



Banking Act 1979

1979 CHAPTER 37

PART IV

MISCELLANEOUS AND GENERAL

39 Fraudulent inducement to make a deposit

- (1) Any person who, on or after the appointed day, by any statement, promise or forecast which he knows to be misleading, false or deceptive, or by any dishonest concealment of material facts, or by the reckless making (dishonestly or otherwise) of any statement, promise or forecast which is misleading, false or deceptive, induces or attempts to induce another person—
 - (a) to make a deposit with him or with any other person, or
 - (b) to enter into or offer to enter into any agreement for that purpose,shall be liable on conviction on indictment to imprisonment for a term not exceeding seven years or to a fine or both.
- (2) In subsection (1) above " deposit " does not include a loan made to an institution upon terms involving the issue of debentures or other securities but, subject to that, in its application to subsection (1) above, subsection (5) of section 1 of this Act shall have effect with the omission of paragraphs (b) to (e).
- (3) Nothing in this section shall be construed as empowering a court in Scotland, other than the High Court of Justiciary, to pass for any offence under this section a sentence of imprisonment for a term exceeding two years.
- (4) Subsections (1) to (3) above have effect in substitution for subsections (1) and (2) of section 1 of the Protection of Depositors Act 1963 or, in Northern Ireland, section 1 of the Protection of Depositors Act (Northern Ireland) 1964; and nothing in this Act shall affect any liability of any person under either of those sections in respect of anything done or omitted to be done before the appointed day.