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*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

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## SCHEDULES

### SCHEDULE 1

Section 2.

#### THE BOARD OF BANKING SUPERVISION

##### *Terms of office*

- 1 (1) The independent members of the Board shall hold office for five years except that some of those first appointed may be appointed to hold office for shorter and different periods so as to secure that all the members do not retire simultaneously.
- (2) An independent member may resign his office by written notice to the Bank and the Chancellor of the Exchequer.
- (3) A person shall vacate his office as an independent member if he takes up a post with executive responsibility in the Bank.
- (4) Subject to sub-paragraph (3) above, a person who has ceased to be an independent member of the Board shall be eligible for re-appointment.

##### *Removal from office*

- 2 An independent member may be removed by the Bank with the consent of the Chancellor of the Exchequer if it is satisfied—
  - (a) that he has been absent from meetings of the Board for more than three months without the permission of the Board;
  - (b) that he has become bankrupt, that his estate has been sequestrated or that he has made an arrangement with or granted a trust deed for his creditors;
  - (c) that he is incapacitated by physical or mental illness; or
  - (d) that he is otherwise unable or unfit to discharge his functions as a member of the Board.

##### *Increase in number of members*

- 3 (1) The Treasury may, after consultation with the Bank, by order increase or, subject to section 2(2) of this Act, reduce the number of ex officio or independent members of the Board, provided always that there shall be a majority of independent members on the Board.
- (2) Any order under this paragraph shall be subject to annulment in pursuance of a resolution of either House of Parliament.

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### *Proceedings*

- 4 (1) The quorum for a meeting of the Board shall be one ex officio member and three independent members.
- (2) Subject to sub-paragraph (1) above, the Board shall determine its own procedure.

### *Facilities, remuneration and allowances*

- 5 The Bank shall make such provision as it thinks necessary for providing the Board with facilities for the exercise of its functions and for providing remuneration, allowances or other benefits for or in respect of the independent members.

## SCHEDULE 2

Section 4(1).

### EXEMPTED PERSONS

- 1 The central bank of a member State other than the United Kingdom.
- 2 The National Savings Bank.
- 3 A penny savings bank.
- 4 A municipal bank.
- 5 A building society incorporated (or deemed to be incorporated) under the <sup>M1</sup>Building Societies Act 1986.

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#### **Marginal Citations**

**M1** 1986 c. 53.

- 6 (1) A friendly society within the meaning of section 7(1)(a) of the <sup>M2</sup>Friendly Societies Act 1974 <sup>F1</sup> . . . .
- (2) This paragraph applies only to the acceptance of deposits in the course of carrying out transactions permitted by the rules of the society.

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#### Textual Amendments

- F1** Words in [Sch. 2 para. 6\(1\)](#) repealed (1.1.1994) by [Friendly Societies Act 1992 \(c. 40\)](#), s. 120(2), [Sch. 22 Pt. I](#) (with savings in [ss. 7\(5\)](#), [93\(4\)](#)); [S.I. 1993/3226](#), [art.2\(1\)](#), [Sch. 2](#), Appendix.

#### Marginal Citations

- M2** [1974 c. 46](#).

7 A society registered under either of the Acts mentioned in paragraph 6 above other than such a society as is there mentioned.

8 (1) Any institution which is for the time being authorised under section 3 or 4 of the <sup>M3</sup>Insurance Companies Act 1982 to carry on insurance business of a class specified in Schedule 1 or 2 to that Act.

(2) This paragraph applies only to the acceptance of deposits in the course of carrying on the authorised insurance business.

#### Modifications etc. (not altering text)

- C1** [Sch. 2 para. 8](#) amended (1.7.1994) by [S.I. 1994/1696](#), [reg. 68](#), [Sch. 8 Pt. I para. 14\(2\)](#)

#### Marginal Citations

- M3** [1982 c. 50](#).

9 A loan society whose rules are certified, deposited and enrolled in accordance with the <sup>M4</sup>Loan Societies Act 1840.

#### Marginal Citations

- M4** [1840 c. 10](#).

10 A credit union within the meaning of the <sup>M5</sup>Credit Unions Act 1979 or the <sup>M6</sup>Credit Unions (Northern Ireland) Order 1985.

#### Marginal Citations

- M5** [1979 c. 34](#).  
**M6** [S.I. 1985/1205 \(N.I. 12\)](#)

11 A body of persons certified as a school bank by the National Savings Bank or an authorised institution.

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- 12 A local authority.
- 13 Any other body which by virtue of any enactment has power to issue a precept to a local authority in England or Wales or a requisition to a local authority in Scotland.

.....

<sup>F2</sup>14

.....

**Textual Amendments**

**F2** Sch. 2 para. 14 repealed (21.3.1997) by 1995 c. 24, s. 13(2), **Sch. 2 Pt. I**; S.I. 1997/1139, **art. 2**

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<sup>F3</sup>14A

.....

**Textual Amendments**

**F3** Sch. 2 para. 14A (which was added by S.I. 1989/125, **art. 2**) repealed (21.3.1997) by 1995 c. 24, s. 13(2), **sch. 2 Pt. I**; S.I. 1997/1139, **art. 2**

- 15 The European Atomic Energy Community.
- 16 The European Coal and Steel Community.
- 17 The European Economic Community.
- 18 The European Investment Bank.
- 19 The International Bank for Reconstruction and Development.
- 20 The International Finance Corporation.
- 21 The International Monetary Fund.
- 22 The African Development Bank.
- 23 The Asian Development Bank.

