



Banking Act 1979

1979 CHAPTER 37

PART I

CONTROL OF DEPOSIT-TAKING

Revocation of recognition or licence

10 Conditional licences

- (1) A conditional licence is a licence which, subject to section 11(3) below, is granted to an institution by the Bank in the exercise of its powers under section 7(1)(b) above and gives the institution authority to carry on a deposit-taking business conditionally upon its complying with conditions imposed by the Bank and set out in the licence.
- (2) The conditions of a conditional licence granted to an institution—
 - (a) shall be such as the Bank considers necessary in order to secure the protection of the depositors of that institution ; and
 - (b) may require the institution to take certain steps or to refrain from adopting or pursuing a particular course of action or to restrict the scope of its business in a particular way; and
 - (c) may be varied from time to time by agreement between the Bank and the institution.
- (3) Without prejudice to the generality of subsection (2)(b) above, the conditions of a conditional licence may—
 - (a) impose limitations on the acceptance of deposits, the granting of credit or the making of investments;
 - (b) prohibit the soliciting of deposits, either generally or from persons who are not already depositors ; and
 - (c) require the removal of any director, controller or manager.
- (4) In the case of an institution holding a conditional licence, a failure to comply with any of the conditions of the licence shall be treated for the purposes of this Act as a failure

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by the institution to comply with such an obligation as is referred to in section 6(1)(h) above.

- (5) A conditional licence may be surrendered by notice in writing given by the institution concerned to the Bank.
- (6) Unless previously revoked or surrendered, a conditional licence shall expire at the end of the period of one year beginning on the date on which it was granted or on such earlier date as may be specified in the licence.