

The PrivatBank (Recognition of Third-Country Resolution Action) Instrument 2021

Made - - - - 14 May 2021
Coming into force - - 10.23a.m. on 14 May 2021

The Bank of England, having been notified by the National Bank of Ukraine that it (acting in concert with other relevant authorities in Ukraine) has taken a third-country resolution action (as defined in section 89H(7) of the Banking Act) in respect of PrivatBank, having had regard to the code of practice published by HM Treasury under section 5 of the Banking Act, and having obtained the approval of HM Treasury under section 89H(3) of the Banking Act, in the exercise of the powers conferred by section 89H of the Banking Act, makes this Instrument.

PART 1 GENERAL

Citation and commencement

- (a) This Instrument may be cited as The PrivatBank (Recognition of Third-Country Resolution Action) Instrument 2021.
- (b) This Instrument comes into force at the recognition time.

Interpretation: general

In this Instrument:

“Banking Act” means the Banking Act 2009 (as amended);

“Bail-in” means the cancellation of certain of PrivatBank’s liabilities to certain creditors in exchange for newly-issued shares in PrivatBank issued to relevant creditors pro rata to the values of those liabilities;

“PrivatBank” means JSC CB PrivatBank, a joint stock company and commercial bank incorporated in Ukraine and registered in the Ukrainian Register of Banks under No. 92, formerly known as PJSC CB PrivatBank;

“recognition time” means 10.23a.m. on 14 May 2021;

“Resolution Action” means certain action taken under the law of Ukraine pursuant to the instruments issued by the relevant Ukrainian authorities between 18 December 2016 and 20 December 2016 in accordance with which the Bail-in of the following liabilities owed by PrivatBank to UK SPV pursuant to loan agreements governed by English law occurred:

- i) liabilities under a \$200,000,000 term loan agreement dated 17 September 2010 (as amended from time to time);
- ii) liabilities under a \$175,000,000 term loan agreement dated 25 February 2013 (as amended from time to time);
- iii) liabilities existing under a \$150,000,000 subordinated credit term loan agreement dated 3 February 2006 (as amended from time to time); and
- iv) liabilities under a \$70,000,000 amended and restated second subordinated loan agreement dated 13 November 2015 (as amended from time to time); and

“UK SPV” means UK SPV Credit Finance plc, a public limited company incorporated in England with the registered number 06065720.

PART 2
RECOGNITION PROVISIONS

Recognition decision

By this Instrument the Bank of England recognises the Resolution Action in accordance with section 89H(2)(a) of the Banking Act.

This Instrument takes effect despite any restriction arising by virtue of contract or legislation or in any other way.

The Governor and Company of the Bank of England