

*These notes refer to the Banking Act 2009 (c.1)  
which received Royal Assent on 12 February 2009*

# **BANKING ACT 2009**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### **Part 1: Special Resolution Regime**

##### **Transfer of securities**

##### *Section 18: Continuity*

54. This section states that when a share transfer instrument or order is made, provision can be made to ensure the continuity of arrangements operating in respect of a bank.
55. *Subsection (1)* enables the share transfer instrument or order to include provision that the transferee can be treated as the same person as the transferor for any purpose connected with the transfer.
56. *Subsection (2)* enables the share transfer instrument or order to include provision that agreements made or other things done by or in relation to a transferor are treated as made or done by or in relation to the transferee. This provision would enable for example, the transferred deposit taker to continue to benefit from arrangements entered into by the transferors, notwithstanding any rights triggered on the transfer.
57. *Subsection (3)* allows for transitional provision about things transferred to be continued. This can include continuation of legal proceedings by or in relation to the transferee. *Subsection (4)* allows for the modification of references to the transferor in instruments or documents. *Subsection (5)* allows for provision of information to be required or permitted between the transferor and the transferee of a share transfer instrument or order.