powers) action will be taken by or in respect of the banking group company that will result in Condition 3 ceasing to be met.
- (6) Condition 5 is that the Bank of England is satisfied that the exercise of the power in respect of the banking group company is necessary, having regard to the public interest in the advancement of one or more of the special resolution objectives.

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**Changes to legislation:** Banking Act 2009, Section 81BB is up to date with all changes known to be in force on or before 12 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

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- (7) Condition 6 is that the Bank of England is satisfied that one or more of the special resolution objectives would not be met to the same extent by the winding up of the banking group company.
- (8) In exercising a stabilisation power in reliance on this section, the Bank of England must have regard to the need to minimise the effect of the exercise of the power on other undertakings in the same group.]]

#### Textual Amendments

- F1** Ss. 81B-81D inserted (5.6.2014 for specified purposes, 1.8.2014 in so far as not already in force) by [Financial Services Act 2012 \(c. 21\)](#), [ss. 100\(5\)](#), [122\(3\)](#) (with [Sch. 20](#)); [S.I. 2014/1447](#), [art. 2\(b\)](#); [S.I. 2014/1847](#), [art. 2](#)
- F2** Ss. 81BB, 81BC inserted (28.12.2020) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), [regs. 1\(2\)](#), [16](#)
- F3** Words in [s. 81BB\(3\)](#) substituted (31.12.2020) by [The Bank Recovery and Resolution \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/1350\)](#), [regs. 1\(3\)](#), [69](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 4(8A)(8B) inserted by [2012 c. 21 s. 96\(3\)](#)
- s. 8(2)(d) and word inserted by [2012 c. 21 s. 96\(4\)\(b\)](#)