



# Bank of England Act 1998

## 1998 CHAPTER 11

### PART IV

#### MISCELLANEOUS AND GENERAL

##### *Miscellaneous*

#### **31 Qualifications of a designated agency**

In paragraph 1 of Schedule 7 to the Financial Services Act 1986 (constitution of a designated agency), in sub-paragraph (2) (members of the governing body to be appointed etc. by the Treasury and Governor of the Bank acting jointly), the words “and the Governor of the Bank of England acting jointly” are omitted.

#### **32 Listed institutions: exemption of transactions with Treasury**

In Schedule 5 to the Financial Services Act 1986 (transactions in relation to which institutions listed under section 43 are exempt from authorisation)—

- (a) in paragraph 1, after “with another listed institution”, there is inserted “, the Treasury”,
- (b) in paragraph 4(1)(b) and (2), after “listed institution” there is inserted “, the Treasury”, and
- (c) in paragraph 9(a), after “with another listed institution” there is inserted “, the Treasury”.

#### **33 Closure of National Savings Stock Register to gilts**

(1) The Treasury may by order—

- (a) make provision excluding gilts from registration in the Register on and after a day specified in the order,

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- (b) make provision for the transfer to the books of the Bank of the entries in the Register at the beginning of the day specified under paragraph (a) which relate to gilts, and
  - (c) make provision for the transfer to the Bank of rights and liabilities of the Director of Savings in relation to the registration of gilts in the Register or any transaction associated therewith.
- (2) The power conferred by paragraph (b) of subsection (1) includes power to make provision in relation to gilts which were not registered in the Register at the beginning of the day specified under paragraph (a) of that subsection, but which should have been.
- (3) An order under subsection (1) may contain such consequential, incidental, supplementary and transitional provisions as appear to the Treasury to be necessary or expedient.
- (4) Without prejudice to subsection (3), an order under subsection (1) may contain—
- (a) provision requiring things done by, or in relation to, the Director of Savings, to be treated as done by, or in relation to, the Bank,
  - (b) provision requiring references in documents to the Register to be construed as references to the books of the Bank, and
  - (c) provision requiring certificates issued by the Director of Savings in relation to registration in the Register to be treated as issued by the Bank in relation to registration in the books of the Bank.
- (5) An order under subsection (1) may—
- (a) make different provision for different cases, and
  - (b) contain provision amending, or repealing or revoking, an enactment contained in—
    - (i) an Act, whenever passed, or
    - (ii) an instrument, whenever made, under an Act, whenever passed.
- (6) In this section—
- “gilts” means stock or bonds of any of the descriptions included in Part I of Schedule 11 to the Finance Act 1942 (whether on or after the passing of this Act); and
  - “the Register” means the National Savings Stock Register.

### **34 Provision of brokerage service in connection with gilt registration**

In section 47 of the Finance Act 1942 (transfer and registration of Government stock), after subsection (1) there is inserted—

- “(1ZA) Regulations under subsection (1) of this section may make provision with respect to the purchase and sale of such stock and bonds by any person, or any description of person, through the Bank of England and, in relation to purchase or sale under the regulations, may—
- (a) make provision with respect to the commission and fees payable, and
  - (b) make provision limiting the amount which any person, or any description of person, may purchase or sell on any day.”

### **35 Section 207 of the Companies Act 1989: bearer securities**

Section 207 of the Companies Act 1989: bearer securities. 35. In section 207 of the Companies Act 1989 (power to make regulations enabling title to securities to be evidenced and transferred without a written instrument), there is inserted at the end—

“(10) In subsection (1), the reference to transfer without a written instrument includes, in relation to bearer securities, transfer without delivery.”

