Policy Statement | PS25/15

Contractual stays in financial contracts governed by third-country law

November 2015

BANK OF ENGLAND
PRUDENTIAL REGULATION AUTHORITY

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This policy statement contains the final rules to implement the proposals made in consultation paper CP19/15 and a supervisory statement, in relation to contractual stays in financial contracts governed by third-country law.

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1 Overview

1.1 This Prudential Regulation Authority (PRA) policy statement (PS) provides feedback to responses to CP19/15 'Contractual stays in financial contracts governed by third-country law'.[1]

1.2 It sets out final rules intended to both reduce the risk of contagion from the failure of a relevant firm and support its orderly resolution by ensuring that resolution action taken in relation to a relevant firm would not immediately lead to the early termination of its financial arrangements (or those of its subsidiaries) governed by third-country law while similar financial arrangements governed by the laws of the United Kingdom or another European Economic Area (EEA) jurisdiction[2] are stayed.

1.3 This PS is relevant to PRA-authorised banks, building societies, PRA-designated investment firms and their qualifying parent undertakings, which for this purpose comprise UK financial holding companies and UK mixed financial holding companies.

1.4 The PS is also relevant to credit institutions, investment firms and financial institutions that are subsidiaries of those firms listed in paragraph 1.3, regardless of the jurisdiction of incorporation or establishment of the subsidiary, to the extent that the subsidiary enters into a financial arrangement governed by third-country law which contains termination rights or security interests, the exercise of which could be suspended or prevented or the application of which would be disregarded under the Special Resolution Regime (SRR) under Part 1 of the Banking Act 2009 (Banking Act) if the contract were governed by UK law (third-country law financial arrangement).

1.5 The PS is also relevant to counterparties of UK firms and in scope subsidiaries with third-country law financial arrangements.

1.6 The European Union Bank Recovery and Resolution Directive (BRRD)[3], as transposed by the Banking Act, gives the Bank of England (the Bank), as resolution authority, the power to suspend temporarily:

- the termination rights of any party[4] to a qualifying contract, provided that the UK institution continues to perform its payment and other substantive obligations under the contract[5]; and
- the rights of a secured creditor[6] of the UK institution to enforce any security interest the creditor has in relation to any assets of the UK institution[7], (the temporary stays).

It further provides that a resolution action (or pre-resolution action) by the Bank, the PRA or the Financial Conduct Authority (FCA) cannot give rise to any counterparty right under a

1 *PRA Consultation Paper 19/15*, 'Contractual stays in financial contracts governed by third-country law', May 2015; www.bankofengland.co.uk/pra/Pages/publications/cp/2015/cp1915.aspx
2 The BRRD introduced a harmonised regime for the recognition of resolution actions within the European Union. HM Government has implemented the BRRD on the basis that it applies within the EEA and the PRA has decided to adopt the same approach (See para 2.34 of PS1/15 'Implementing the Bank Recovery and Resolution Directive – response to CP13/14').
3 Directive 2014/59/EU Bank Recovery and Resolution Directive: establishing a framework for the recovery and resolution of credit institutions and investment firms.
4 Other than 'excluded persons' (payment and securities settlement systems, central counterparties and central banks), as defined by Section 70D(1) of the Banking Act.
5 Section 70C(1) of the Banking Act.
6 Other than 'excluded persons' in relation to assets that have been pledged or provided to the excluded person in question as collateral or as cover for margin.
7 Section 70B(1) of the Banking Act.

contract with a relevant credit institution or investment firm, including the rights to accelerate or terminate the contract or rights over collateral (the general stay)[1].

Summary of CP19/15 proposals

1.7 In CP19/15 the PRA proposed rules on contractual stays that would require contractual recognition of stays in respect of termination rights in financial contracts governed by third-country law (that is, the law of a jurisdiction outside the EEA). The proposed rules applied to PRA-authorised banks, building societies and PRA-designated investment firms, as well as their qualifying parent undertakings (UK firms) in respect of financial contracts governed by third-country law.

1.8 The proposed rules prohibited UK firms from creating new obligations or materially amending an existing obligation unless the counterparty to the financial arrangement had agreed, in writing, to be subject to similar restrictions on early termination and close-out to those that would apply as a result of the UK firm's entry into resolution (or the write down or conversion of the UK firm's regulatory capital at the point of non-viability) if the financial contract were governed by the laws of any part of the United Kingdom.

