



Banking Act 1987

1987 CHAPTER 22

PART I

REGULATION OF DEPOSIT-TAKING BUSINESS

Authorisations

13 Notice of revocation or restriction

- (1) Subject to section 14 below where the Bank proposes—
- (a) to revoke an authorisation; or
 - (b) to restrict an authorisation; or
 - (c) to vary the restrictions imposed on an authorisation otherwise than with the agreement of the institution concerned,
- the Bank shall give to the institution concerned written notice of its intention to do so.
- (2) If the proposed action is within paragraph (b) or (c) of subsection (1) above the notice under that subsection shall specify the proposed restrictions or, as the case may be, the proposed variation.
- (3) A notice under subsection (1) above shall state the grounds on which the Bank proposes to act and give particulars of the institution's rights under subsection (5) below.
- (4) Where—
- (a) the ground or a ground for a proposed revocation or for a proposal to impose or vary a restriction is that it appears to the Bank that the criterion in paragraph 1 of Schedule 3 to this Act is not or has not been fulfilled, or may not be or may not have been fulfilled, in the case of any person; or
 - (b) a proposed restriction consists of or includes a condition requiring the removal of any person as director, controller or manager,
- the Bank shall give that person a copy of the notice mentioned in subsection (1) above, together with a statement of his rights under subsection (5) below.

Status: This is the original version (as it was originally enacted).

- (5) An institution which is given a notice under subsection (1) above and a person who is given a copy of it under subsection (4) above may within the period of fourteen days beginning with the day on which the notice was given make representations to the Bank.
- (6) After giving a notice under subsection (1) above and taking into account any representations made under subsection (5) above the Bank shall decide whether—
 - (a) to proceed with the action proposed in the notice;
 - (b) to take no further action;
 - (c) if the proposed action was to revoke the institution's authorisation, to restrict its authorisation instead;
 - (d) if the proposed action was to restrict the institution's authorisation or to vary the restrictions on an authorisation, to restrict it or to vary the restrictions in a different manner.
- (7) The Bank shall give the institution and any such person as is mentioned in subsection (4) above written notice of its decision and, except where the decision is to take no further action, the notice shall state the reasons for the decision and give particulars of the rights conferred by subsection (9) and section 27 below.
- (8) A notice under subsection (7) above of a decision to revoke or restrict an authorisation or to vary the restrictions on an authorisation shall, subject to section 27(4) below, have the effect of revoking the authorisation or, as the case may be, restricting the authorisation or varying the restrictions in the manner specified in the notice.
- (9) Where the decision notified under subsection (7) above is to restrict the authorisation or to vary the restrictions on an authorisation otherwise than as stated in the notice given under subsection (1) above the institution may within the period of seven days beginning with the day on which the notice was given under subsection (7) above make written representations to the Bank with respect to the restrictions and the Bank may, after taking those representations into account, alter the restrictions.
- (10) A notice under subsection (7) above shall be given within the period of twenty-eight days beginning with the day on which the notice under subsection (1) above was given; and if no notice under subsection (7) is given within that period the Bank shall be treated as having at the end of that period given a notice under that subsection to the effect that no further action is to be taken.
- (11) Where the Bank varies a restriction on an institution's authorisation with its agreement or withdraws a restriction consisting of a condition the variation or withdrawal shall be effected by written notice to the institution.
- (12) The Bank may omit from the copy given to a person under subsection (4) above and from a notice given to him under subsection (7) above any matter which does not relate to him.