### **36 Disclosure of information: minor amendments**

- (1) In the Banking Act 1987, in section 86(2)(a), after “functions” there is inserted “or any functions in its capacity as a designated agency within the meaning of the Financial Services Act 1986”.
- (2) Section 86(5) of that Act as applied by paragraph 57(1) of Schedule 5 shall have effect with the following modifications—
  - (a) in the definition of “relevant functions”, at the end there is inserted “and its functions as a supervisor of systems for the transfer of funds between credit institutions and their customers”, and
  - (b) in the definition of “relevant recipient”, for “1 to 8” there is substituted “1 to 9”.
- (3) Section 87(3A) of that Act as applied by paragraph 59(1) of Schedule 5 shall have effect with the following modifications—
  - (a) in the definition of “relevant functions”, at the end there is inserted “and its functions as a supervisor of systems for the transfer of funds between credit institutions and their customers”, and
  - (b) in the definition of “relevant recipient”, for “1 to 8” there is substituted “1 to 9”.
- (4) Part V of that Act shall have effect, in relation to information relating to the business or other affairs of institutions which are authorised institutions, but not credit institutions, within the meaning of that Act, with the amendments made by the following regulations—
  - (a) regulations 38, 39(2) to (4) and 40 to 42 of the Banking Coordination (Second Council Directive) Regulations 1992, and
  - (b) regulation 5 of the Financial Institutions (Prudential Supervision) Regulations 1996.

### *General*

### **37 Restriction on disclosure of information**

Schedule 7 (which restricts the disclosure of information obtained for monetary policy or cash ratio deposit purposes) shall have effect.

### **38 Offences in relation to supplying information to the Bank**

- (1) A person who fails without reasonable excuse to comply with any requirement imposed on him under section 17(1) or paragraph 9 of Schedule 2 shall be guilty of

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an offence and liable on summary conviction to a fine not exceeding level 4 on the standard scale.

- (2) If after conviction of an offence under subsection (1) a person continues the failure for which he was convicted, he shall be guilty of a further offence under that subsection and liable on summary conviction to be punished accordingly.
- (3) A person who in purported compliance with a requirement imposed on him under section 17(1) or paragraph 9 of Schedule 2 provides information which he knows to be false or misleading in a material particular, or recklessly provides information which is false or misleading in a material particular, shall be guilty of an offence and liable—
  - (a) on conviction on indictment, to imprisonment for a term not exceeding 2 years, or to a fine, or to both, or
  - (b) on summary conviction, to imprisonment for a term not exceeding 3 months, or to a fine not exceeding the statutory maximum, or to both.

### **39 Offences by bodies corporate**

- (1) Where an offence under this Part committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, he, as well as the body corporate, shall be guilty of that offence and be liable to be proceeded against and punished accordingly.
- (2) Where the affairs of a body corporate are managed by its members, subsection (1) shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

### **40 Orders**

- (1) Any power of the Treasury to make an order under this Act shall be exercisable by statutory instrument.
- (2) An order under—
  - section 17(4) or (5),
  - paragraph 1(2) or 5 of Schedule 2, or
  - paragraph 3(2) of Schedule 7,shall not be made unless a draft of the order has been laid before and approved by resolution of each House of Parliament.
- (3) A statutory instrument containing an order under—
  - section 23(2),
  - paragraph 2(2) or 8 of Schedule 2,
  - paragraph 1(5) of Schedule 4, or
  - paragraph 3(3) of Schedule 7,shall be subject to annulment in pursuance of a resolution of either House of Parliament.
- (4) A statutory instrument containing an order under section 33 shall be subject to annulment in pursuance of a resolution of the House of Commons.

(5) Section 19 contains its own provisions about parliamentary procedure in relation to an order under that section.

**41 General interpretation**

In this Act, “the Bank” means the Bank of England.

**42 Transitional provisions and savings**

Schedule 8 (transitional provisions and savings) shall have effect.

**43 Repeals**

The enactments and instruments specified in Schedule 9 are hereby repealed or revoked to the extent specified in the final column of that Schedule.

*Final provisions*

**44 Extent**

- (1) This Act extends to Northern Ireland.
- (2) Section 33 extends to the Channel Islands and the Isle of Man.
- (3) The extent of any amendment, repeal or revocation by this Act is the same as that of the enactment amended, repealed or revoked.

**45 Commencement**

This Act shall come into force on such day as the Treasury may by order appoint.

**46 Short title**

This Act may be cited as the Bank of England Act 1998.