1.9 In addition, the proposal obliged UK firms to ensure that their subsidiaries that are credit institutions, investment firms or financial institutions (regardless of the jurisdiction of incorporation or establishment of that subsidiary), agree with their counterparties that such counterparties would be subject to similar restrictions.

1.10 The PRA is required by the Financial Services and Markets Act 2000 (FSMA) to publish a statement on the impact of rules on mutuals where the final rules differ from the draft of the proposed rules.[2] The PRA does not expect the impact on mutuals to be materially different to that set out in CP19/15.[3]

1.11 The PRA is required by FMSA to have regard to any representations made to the proposals in a consultation, to publish an account, in general terms, of those representations and its response to them, and to publish details of any significant differences in the rules as made.

Summary of changes following consultation

1.12 The PRA received 13 responses to CP19/15. In light of these responses, the rules have been revised. The main changes and clarifications include:

- restricting the scope of the rules to apply only to third-country law financial arrangements containing termination rights or rights to enforce security interest that could be subject to the SRR if the contract were governed by the laws of a part of the United Kingdom. The intention of this amendment is to exempt third-country law financial arrangements which:

  (i) do not contain termination rights or rights to enforce a security interest; or

  (ii) are entered into by subsidiaries whose obligations are neither guaranteed nor otherwise supported by a UK firm.

1 Section 48Z(6) of the Banking Act. In addition, Section 70A(1) of the Banking Act empowers the Bank to temporarily suspend certain payment and delivery obligations.
2 Section 138K of FSMA.
3 *PRA Consultation Paper 19/15*, 'Contractual stays in financial contracts governed by third-country law', May 2015; www.bankofengland.co.uk/pra/Pages/publications/cp/2015/cp1915.aspx

- delaying the effective dates of the rules until 1 June 2016 in respect of counterparties that are credit institutions or investment firms and until 1 January 2017 in respect of all other counterparties;

- expanding the definition of 'excluded person' to cover all third-country financial market infrastructure (including central counterparties and payments systems), regardless of designation, and to clarify that any agency or branch of a central government is also excluded;

- replacing the requirement for the counterparty to agree in writing with a requirement for the counterparty to agree in an enforceable manner;

- clarifying that qualified parent undertakings are only in scope to the extent they have a registered office or head office in the United Kingdom;

- clarifying that the rules apply in relation to third-country law financial arrangements which contain security interests or default event provisions, the enforcement of which could be suspended, prevented or would be disregarded under the SRR;

- clarifying that a reference to securities should be interpreted as a reference to 'transferable securities'; and

- amending the definition of 'financial arrangement' to make clear that is an exclusive list, and creating a new term 'third-country law financial arrangement' for the sake of clarity.

1.13 The PRA considers that the changes to the rules will not result in an increase in costs from those described in CP19/15.[1]

1.14 Chapter 2 sets out the PRA's feedback to consultation responses received in relation to CP19/15.

1.15 The appendix of this PS contains the final rules that will be included in the CRR Firms and Non-Authorised Persons Sectors of the PRA Rulebook (Appendix 1), and a supervisory statement which sets out the expectations of the PRA in respect of the rules (Appendix 2).

[1] *PRA Consultation Paper 19/15*, 'Contractual stays in financial contracts governed by third-country law', May 2015; www.bankofengland.co.uk/pra/Pages/publications/cp/2015/cp1915.aspx

2 Consultation feedback and final proposals

2.1 This chapter sets out responses received to the PRA proposals described in CP19/15.

General

2.2 Respondents expressed support for the policy objectives of enabling orderly resolution and limiting the risk of contagion in the event of the failure of a UK firm. In addition, respondents generally recognised the role of contractual stays in achieving these goals. Some respondents highlighted that contractual solutions should be an interim solution and that establishment of statutory cross-border recognition frameworks is the preferable long-term solution. One respondent requested that the PRA reconsider the contractual stay initiative because the respondent views statutory, rather than contractual, recognition frameworks to be the appropriate way to address stays of early termination rights.

2.3 As a member of the Financial Stability Board (FSB), the Bank supports efforts to develop statutory cross-border recognition frameworks. However, in the absence of such frameworks, there is a risk that counterparties will be able to close-out third-country law financial arrangements solely by virtue of a UK firm entering into resolution, thereby undermining the resolution of a UK firm. Furthermore, in the absence of these rules, UK firms could be incentivised to enter into financial arrangements governed by third-country law so as to avoid the effect of the stays under the Banking Act.