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- 24 The Caribbean Development Bank.
- 25 The Inter-American Development Bank.
- [<sup>F4</sup>26 The European Bank for Reconstruction and Development.]

**Textual Amendments**

- F4** Entry added (28. 3. 1991) by [S.I.1991/66](#), [arts. 1, 3](#)

SCHEDULE 3

MINIMUM CRITERIA FOR AUTHORISATION

**Modifications etc. (not altering text)**

- C2** [Sch. 3](#) applied with modifications (1.1.1993) by [S.I. 1992/3218](#), [reg. 23\(3\)](#).

*Directors etc. to be fit and proper persons*

- 1 (1) Every person who is, or is to be, a director, controller or manager of the institution is a fit and proper person to hold the particular position which he holds or is to hold.
- (2) In determining whether a person is a fit and proper person to hold any particular position, regard shall be had to his probity, to his competence and soundness of judgement for fulfilling the responsibilities of that position, to the diligence with which he is fulfilling or likely to fulfil those responsibilities and to whether the interests of depositors or potential depositors of the institution are, or are likely to be, in any way threatened by his holding that position.
- (3) Without prejudice to the generality of the foregoing provisions, regard may be had to the previous conduct and activities in business or financial matters of the person in question and, in particular, to any evidence that he has—
- (a) committed an offence involving fraud or other dishonesty or violence;
  - (b) contravened any provision made by or under any enactment appearing to the Bank to be designed for protecting members of the public against financial loss due to dishonesty, incompetence or malpractice by persons concerned in the provision of banking, insurance, investment or other financial services or the management of companies or against financial loss due to the conduct of discharged or undischarged bankrupts;
  - (c) engaged in any business practices appearing to the Bank to be deceitful or oppressive or otherwise improper (whether unlawful or not) or which otherwise reflect discredit on his method of conducting business;

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- (d) engaged in or been associated with any other business practices or otherwise conducted himself in such a way as to cast doubt on his competence and soundness of judgement.

*Business to be directed by at least two individuals*

- 2 At least two individuals effectively direct the business of the institution.

*Composition of board of directors*

- 3 In the case of an institution incorporated in the United Kingdom the directors include such number (if any) of directors without executive responsibility for the management of its business as the Bank considers appropriate having regard to the circumstances of the institution and the nature and scale of its operations.

*Business to be conducted in prudent manner*

- 4 (1) The institution conducts, or, in the case of an institution which is not yet carrying on a deposit-taking business, will conduct its business in a prudent manner.
- (2) An institution shall not be regarded as conducting its business in a prudent manner unless it maintains or, as the case may be, will maintain [<sup>F5</sup>own funds] which, together with other financial resources available to the institution of such nature and amount as are considered appropriate by the Bank, are—
- (a) of an amount which is commensurate with the nature and scale of the institution's operations; and
  - (b) of an amount and nature sufficient to safeguard the interests of its depositors and potential depositors, having regard to the particular factors mentioned in sub-paragraph (3) below and any other factors appearing to the Bank to be relevant.

[<sup>F6</sup>(3) The particular factors referred to above are—

- (a) the nature and scale of the institution's operations; and
  - (b) the risks inherent in those operations and in the operations of any other undertaking in the same group so far as capable of affecting the institution.
- (3A) An institution shall not be regarded as conducting its business in a prudent manner unless it maintains or, as the case may be, will maintain own funds which amount to not less than ecu 5 million (or an amount of equal value denominated wholly or partly in another unit of account).]
- (4) An institution shall not be regarded as conducting its business in a prudent manner unless it maintains or, as the case may be, will maintain adequate liquidity, having regard to the relationship between its liquid assets and its actual and contingent liabilities, to the times at which those liabilities will or may fall due and its assets mature, to the factors mentioned in sub-paragraph (3) above and to any other factors appearing to the Bank to be relevant.

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- (5) For the purposes of sub-paragraph (4) above the Bank may, to such extent as it thinks appropriate, take into account as liquid assets, assets of the institution and facilities available to it which are capable of providing liquidity within a reasonable period.
  - (6) An institution shall not be regarded as conducting its business in a prudent manner unless it makes or, as the case may be, will make adequate provision for depreciation or diminution in the value of its assets (including provision for bad or doubtful debts), for liabilities which will or may fall to be discharged by it and for losses which it will or may incur.
  - (7) An institution shall not be regarded as conducting its business in a prudent manner unless it maintains or, as the case may be, will maintain adequate accounting and other records of its business and adequate systems of control of its business and records.
  - (8) Those records and systems shall not be regarded as adequate unless they are such as to enable the business of the institution to be prudently managed and the institution to comply with the duties imposed on it by or under this Act and in determining whether those systems are adequate the Bank shall have regard to the functions and responsibilities in respect of them of any such directors of the institution as are mentioned in paragraph 3 above.
  - (9) Sub-paragraphs (2) to (7) above are without prejudice to the generality of sub-paragraph (1) above.
- [<sup>F7</sup>(10) In this paragraph 'ecu' and 'own funds' have the same meanings as in the Banking Coordination (Second Council Directive) Regulations 1992.]

