

*These notes refer to the Financial Services Act 2012
(c.21) which received Royal Assent on 19 December 2012*

FINANCIAL SERVICES ACT 2012

EXPLANATORY NOTES

COMMENTARY

Part 8 – Amendments of Banking Act 2009

Special resolution regime and bank administration

Section 97: Private sector purchasers

557. Under the Banking Act 2009, the reverse transfer powers are not available in respect of securities or property, rights and liabilities which have been transferred to a commercial purchaser. *Section 97* inserts a *new section 26A and 42A* into the Banking Act 2009 and makes other modifications to Part 1 of that Act to extend the availability of the reverse transfer powers in relation to transfers to commercial purchasers in order to provide the authorities with greater flexibility, for example to remedy the situation in which securities or property, rights and liabilities have been transferred in error. However, in order to provide comfort to prospective acquirers of securities or property, rights and liabilities under a transfer instrument, these new reverse transfer powers may be exercised only where the person from whom the securities or property, rights and liabilities are to be transferred has given their prior consent in writing (see, for example, *new section 26A(4)*).