2.4 The PRA considers that limiting the risk of market contagion and reducing the risk to financial stability are important to the advancement of its general objective and therefore intends to proceed with the implementation of these rules on contractual stays.

Harmonisation and implementation timelines

2.5 Respondents encouraged the PRA to coordinate with other regulators to harmonise implementation timelines, the scope of affected group entities and the scope of affected contracts. It was argued that harmonisation would increase acceptance by third-country counterparties while reducing the competitive disadvantages and compliance burdens for UK firms.

2.6 In addition to requesting that jurisdictions harmonise the timing of the implementation, respondents requested a delay to the PRA's proposed effective dates to allow more time to comply.

2.7 The PRA is conscious of these concerns and the Bank has been coordinating work on contractual stay regimes with regulators in other jurisdictions to ensure alignment to the extent possible. Furthermore, the Bank has been working closely with other regulators and industry and is supportive of efforts to develop a standardised approach to facilitate compliance with the rules (including the International Swaps and Derivatives Association (ISDA) 2014 Resolution Stay Protocol (the ISDA Stay Protocol)). The Bank also welcomes the ongoing efforts to develop standardised documentation to facilitate firms' compliance with the rules in respect of other types of third-country law financial arrangements (together, the Resolution Stay Protocols).

2.8 In recognition of industry concerns, the PRA has delayed the effective dates in the final rules to provide additional time for compliance. It is also hoped that this will provide time for other jurisdictions to implement their regulatory regimes and allow for harmonised implementation timeframes. The final effective dates of the rules for in scope firms are staggered based on counterparty type:

- 1 June 2016: third-country law financial arrangements with counterparties who are credit institutions or investment firms, regardless of whether the counterparty is acting directly or through an agent; and
- 1 January 2017: third-country law financial arrangements with all other counterparties.

Proportionality

Scope

2.9 Respondents expressed concern that the application of the proposed rules to third-country subsidiaries would be burdensome and disproportionate, arguing that, in the absence of an equivalent local requirement in the local jurisdiction, UK firms and their subsidiaries would be at a disadvantage relative to local competitors.

2.10 Respondents also requested confirmation that the rules do not oblige firms to insert contractual stay recognition language into financial arrangements that could not be stayed under the Banking Act had the financial arrangement been governed by the laws of a part of the UK. Some respondents also requested that the scope of the rules be limited to firms and subsidiaries that are subject to potential resolution by the Bank.

2.11 The PRA has sought to address these concerns by clarifying in the final rules that the requirement to obtain counterparty agreement will only apply in respect of third-country law financial arrangements containing termination rights or rights to enforce security interests that are or could be subject to a stay under the Banking Act if the financial arrangement were governed by the laws of a part of the United Kingdom.

2.12 The effect of this amendment is to exempt from the scope of the final rules, third-country law financial arrangements which do not contain termination rights or rights to enforce security interests (each as defined in the rules) or are entered into by subsidiaries whose obligations are neither guaranteed nor otherwise supported by a UK firm.

2.13 As noted in CP19/15, the PRA and the Bank will review the effect of the rules on firms' activity in this area and take steps to address any concerns around the resolvability of cross-border trading activities. Such steps could take the form of a PRA supervisory requirement or a Bank requirement to remove an impediment to effective resolution, as may be appropriate in light of the facts of the individual case and the objectives of each authority.

De minimis exclusion

2.14 Industry respondents also suggested that the PRA consider *de minimis* exclusions for immaterial group subsidiaries and/or small counterparties. Some respondents proposed a *de minimis* exclusion for counterparties based on European Market Infrastructure Regulation (EMIR)'s[1] exclusion for non-financial counterparties whose positions in the over-the-counter (OTC) derivatives contracts are above the clearing thresholds set in the relevant Regulatory Technical Standards (RTS).[2]

2.15 The PRA considers that a *de minimis* threshold could be subject to arbitrage and could pose a serious risk to the resolvability of UK firms. Moreover, the PRA considers it would distort incentives (and also could be considered unfair at the point of resolution) if small

1 Regulation (EU) No 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories.

2 Article 11 of the RTS (Commission Delegated Regulation (EU) No 149/2013 of December 2012) sets the clearing threshold of gross notional value at €1 billion for OTC credit derivatives and OTC equity derivatives and €3 billion for OTC FX derivatives and OTC commodity derivatives.

counterparties with financial arrangements governed by third-country law were treated differently to that of counterparties with contacts governed under laws of a part of the UK or the law of another EEA member state.