#### **Textual Amendments**

- F5** Words in *Sch. 3 para. 4(2)* substituted (1.1.1993) by *S.I. 1992/3218, reg. 27(1)* (with savings in *reg. 46(a)*).
- F6** *Sch. 3 paras. 4(3)(3A)* substituted (1.1.1993) for *para. 4(3)* by *S.I. 1992/3218, reg. 27(2)* (with savings in *reg. 46(a)*).
- F7** *Sch. 3 para. 4(10)* substituted (1.1.1993) by *S.I. 1992/3218, reg. 27(3)* (with savings in *reg. 46(a)*)

#### **Modifications etc. (not altering text)**

- C3** *Sch. 3 para. 4(3A)* amended (1.1.1993) by *S.I. 1992/3218, reg. 83, Sch. 11 Pt. II para. 4(2)*.

### *Integrity and skill*

- 5 The business of the institution is or, in the case of an institution which is not yet carrying on a deposit-taking business, will be carried on with integrity and the professional skills appropriate to the nature and scale of its activities.

### *Minimum net assets*

- [<sup>F8</sup>6 (1) The institution will at the time when authorisation is granted to it have initial capital amounting to not less than ecu 5 million (or an amount of equal value denominated wholly or partly in another unit of account).

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- (2) In this paragraph 'ecu' and 'initial capital' have the same meanings as in the Banking Coordination (Second Council Directive) Regulations 1992.]

**Textual Amendments**

**F8** Sch. 3 para. 6 substituted (1.1.1993) by S.I. 1992/3218, reg. 27(4) (with savings in 46(a)).

SCHEDULE 4

THE DEPOSIT PROTECTION BOARD

**Modifications etc. (not altering text)**

**C4** Sch. 4: power to apply conferred (9.6.1997) by 1997 c. 32, s. 32(2); S.I. 1997/1427, art. 2(g)  
 Sch. 4: power to repeal conferred (9.6.1997) by 1997 c. 32, s. 32(5)(a); S.I. 1997/1427, art. 2(g)

*Constitution*

- 1 (1) The Board shall consist of three ex officio members, namely—
- (a) the Governor of the Bank for the time being, who shall be the chairman of the Board;
  - (b) the Deputy Governor of the Bank for the time being; and
  - (c) the Chief Cashier of the Bank for the time being;
- and such ordinary members as shall from time to time be appointed under sub-paragraph (2) below.
- (2) The Governor of the Bank shall appoint as ordinary members of the Board—
- (a) three persons who are directors, controllers or managers of contributory institutions; and
  - (b) persons who are officers or employees of the Bank.
- (3) Each ex officio member of the Board may appoint an alternate member, being an officer or employee of the Bank, to perform his duties as a member in his absence.
- (4) Each ordinary member of the Board may appoint an appropriately qualified person as an alternate member to perform his duties as a member in his absence; and for this purpose a person is appropriately qualified for appointment as an alternate—
- (a) by a member appointed under paragraph (a) of sub-paragraph (2) above, if he is a director, controller or manager of a contributory institution; and
  - (b) by a member appointed under paragraph (b) of that sub-paragraph, if he is either an officer or an employee of the Bank.
- (5) Ordinary and alternate members of the Board shall hold and vacate office in accordance with the terms of their appointment.



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### *Expenses*

- 2 The Board may pay to its members such allowances in respect of expenses as the Board may determine.

### *Proceedings*

- 3 (1) The Board shall determine its own procedure, including the quorum necessary for its meetings.
- (2) The validity of any proceedings of the Board shall not be affected by any vacancy among the ex officio members of the Board or by any defect in the appointment of any ordinary or alternate member.
- 4 (1) The fixing of the common seal of the Board shall be authenticated by the signature of the chairman of the Board or some other person authorised by the Board to act for that purpose.
- (2) A document purporting to be duly executed under the seal of the Board shall be received in evidence and deemed to be so executed unless the contrary is proved.

### *Accounts, audit and annual report*

- 5 (1) The Board may determine its own financial year.
- (2) It shall be the duty of the Board—
- (a) to keep proper accounts and proper records in relation to the accounts; and
  - (b) to prepare in respect of each of its financial years a statement of accounts showing the state of affairs and income and expenditure of the Board.
- (3) A statement of accounts prepared in accordance with sub-paragraph (2)(b) above shall be audited by auditors appointed by the Board and the auditors shall report to the Board stating whether in their opinion the provisions of sub-paragraph (2) above have been complied with.
- [<sup>F9</sup>(4) A person shall not be appointed as auditor by the Board under sub-paragraph (3) above unless he is eligible for appointment as a company auditor under section 25 of the Companies Act 1989.]
- (5) It shall be the duty of the Board, as soon as practicable after the end of each of its financial years, to prepare a report on the performance of its functions during that year.
- (6) It shall be the duty of the Board to publish, in such manner as it thinks appropriate, every statement of account prepared in accordance with sub-paragraph (2)(b) above and every report prepared in accordance with sub-paragraph (5) above.

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#### Textual Amendments

**F9** Sch. 4 para. 5(4) substituted (01.10.1991) by S.I. 1991/1997, regs. 2, 4, Sch. para.67

## SCHEDULE 5

### TRANSITIONAL PROVISIONS

#### *First report by Bank of England*

- 1 If this Act comes into force in the course of a financial year of the Bank of England its first report under section 1 of this Act shall include a report on its activities during that year under the <sup>M7</sup>Banking Act 1979 (in this Schedule referred to as “the former Act”).

