

National Security and Investment Bill

AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

Clause 2

LORD HODGSON OF ASTLEY ABBOTTS

Page 2, line 18, leave out “5” and insert “2”

Member’s explanatory statement

This amendment reduces the timeframe after a trigger event in which the Secretary of State can make a call-in notice from five years to two.

Clause 7

LORD HODGSON OF ASTLEY ABBOTTS

Page 5, line 14, leave out paragraph (b)

Member’s explanatory statement

This amendment ensures that only those entities that carry on activities in the UK are qualifying entities.

Page 5, line 33, leave out paragraphs (a) and (b) and insert “activities carried on in the United Kingdom by a person having control over that asset within the meaning of section 9.”

Member’s explanatory statement

This amendment ensures that only those assets that are used in connection with activities carried on in the UK by the person in control of the asset are qualifying entities.

Clause 8

LORD HODGSON OF ASTLEY ABBOTTS

Page 6, leave out lines 20 to 22 and insert “enable the person to secure or prevent the passage of any resolution in respect of any matter governing the affairs of the entity that is equivalent to a matter that can be passed by way of ordinary resolution or special resolution under the Companies Act 2006.”

Member's explanatory statement

This amendment tightens the scope of the trigger event so that it does not capture minority investor veto rights that would not give rise to national security concerns.

Clause 10

LORD HODGSON OF ASTLEY ABBOTTS

Page 7, line 11, leave out “is” and insert “was, on the commencement date,”

Member's explanatory statement

This amendment ensures that intra-group investments are not covered by the clause.

Page 7, line 15, at end insert—

- “(3) Where more than one person is treated as holding an interest or right due to the provisions of Schedule 1, only one trigger event shall arise in respect of that interest or right.”

Member's explanatory statement

This amendment provides that only one trigger event would arise in cases in which a corporate group comprises multiple separate entities.

Clause 13

LORD HODGSON OF ASTLEY ABBOTTS

Page 8, line 15, at beginning insert “The Secretary of State may make an order that”

Member's explanatory statement

This amendment would reduce undue legal uncertainty for investors and lenders by replacing automatic voiding with a provision for voiding on the order of the Secretary of State.

Page 8, line 21, at beginning insert “The Secretary of State may make an order that”

Member's explanatory statement

This amendment would reduce undue legal uncertainty for investors and lenders by replacing automatic voiding with a provision for voiding on the order of the Secretary of State.

Clause 18

LORD HODGSON OF ASTLEY ABBOTTS

Page 12, line 9, at end insert—

- “(9A) If the Secretary of State has not notified each relevant person that a call-in notice in relation to the trigger event is required then no further action may be taken under this Act in relation to the trigger event.”

Member's explanatory statement

This amendment would provide certainty for businesses by providing that no further action can be taken in relation to a trigger event if the Secretary of State has not made a decision on a voluntary notification by the end of the 30 day review period.

Clause 26

LORD HODGSON OF ASTLEY ABBOTTS

Page 18, line 17, at end insert –

“(9) A final order shall not result in the voiding of any agreements that have resulted in the relevant trigger event.”

Member’s explanatory statement

This amendment will give investors certainty that any divestment or unwinding order will not render their contractual arrangements unenforceable.

National Security and Investment Bill

AMENDMENTS
TO BE MOVED
IN GRAND COMMITTEE

17 February 2021