2.16 The PRA has decided not to introduce a *de minimis* exclusion. However, the PRA would note that industry's concerns regarding the disproportionate application of the rules to small counterparties will be mitigated by the exclusion for third-country law financial arrangements that could not be subject to a stay under the Banking Act if the financial arrangement were governed by the laws of a part of the UK (see paragraph 2.11).

Definitions

Financial arrangements

2.17 Respondents expressed concern that the scope of the PRA's definition of 'financial arrangement' had not been defined exhaustively and was too broad and uncertain. In particular, respondents were concerned by the use of the undefined term, 'securities'.

2.18 The PRA notes that it is for firms to identify which of their contracts fall within the definition of 'financial arrangement'. However, in response to the specific concerns regarding the reference to 'securities', the PRA has clarified that a reference to a security in the definition of financial contract should, for the purpose of the final rules, be read as a reference to a 'transferable security' as defined in MiFID II[1]. This change is consistent with the UK transposition of the BRRD in the context of the Banking Act's safeguard for protected arrangements.[2]

2.19 Several respondents asked for transactions that are terminable on demand (on demand transactions) to be excluded from the scope of the rules. A key aspect of the rules is to ensure that UK firms cannot avoid the effect of the stays under the Banking Act by contracting under third-country law. The PRA has not included an exemption for on demand transactions in the final rules as they are not exempt from the scope of stays under the Banking Act.

Amendment of existing financial arrangements

2.20 One industry respondent encouraged the PRA to adopt a more robust framework that would require firms to amend existing contracts, in addition to financial arrangements entered into, or materially amended, after the relevant effective dates.

2.21 The PRA has chosen not to adopt this approach as it would impose disproportionate obligations on UK firms. However, where the Bank believes that existing foreign law contracts pose an impediment to resolvability, the Bank, as resolution authority, would be entitled to require the UK firm to remove the impediments (for example, by requiring the UK firm and/or its subsidiaries to include contractual stay language in existing contracts).

Security interests

2.22 Two respondents noted that, as drafted, the proposed rules were not clear as to whether they captured financial arrangements containing security interests.

2.23 The PRA has amended the rules to make clear that UK firms should require their counterparties (and those of their subsidiaries) to agree that they shall only be entitled to enforce a security interest to the extent it would be entitled to do so under the SRR, if the contract were governed by the laws of part of the United Kingdom. This change:

1 Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments.
2 Article 5(2) of the Banking Act 2009 (Restriction of Special Bail-in Provision, etc.) Order 2014.

- is consistent with the scope of the ISDA Stay Protocol and the wider policy objectives of the rules;
- aligns the position on security interest security arrangements with the treatment of title transfer security arrangements, which were captured by the draft rules; and
- ensures that third-country law governed financial contracts are treated consistently with domestic contracts upon resolution.

Termination rights

2.24 One respondent sought confirmation that the definition of 'termination rights' in the rules is consistent with the reference to 'Default Rights' in the ISDA Stay Protocol.

2.25 In CP19/15, the PRA highlighted the application of the general stay under Section 48Z of the Banking Act, which applies to a wider set of rights than are subject to the temporary stays under Sections 70B and 70C of the Banking Act.

2.26 The general stay generally provides that, as long as the substantive obligations under a contract continue to be performed, any resolution (or pre-resolution) action[1] by the Bank or the PRA, or the occurrence of any event directly linked to such an action (for example a ratings downgrade), must be disregarded in determining whether any contractual provision applies or takes effect conditionally.

2.27 The general stay prevents a resolution (or pre-resolution) action from triggering onerous contractual requirements (such as increased margin requirements) that could further destabilise the UK firm and would likely undermine the effectiveness of the crisis prevention measure or crisis management measure.

2.28 The rules are designed to ensure that such a scenario does not arise. Therefore, the final rules clarify that the term 'termination right' includes not only termination rights (as defined in Section 70C(10) of the Banking Act) but also any other 'default event provisions' (as defined in Section 48Z of the Banking Act) which would apply as a consequence of a crisis prevention measure or crisis management measure[2] or the occurrence of any event directly linked to the application of such measure.