#### Marginal Citations

**M7** 1979 c. 37

#### *Existing recognised banks and licensed institutions*

- 2 (1) Any institution (within the meaning of this Act) which at the coming into force of section 3 of this Act or by virtue of paragraph 4 or 5 below is—
- (a) a recognised bank; or
  - (b) a licensed institution,
- under the former Act shall be deemed to have been granted an authorisation under this Act.
- (2) In relation to any such institution the reference in paragraph (a) of section 11(2) of this Act to the day on which it was authorised shall be construed as a reference to the day on which it was recognised or licensed under the former Act; and in relation to an institution recognised under the former Act by virtue of Part II of Schedule 3 to that Act that paragraph shall have effect with the omission of the words “in the United Kingdom”.
- (3) In relation to any such institution the reference in section 70(4) of this Act to the time when notice was given to the Bank under subsection (1) shall be construed as a reference to the day on which it first applied for recognition or a licence under the former Act.

#### *Conditional licences*

- 3 (1) Any conditional licence in force under the former Act when section 3 of this Act comes into force or granted by virtue of paragraph 4 or 5 below shall be treated

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as an authorisation granted under this Act subject to restrictions (as to duration and conditions) corresponding to those applying to the conditional licence; but no institution shall be guilty of an offence under section 12 of this Act by reason only of a contravention of or failure to comply with a condition which is treated as a restriction of such an authorisation except so far as the condition is attributable to a variation under this Act.

- (2) In relation to an application for authorisation made by an institution holding a conditional licence which by virtue of this paragraph is treated as a restricted authorisation, paragraph 6(1) of Schedule 3 to this Act shall have effect with the substitution for the reference to £1 million of a reference to £250,000.

#### *Applications subject to appeal*

- 4 (1) Where an application for recognition or a licence under the former Act has been refused by the Bank and at the coming into force of section 3 of this Act—
- (a) an appeal is pending against that refusal; or
  - (b) the time for appealing against that refusal has not expired,
- the repeal of the former Act shall not preclude the determination, or the bringing and determination, of the appeal and the grant or refusal of recognition or a licence as a result of that determination.
- (2) Sub-paragraph (1) above does not apply to an appeal by a licensed institution against a refusal to grant it recognition.

#### *Revocation*

- 5 (1) Where the Bank has given an institution a notice under section 7(3) or (4) of the former Act and the proceedings pursuant to that notice under the provisions of Schedule 4 to that Act have not been concluded at the coming into force of section 3 of this Act the repeal of that Act shall not affect the operation of those provisions in relation to that notice.
- (2) Paragraph 2 above does not apply to an institution which is a recognised bank or licensed institution at the coming into force of section 3 of this Act if its recognition or licence is subsequently revoked by virtue of this paragraph.

#### *Directions*

- 6 (1) The repeal of the former Act shall not affect the continued operation of any direction under section 8 of that Act which has been confirmed in accordance with section 9 before the repeal and any such direction may be varied or revoked as if given under section 19 of this Act.
- (2) A direction may be given under section 19 of this Act to an institution which was a recognised bank or licensed institution under the former Act if—
- (a) its recognition or licence under that Act was revoked or surrendered; or
  - (b) a disqualification notice has been served on it under section 183 of the<sup>M8</sup> Financial Services Act 1986;

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but subsection (5) of section 19 shall apply to it as it applies to an authorised institution, taking references to the time when it was authorised as references to the time when it was recognised or licensed under the former Act.

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**Marginal Citations**

**M8** 1986 c. 60.

*Information and investigations*

- 7
- (1) The repeal of the former Act shall not affect the operation of any requirement imposed under section 16 of that Act before the repeal or any powers exercisable under that section in relation to any such requirement.
  - (2) The repeal of the former Act shall not affect the operation of section 17 of that Act in any case in which a person or persons to carry out an investigation under that section have been appointed before the repeal.
  - (3) Sections 42, 43 and 44 of this Act shall have effect in relation to a contravention of section 1 or 39 of the former Act as they have effect in relation to a contravention of section 3 or 35 of this Act.

*Members of Deposit Protection Board*

- 8
- Any person who is an ordinary member or alternate member of the Deposit Protection Board at the coming into force of Part II of this Act shall be treated as having been appointed under Schedule 4 to this Act.

*Initial contributions by excluded institutions*

- 9
- (1) On or as soon as possible after the coming into force of Part II of this Act the Deposit Protection Board shall levy an initial contribution from each authorised institution which by virtue of an order under section 23(2) of the former Act did not have such a contribution levied from it under section 24 of that Act.
  - (2) The amount of the initial contribution to be levied from an institution under this paragraph shall be the amount of the initial contribution that would have been levied from it under that section if it had not been exempted from levy by virtue of the order.

*Maximum contributions*

- 10
- For the purposes of section 56(3) of this Act there shall be taken into account any contribution or repayment made under any provision of the former Act which corresponds to any provision of this Act.

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### *Insolvencies before commencement of Part II*

- 11 This Act does not affect the operation of sections 28 to 31 of the former Act in relation to any insolvency occurring before the coming into force of Part II of this Act; but section 63 of this Act shall apply (instead of section 32 of that Act) to any money received by the Board under section 31.

### *Borrowing*

- 12 Any sum borrowed by virtue of section 26(3) of the said Act of 1979 shall, so far as outstanding at the coming into force of Part II of this Act, be treated as having been borrowed under section 64 of this Act.

