
STATUTORY INSTRUMENTS

2009 No. 3056

The Scottish and Northern Ireland Banknote Regulations 2009

PART 4

Requirements as to banknotes

Cessation of note issue

- 11.**—(1) The rules must set out the procedure which an authorised bank must follow if it—
- (a) intends to stop issuing banknotes; or
 - (b) loses the right to rely on section 213 of the Act (saving for existing issuers) by virtue of—
 - (i) a determination by the Treasury under section 223(1)(b) of the Act (termination of right to issue); or
 - (ii) section 223(5) of the Act (bank ceasing to have permission to carry on the regulated activity of accepting deposits).
- (2) Where an authorised bank stops issuing banknotes—
- (a) these Regulations and the rules shall continue to apply to the bank for a period of two years from the date on which it stops issuing banknotes; and
 - (b) the Bank of England must, by the end of that period, return to the bank any of the bank's backing assets which it still holds.
- (3) Rules under paragraph (1) may, in particular, specify—
- (a) in a case where an authorised bank intends to stop issuing banknotes, the period of notice which the bank must give to the Bank of England before it stops issuing banknotes;
 - (b) the arrangements which an authorised bank must make for the purpose of bringing the following matters to the attention of the public—
 - (i) the proposed cessation or termination of note issue;
 - (ii) the effect of the Regulations and rules ceasing to apply after a period of two years; and
 - (iii) the arrangements which an authorised bank must make for the purpose of removing its banknotes from circulation.

Changes to legislation:

There are currently no known outstanding effects for the The Scottish and Northern Ireland Banknote Regulations 2009, Section 11.