2.29 This change is consistent with the scope of the ISDA Stay Protocol and the wider policy objectives of the rules, and ensures that third-country law governed financial contracts are treated consistently with domestic contracts upon resolution.

Excluded persons

2.30 The proposed rules excluded financial arrangements entered into with designated payment and securities settlement systems, recognised central counterparties, central banks and central governments.

2.31 Respondents expressed concern that the exclusion was too narrow on the basis that most, if not all, financial market infrastructure providers (such as central counterparties and settlement systems) have standard terms and conditions which are non-negotiable. Respondents noted that if the proposed rules were adopted, it would jeopardise the ability of UK firms and their subsidiaries to use non-EEA financial market infrastructure. The PRA

1 See Section 48Z(6) of the Banking Act. Please note the Section also covers 'recognised third-country resolution actions'.
2 Or recognised third-country resolution action.

recognises that UK firms are unlikely to be able to obtain the requisite counterparty acknowledgement from non-EEA financial market infrastructure providers and that adopting the rules in the proposed form could prevent UK firms and their subsidiaries accessing non-EEA markets.

2.32 The final rules broaden the definition of excluded person to include non-EEA central counterparties, exchanges, trading facilities, payments systems or other financial market utility or infrastructure, regardless of whether or not they have been designated under EMIR or the Settlement Finality Directive[1]. Therefore, UK firms and their subsidiaries will not be required to include contractual recognition language in their agreements with such entities. However, it remains open to the Bank, as resolution authority, to require a UK firm to take any action it deems necessary (including requiring the UK firm or its subsidiaries to amend its contractual documentation with financial market infrastructure providers) where it considers there to be an impediment to resolvability.

2.33 One respondent requested that 'central government' also include agents and instrumentalities thereof. The rules are amended to exclude financial arrangements with any agency or branch of a central government.

Other clarifications

Material amendment

2.34 The final rules apply to existing obligations if a material amendment is made to the substantive terms of a financial arrangement after the relevant effective date. This language aims to prevent firms from avoiding the application of the rules by actively changing the commercial parameters of an existing obligation in a way that would achieve the commercial intent of an ongoing trading relationship without technically creating a new obligation.

2.35 The PRA expects any change made to a determinant of the payout or risk profile of a transaction to be considered material; this includes modification of interest or exchange reference rates, reference assets, maturity or payment dates, prepayment events, etc. What constitutes a material amendment will vary depending upon the nature of the financial arrangement. It is for UK firms to determine on a case by case basis whether an amendment is material. As a result, the PRA has chosen not to define a material amendment in the rules, notwithstanding requests from several respondents to do so.

2.36 However, the supervisory statement (SS42/15) provides a non-exhaustive list of examples of non-material amendments (see Appendix 2).

Resolution Stay Protocols

2.37 Several respondents called on the PRA to endorse the ISDA Stay Protocol and make a clear statement that compliance with the Resolution Stay Protocols would satisfy the requirements in the PRA rules.

2.38 As discussed in paragraph 2.7, the PRA is supportive of the industry efforts to provide for standardised documentation to comply with the rules. The ISDA Stay Protocol is an example of contractual mechanisms designed to achieve the policy goals of the PRA rules in respect of OTC bilateral derivatives traded under the ISDA Master Agreement (1992 and 2002 versions) and certain securities financing transactions.

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1 Directive 98/26/EC of the European Parliament and of the Council of 19 May 1998 on settlement finality in payment and securities settlement systems.

2.39 However, firms should note that the PRA rules relates to a broader range of financial arrangements than are currently covered by the ISDA Stay Protocol.

2.40 Whilst it is hoped that the Resolution Stay Protocols currently under development will provide UK firms, their subsidiaries and counterparties with a standardised approach to complying with these rules in respect of other financial arrangements, in all cases, UK firms should satisfy themselves they and their subsidiaries meet the requirements of the rules.

Requirements of other jurisdictions and recognition of statutory regimes

2.41 Respondents expressed concern that multiple jurisdictions' contractual recognition regimes could apply simultaneously to a given financial arrangement, and potentially contradict one another.