### *Use of banking names*

- 13 (1) Subject to sub-paragraph (2) below, section 67 of this Act does not prohibit the use by an institution which is incorporated in or is a partnership formed under the law of any part of the United Kingdom and is deemed to be an authorised institution by virtue of paragraph 2 above of a name which was its registered business or company name immediately before the coming into force of Part III of this Act or of section 36 of the former Act.
- (2) Sub-paragraph (1) above shall cease to apply—
- (a) in the case of an incorporated institution, if the total value in sterling of its issued share capital and undistributable reserves falls below their total value at the coming into force of Part III of this Act; or
  - (b) in the case of a partnership in respect of which one or more designated fixed capital accounts are maintained, if the total value in sterling of those accounts falls below their value at that time.
- (3) Section 67 of this Act does not prohibit the use by—
- (a) an authorised institution which is a wholly-owned subsidiary of an institution to which sub-paragraph (1) above applies; or
  - (b) a company which has a wholly-owned subsidiary which is an institution to which that sub-paragraph applies, of a name which includes the name of the institution to which that sub-paragraph applies for the purpose of indicating the connection between the two companies.
- (4) In sub-paragraph (2) above “share capital” and “designated fixed capital account” have the same meaning as in subsection (2) of section 67 of this Act and “undistributable reserves” means such reserves as mentioned in paragraph (a)(ii) of that subsection.

### *Restriction on disclosure of information*

- 14 In section 82(1) of this Act the reference to information received under or for the purposes of this Act includes a reference to information received under or for the purposes of the former Act.

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## SCHEDULE 6

### MINOR AND CONSEQUENTIAL AMENDMENTS

#### *The Bankers' Books Evidence Act 1879*

- 1 (1) For subsection (1)(a) of section 9 of the <sup>M9</sup>Bankers' Books Evidence Act 1879 there shall be substituted—
- “(a) an institution authorised under the Banking Act 1987 or a municipal bank within the meaning of that Act;”.
- (2) This paragraph does not affect the operation of the said Act of 1879 in relation to any entry in any banker's book made or transaction carried out before this paragraph comes into force.

#### **Marginal Citations**

**M9** 1879 c.11.

#### *The Agricultural Credits Act 1928*

- 2 (1) In the definition of “Bank” in section 5(7) of the <sup>M10</sup>Agricultural Credits Act 1928 for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “ an institution authorised under the Banking Act 1987 ”.
- (2) This paragraph does not affect the validity of, or the rights and obligations of the parties to, an agricultural charge within the meaning of the said Act of 1928 made before this paragraph comes into force.

#### **Marginal Citations**

**M10** 1928 c. 43.

#### *The Agricultural Credits (Scotland) Act 1929*

- 3 (1) In the definition of “Bank” in section 9(2) of the <sup>M11</sup>Agricultural Credits (Scotland) Act 1929 for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “ an institution authorised under the Banking Act 1987 ”.
- (2) This paragraph does not affect the validity of, or the rights and obligations of the parties to, an agricultural charge within the meaning of the said Act of 1929 made before this paragraph comes into force.

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**Marginal Citations**

**M11** 1929 c. 13.

*The Tribunals and Inquiries Act 1971*

F10<sup>4</sup>

**Textual Amendments**

**F10** Sch. 6 para. 4 repealed (1.10.1992) by Tribunals and Inquiries Act 1992 (c. 53), ss. 18(2), 19(2), Sch. 4 Pt.I.

*The Solicitors Act 1974*

- 5 In paragraph (a) of the definition of “bank” in section 87(1) of the <sup>M12</sup>Solicitors Act 1974 for the words “a recognised bank within the meaning of the Banking Act 1979” there shall be substituted the words “an institution authorised under the Banking Act 1987” and paragraph (b) of that definition shall be omitted.

**Marginal Citations**

**M12** 1974 c. 47.

*The Home Purchase Assistance and Housing Corporation Guarantee Act 1978*

- 6 In paragraph 7 of Part I of the Schedule to the Home Purchase Assistance and Housing Corporation Guarantee Act 1978 for the words “Recognised banks, within the meaning of the Banking Act 1979” there shall be substituted the words “Institutions authorised under the Banking Act 1987”.

*The Credit Unions Act 1979*

- 7 (1) In section 8 of the <sup>M13</sup>Credit Unions Act 1979 for subsections (2) and (3) there shall be substituted—
- “(2) In this section and section 9 below “deposit” has the meaning given in section 5 of the Banking Act 1987.”
- (2) In the definition of “authorised bank” in section 31(1) of that Act for paragraph (a) there shall be substituted—
- “(a) an institution authorised under the Banking Act 1987 or a municipal bank within the meaning of that Act;”

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

and the words from “and so long” to “that Schedule” shall be omitted.

**Marginal Citations**

**M13** 1979 c. 34.

*The Crown Agents Act 1979*

F118

**Textual Amendments**

**F11** Sch. 6 para. 8 repealed (21.3.1997) by 1995 c. 24, s. 13(2), **Sch. 2 Pt. I**; S.I. 1997/1139, **art. 2**

*The Solicitors (Scotland) Act 1980*

- 9 In section 35(2) of the <sup>M14</sup>Solicitors (Scotland) Act 1980 for paragraph (e) there shall be substituted—
- “(e) an institution authorised under the Banking Act 1987;”
- and paragraph (f) shall be omitted.

**Marginal Citations**

**M14** 1980 c. 46.

*The British Telecommunications Act 1981*

- 10 In the definition of “bank” in section 67(4) of the <sup>M15</sup>British Telecommunications Act 1981 for paragraph (b) there shall be substituted—
- “(b) an institution authorised under the Banking Act 1987;”.

