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STATUTORY INSTRUMENTS

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**1992 No. 3218**

The Banking Coordination (Second  
Council Directive) Regulations 1992

PART II

RECOGNITION OF EUROPEAN INSTITUTIONS

*Effect of non-recognition*

**Prohibition on carrying on certain listed activities**

7.—(1) A quasi-European authorised institution shall not—

- (a) carry on in the United Kingdom by the provision of services any home-regulated activity;  
or
- (b) establish a branch in the United Kingdom for the purpose of carrying on such an activity.

(2) An institution which contravenes paragraph (1) above shall be guilty of an offence and liable on summary conviction to a fine not exceeding level 5 on the standard scale; but such a contravention shall not invalidate any transaction.

(3) In proceedings brought against an institution for an offence under paragraph (2) above it shall be a defence for the institution to show that it took all reasonable precautions and exercised all due diligence to avoid the commission of the offence.