2.42 The PRA recognises that it is possible that a third-country subsidiary of a UK firm could be subject to multiple obligations to amend its financial contracts to recognise stays that could apply in different jurisdictions. Nevertheless, the broad scope is necessary to ensure that a resolution action taken by the Bank is not frustrated by a mass close-out of financial arrangements within the resolution group.

2.43 The PRA has sought to mitigate the impact on in scope subsidiaries by (i) delaying the implementation dates; and (ii) reducing the number of impacted subsidiaries by making it clear that subsidiaries only need to comply with the rules to the extent the third-country law financial arrangement contains a termination right or right to enforce a security interest or is guaranteed or otherwise supported by a UK firm. In addition, although the scope of similar requirements may differ by jurisdiction, the PRA does not expect that compliance with the UK rules would prevent compliance with the regulations of another jurisdiction (or vice versa).

2.44 Respondents also recommended that the rules provide an exemption for financial arrangements governed by laws of countries that would recognise resolution actions under the Banking Act.

2.45 In the event other jurisdictions adopt statutory recognition regimes that would recognise UK stays, the PRA may consider amendments to the rules.

Counterparty agreement

2.46 A small number of respondents questioned the requirement that counterparty agreement must be 'in writing'.

2.47 In the final rules, the prohibition on contracting applies unless the counterparty has agreed in an enforceable manner, rather than agreed 'in writing'.

2.48 Further clarification around the PRA's expectations in this respect has been set out in SS42/15 (see Appendix 2).

Non-Compliance and enforcement

2.49 Several respondents requested clarification as to the effect of non-compliance with the rules. They queried whether non-compliance would affect the enforceability of the contract or whether penalties would be imposed by the PRA.

2.50 SS42/15 provides clarification on the PRA's view of non-compliance (see Appendix 2).

Legal opinions

2.51 One respondent queried whether legal opinions will be required to support the efficacy of contractual stay language inserted into agreements and questioned how legal qualifications would be dealt with.

2.52 Legal opinions are not required by the rules as a matter of course. Additional guidance is provided in SS42/15 (see Appendix 2).

Non-performance

2.53 One industry respondent urged the PRA to minimise the adverse impact of the rules on the efficient workings of the physical commodities markets and requested the PRA to create an exception to the rules where an insolvent UK firm defaults on its physical delivery obligations during the stay period.

2.54 The Banking Act already imposes statutory safeguards on the use and application of the stays under the SRR. These include the following:

- the temporary suspension of termination rights under Section 70C of the Banking Act may only be exercised where "all the obligations under the contract to make a payment, make delivery or provide collateral continue to be performed"[1];

- default event provisions under Section 48Z of the Banking Act are only disregarded if "the substantive obligations provided for in the contract or agreement (including payment and delivery obligations and provision of collateral) continue to be performed"[2]; and

- whilst the various stays can be used in conjunction, prior to temporarily suspending the rights of a secured creditor under Section 70B of the Banking Act or a payment or delivery obligation under Section 70A of the Banking Act the Bank must have regard to the impact a suspension might have on the orderly functioning of the financial markets.[3]

2.55 These safeguards provide counterparties in all markets with equivalent protection. Accordingly, we have not included a specific exclusion for physical commodities markets.

1 Section 70C(2)(a) of the Banking Act.
2 Section 48Z(5) of the Banking Act.
3 Sections 70B(6) and 70A(6) of the Banking Act.

3 Recordkeeping

3.1 As noted in CP19/15, the BRRD empowers competent authorities and resolution authorities to require a firm to maintain detailed records of financial contracts. RTS under BRRD Article 71(8) will set out a minimum set of information concerning financial contracts that a firm must be obliged to record if its resolution plan foresees that resolution action will be taken in respect of it. In light of the ongoing work in this area, the PRA does not consider it necessary to impose a separate information obligation to monitor compliance with the rules at this time, but intends to revisit the issue when the final RTS come into effect.

3.2 Further information about the PRA's expectations on recordkeeping is included in SS42/15 (see Appendix 2).

Appendices

1	**Stay in resolution instrument 2015 (PRA 2015/82) available at:** www.bankofengland.co.uk/pra/Documents/publications/ps/2015/ps2515app1.pdf
2	**Supervisory Statement 42/15 – Contractual stays in financial contracts governed by third-country law. See SS42/15 landing page:** www.bankofengland.co.uk/pra/Pages/publications/ss/2015/ss4215.aspx