**Marginal Citations**

**M15** 1981 c. 38.

*The Supreme Court Act 1981*

- 11 In section 40(6) of the <sup>M16</sup>Supreme Court Act 1981 for the words “the Banking Act 1979” there shall be substituted the words “the Banking Act 1987”.



*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

**Marginal Citations**

**M16** 1981 c. 54.

*The Housing (Northern Ireland) Order 1981*

- 12 In Schedule 10 to the Housing (Northern Ireland) Order 1981 for paragraph 4(b) there shall be substituted—

“(b) institutions authorised under the Banking Act 1987.”

*The Finance Act 1982*

F12

13

**Textual Amendments**

**F12** Sch. 6 paras. 13, 16 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844(4), [Sch. 31](#)

*The Duchy of Cornwall Management Act 1982*

- 14 In section 6 of the <sup>M17</sup>Duchy of Cornwall Management Act 1982—
- (a) in subsection (3)(b) and (c) for the words “a recognised bank” there shall be substituted the words “an authorised institution”; and
  - (b) for subsection (4) there shall be substituted—

“(4) In this section “authorised institution” means an institution authorised under the Banking Act 1987.”

**Marginal Citations**

**M17** 1982 c. 47.

*The County Courts Act 1984*

- 15 In the definition of “deposit-taking institution” in section 147(1) of the <sup>M18</sup>County Courts Act 1984 for the words “the Banking Act 1979” there shall be substituted the words “the Banking Act 1987”.

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

**Marginal Citations**

**M18** 1984 c. 28.

<sup>F13</sup> .....

16

**Textual Amendments**

**F13** Sch. 6 paras. 13, 16 repealed by [Income and Corporation Taxes Act 1988 \(c. 1, SIF 63:1\)](#), s. 844(4), [Sch. 31](#)

*The Inheritance Tax Act 1984*

<sup>F14</sup>17

**Textual Amendments**

**F14** Sch. 6 para. 17 repealed (29.4.1996) by [1996 c. 8, s. 205](#), [Sch. 41 Pt. VIII](#)

*The Companies Act 1985*

- 18 <sup>F15</sup>(1) In section 209(5)(a)(i) of the <sup>M19</sup>Companies Act 1985 for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “an authorised institution”.
- (2) In section 232(5) of that Act for the words “recognised banks” there shall be substituted the words “authorised institutions”.
- (3) In section 234(1) of that Act for the words “a recognised bank”, wherever they occur, there shall be substituted the words “an authorised institution”.
- (4) In section 247(3)(c) of that Act for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “an authorised institution”.
- (5) In section 257(1) of that Act for paragraph (a) there shall be substituted—  
“(a) “banking company” means a company which is an authorised institution.”.
- (6) In sections 338(4), 339(4), 343(1)(a) and 344(2) of that Act for the words “a recognised bank”, wherever they occur, there shall be substituted the words “an authorised institution”.]
- (7) In section 449(1)(f) <sup>F16</sup>and (1A)] of that Act for the words “the Banking Act 1979” there shall be substituted the words “the Banking Act 1987”.

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

[<sup>F15</sup>(8) In section 744 of that Act the definition of “recognised bank” shall be omitted and after the definition of “articles” there shall be inserted—

““authorised institution” means a company which is an institution authorised under the Banking Act 1987;”.

(9) In Schedule 6 to that Act, in paragraph 4 for the words “a recognised bank” and “that recognised bank” there shall be substituted respectively the words “an authorised institution” and “that authorised institution” and in the heading to Part III for the words “RECOGNISED BANKS” there shall be substituted the words “AUTHORISED INSTITUTIONS ”.]

#### Textual Amendments

**F15** Sch. 6 para. 18(1)–(6), (8)(9), repealed (*prosp.*) by Companies Act 1989 (c. 40, SIF 27), ss. 212, 215(2), Sch. 24

**F16** Words repealed (*prosp.*) by Companies Act 1989 (c. 40, SIF 27), ss. 212, 215(2), Sch. 24

#### Marginal Citations

**M19** 1985 c. 6.

### *The Trustee Savings Banks Act 1985*

19 In paragraph 11 of Schedule 1 to the <sup>M20</sup>Trustee Savings Banks Act 1985—

- (a) sub-paragraph (3) shall be omitted; and
- (b) in sub-paragraph (4) for the words “a licensed institution for the purposes of the Banking Act 1979” there shall be substituted the words “ an institution authorised under the Banking Act 1987 ”.

#### Marginal Citations

**M20** 1985 c. 58.

### *The Bankruptcy (Scotland) Act 1985*

20 In section 73(1) of the <sup>M21</sup>Bankruptcy (Scotland) Act 1985 for the definition of “appropriate bank or institution” there shall be substituted the following—

““appropriate bank or institution” means the Bank of England, an institution authorised under the Banking Act 1987 or a person for the time being specified in Schedule 2 to that Act;”.

#### Marginal Citations

**M21** 1985 c. 66.

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

### *The Housing Act 1985*

- 21 In the definition of “bank” in section 622 of the <sup>M22</sup>Housing Act 1985 for paragraph (a) there shall be substituted—  
“(a) an institution authorised under the Banking Act 1987, or”.

