



# Subsidy Control Act 2022

## 2022 CHAPTER 23

### PART 2

#### SUBSIDY CONTROL REQUIREMENTS

### CHAPTER 2

#### PROHIBITIONS AND OTHER REQUIREMENTS

##### *Ailing or insolvent enterprises*

#### **21 Restructuring deposit takers or insurance companies**

- (1) A subsidy for restructuring an ailing or insolvent deposit taker or insurance company is prohibited by this section unless the conditions in subsections (2) to (4) are met.
- (2) The condition in this subsection is that—
  - (a) the subsidy is given on the basis of a restructuring plan, and
  - (b) the public authority giving the subsidy is satisfied that the restructuring plan—
    - (i) is credible, and
    - (ii) is likely to restore long-term viability.
- (3) The condition in this subsection is that the beneficiary of the subsidy, its shareholders, its creditors or the business group to which the beneficiary belongs—
  - (a) have contributed significantly to the restructuring costs from their own resources, or
  - (b) have a contractual obligation to do so.
- (4) The condition in this subsection is that the public authority giving the subsidy has been or reasonably expects to be properly remunerated for the subsidy.

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**Changes to legislation:** There are currently no known outstanding effects for the Subsidy Control Act 2022, Section 21. (See end of Document for details)

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#### Commencement Information

- I1** S. 21 not in force at Royal Assent, see [s. 91](#)  
**I2** [S. 21](#) in force at 4.1.2023 by [S.I. 2022/1359](#), [reg. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Subsidy Control Act 2022, Section 21.