



Banking Act 2009

2009 CHAPTER 1

PART 3

BANK ADMINISTRATION

Introduction

140 Objective 2: “normal” administration

- (1) Objective 2 is to—
 - (a) rescue the residual bank as a going concern (“Objective 2(a)”), or
 - (b) achieve a better result for the residual bank's creditors as a whole than would be likely if the residual bank were wound up without first being in bank administration (“Objective 2(b)").
- (2) In pursuing Objective 2 a bank administrator must aim to achieve Objective 2(a) unless of the opinion either—
 - (a) that it is not reasonably practicable to achieve it, or
 - (b) that Objective 2(b) would achieve a better result for the residual bank's creditors as a whole.
- (3) In pursuing Objective 2(b) in bank administration following transfer to a [^{F1}resolution company], the bank administrator may not realise any asset unless—
 - (a) the asset is on a list of realisable assets agreed between the bank administrator and the Bank of England, or
 - (b) the Bank of England has given an Objective 1 Achievement Notice.

Textual Amendments

- F1** Words in s. 140(3) substituted (16.12.2016) by [The Bank Recovery and Resolution Order 2016 \(S.I. 2016/1239\)](#), arts. 1(2), **26(6)**

Changes to legislation: Banking Act 2009, Section 140 is up to date with all changes known to be in force on or before 25 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

Commencement Information

II S. 140 in force at 21.2.2009 by [S.I. 2009/296](#), art. 3, **Sch. para. 3**

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[View outstanding changes](#)

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\(4\)\(b\)](#)