#### **Marginal Citations**

**M22** 1985 c. 68.

### *The Housing Associations Act 1985*

- [<sup>F17</sup>22 In the definition of “bank” in section 106(1) of the <sup>M23</sup>Housing Associations Act 1985 for paragraph (a) there shall be substituted—  
“(a) an institution authorised under the Banking Act 1987, or”].

#### **Textual Amendments**

**F17** Sch. 6 para. 22 repealed (E.W.) (1.10.1996) by S.I. 1996/2325, art. 4(1)-(3), Sch. 1 Pt. I

#### **Marginal Citations**

**M23** 1985 c. 69.

### *The Credit Unions (Northern Ireland) Order 1985*

- 23 (1) In the definition of “authorised bank” in Article 2(2) of the Credit Unions (Northern Ireland) Order 1985 for sub-paragraph (a) there shall be substituted—  
“(a) an institution authorised under the Banking Act 1987 or a municipal bank within the meaning of that Act;”.
- (2) In Article 25 of that Order for paragraphs (2) and (3) there shall be substituted—  
“(2) In this Article and Article 26 “deposit” has the meaning given in section 5 of the Banking Act 1987”:

### *The Finance Act 1986*

*F18* .....

24

#### **Textual Amendments**

**F18** Sch. 6 para. 24 repealed by Income and Corporation Taxes Act 1988 (c. 1, SIF 63:1), s. 844(4), Sch. 31

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

### *The Insolvency Act 1986*

- 25 (1) For paragraph (b) of section 8(4) of the <sup>M24</sup>Insolvency Act 1986 there shall be substituted—
- “(b) an authorised institution or former authorised institution within the meaning of the Banking Act 1987”.
- (2) In section 422 of that Act for paragraphs (a) and (b) there shall be substituted the words “authorised institutions and former authorised institutions within the meaning of the Banking Act 1987”.

#### **Marginal Citations**

**M24** 1986 c. 45.

### *The Building Societies Act 1986*

- 26 <sup>F19</sup>(1) . . . . .
- (2) In section 25(5) of that Act before the definition of “the expenses attributable to the insolvency” there shall be inserted the words—
- ““authorised institution” means an institution authorised under the Banking Act 1987”;
- and the definitions of “recognised bank” and “licensed institution” shall be omitted.
- (3) In sections 25(7) and 27(3) of that Act for the words “recognised bank, licensed institution” there shall be substituted the words “ authorised institution ”.
- (4) In section 53(5) of that Act for the words “Banking Act 1979” and the words “section 19 of that Act other than subsection (4)(a)” there shall be substituted respectively the words “ Banking Act 1987 ” and “ Part V of that Act other than section 84(5) ”.
- (5) Section 54(4) and (5) of that Act shall be omitted.
- (6) In section 98(3)(c) of that Act for the words “a recognised bank or licensed institution for the purposes of the Banking Act 1979” there shall be substituted the words “ an authorised institution for the purposes of the Banking Act 1987 ”.
- (7) In sections 102(2)(a) and 107(12) of that Act for the words “Banking Act 1979” there shall be substituted the words “ Banking Act 1987 ”.

<sup>F19</sup>(8) . . . . .

#### **Textual Amendments**

**F19** Sch. 6 para. 26(1)(8) repealed (1.12.1997) by 1997 c. 32, s. 46(2), Sch. 9; S.I. 1997/2668, art. 2, Sch. Pt. II

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

*The Financial Services Act 1986*

- 27 (1) In section 75(6)(e) of the <sup>M25</sup>Financial Services Act 1986 for the words “Banking Act 1979” and “section 2” there shall be substituted respectively the words “ Banking Act 1987 ” and “ section 4(4) ”.
- (2) In section 105(7) of that Act for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” and “bank, institution” there shall be substituted respectively the words “ an institution authorised under the Banking Act 1987 ” and “ institution ”.
- (3) In section 180(1)(f) [<sup>F20</sup>and (6)] of that Act for the words “the Banking Act 1979” there shall be substituted the words “ the Banking Act 1987 ”.
- (4) In section 185 of that Act—
- (a) in subsection (1) for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “ an authorised institution within the meaning of the Banking Act 1987 ”; and
- (b) in subsection (2) for the words “recognition or licence”, “Banking Act 1979” and “a recognised bank or licensed institution” there shall be substituted respectively the words “ authorisation ”, “ Banking Act 1987 ” and “ an authorised institution ”.
- (5) In section 186 of that Act—
- (a) in subsection (4) for the words “recognition or licence” there shall be substituted the word “ authorisation ”; and
- (b) in subsection (5) the words from “or, as” to “1979” shall be omitted.
- (6) In paragraph 2(2)(a) of Schedule 5 to that Act for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “ an authorised institution within the meaning of the Banking Act 1987 ”.

**Textual Amendments**

**F20** Words repealed (*prosp.*) by [Companies Act 1989 \(c. 40, SIF 27\)](#), ss. 212, 215(2), [Sch. 24](#)

**Marginal Citations**

**M25** [1986 c. 60](#).

*The Companies (Northern Ireland) Order 1986*

- 28 [<sup>F21</sup>(1) In Article 2(3) of the Companies (Northern Ireland) Order 1986—
- (a) after the definition of “articles” there shall be inserted—
- ““authorised institution” means a company which is an institution authorised under the Banking Act 1987;”
- (b) the definition of “recognised bank” shall be omitted.

*Status: Point in time view as at 01/12/1997.*

*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

- (2) In Article 217(5)(a)(i) of that Order for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “an authorised institution”.
- (3) In Article 240(5) of that Order for the words “recognised banks” there shall be substituted the words “authorised institutions”.
- (4) In Article 242(1) of that Order for the words “a recognised bank”, wherever they occur, there shall be substituted the words “an authorised institution”.
- (5) In Article 255(3)(c) of that Order for the words “a recognised bank or licensed institution within the meaning of the Banking Act 1979” there shall be substituted the words “an authorised institution”.
- (6) In Article 265(1) of that Order for paragraph (a) there shall be substituted—  
“a) “banking company” means a company which is an authorised institution”.
- (7) In Articles 346(4), 347(4), 351(1)(a) and 352(2) of that Order for the words “a recognised bank”, wherever they occur, there shall be substituted the words “an authorised institution”.]
- (8) In Article 442(1)(f) [<sup>F22</sup>and (1A)] of that Order for the words “the Banking Act 1979” there shall be substituted the words “the Banking Act 1987”.
- [<sup>F23</sup>(9) In Schedule 6 to that Order, in paragraph 4 for the words “a recognised bank” and “that recognised bank” there shall be substituted respectively the words “an authorised institution” and “that authorised institution”, in paragraphs 14(a) and 17(a) for “(7)” there shall be substituted “(6)” and in the heading to Part III for the words “RECOGNISED BANKS” there shall be substituted the words “AUTHORISED INSTITUTIONS”.]

#### Textual Amendments

- F21** Sch. 6 para. 28(1)–(7) repealed (*prosp.*) by S.I. 1990/593 (N.I. 5), arts. 1(1), 26, **Sch. 15 Pt. I**
- F22** Words repealed (*prosp.*) by S.I. 1990/593 (N.I. 5), arts. 1(1), 26, **Sch. 15**, Pt I
- F23** Sch. 6 para 28(9), except in so far as it amends paras. 14(a) and 17(a) of Sch. 6 to the 1986 Order repealed (*prosp.*) by S.I. 1990/593 (N.I. 5), arts. 1(1), 26, **Sch. 15 Pt. I**

## SCHEDULE 7

### REPEALS AND REVOCATIONS

#### PART I

#### ENACTMENTS

Chapter	Short title	Extent of repeal
1974 c. 47.	The Solicitors Act 1974.	In section 87(1), in the definition of “bank”,

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**Changes to legislation:** *There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

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		paragraph (b) and the word “and” immediately preceding it.
1974 c. 53.	The Rehabilitation of Offenders Act 1974.	Section 7(2)(g).
1979 c. 34.	The Credit Unions Act 1979.	In section 31(1), in the definition of “authorised bank” the words from “and so long” to “that Schedule” Schedule 3.
1979 c. 37.	The Banking Act 1979.	The whole Act except sections 38, 47, 51 and 52 and Schedule 6.
1980 c. 43.	The Magistrates’ Courts Act 1980.	In Schedule 7, paragraph 184.
1980 c. 46.	The Solicitors (Scotland) Act 1980.	In section 35(2), paragraph (f) and the word “and” immediately preceding it.
1981 c. 31.	The Insurance Companies Act 1981.	In Schedule 4, paragraph 27.
1982 c. 50.	The Insurance Companies Act 1982.	In Schedule 5, paragraph 21.
1984 c. 46.	The Cable and Broadcasting Act 1984.	In Schedule 5, paragraph 36.
1985 c. 6.	The Companies Act 1985.	Section 331(5). In section 744, the definition of “recognised bank”. In Schedule 6, in paragraphs 14(a) and 17(a) the figure “(5)” and the words “recognised bank”.
1985 c. 9.	The Companies Consolidation (Consequential Provisions) Act 1985.	Section 20. In Schedule 2, the entries relating to the Banking Act 1979.
1985 c. 58.	The Trustee Savings Banks Act 1985.	Section 6. In Schedule 1, paragraphs 8, 9 and 11(3). Schedule 3.



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*Changes to legislation: There are currently no known outstanding effects for the Banking Act 1987 (repealed). (See end of Document for details)*

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1986 c. 53.	The Building Societies Act 1986.	In section 25(5), the definitions of “recognised bank” and “licensed institution”. Section 54(4) and (5). In Schedule 8, in paragraph 7 of Part IV the definitions of “recognised bank” and “licensed institution”.
1986 c. 53.	The Building Societies Act 1986.	In Schedule 18, paragraph 13.
1986 c. 60.	The Financial Services Act 1986.	Section 185(7).  In section 186(5), the words from “or, as” to “1979”. Section 193. In Schedule 13, paragraphs 3 and 4.

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## PART II

### INSTRUMENTS

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<b>Number</b>	<b>Title</b>	<b>Extent of revocation</b>
S.I. 1978/1908 (N.I. 27).	The Rehabilitation of Offenders (Northern Ireland) Order.	Article 8(2)(f).
S.I. 1986/1032 (N.I. 6).	The Companies (Northern Ireland) Order 1986.	In Article 2(3), the definition of “recognised bank”. In Schedule 6, in paragraphs 14(a) and 17(a) the figure “(5)” and the words “recognised bank”.
S.I. 1986/1035 (N.I. 9).	The Companies Consolidation (Consequential Provisions) (Northern Ireland) Order 1986.	In Schedule 1, the entries relating to the Banking Act 1979.

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**Status:**

Point in time view as at 01/12/1997.

**Changes to legislation:**

There are currently no known outstanding effects for the Banking Act 1987 (repealed).