

---

STATUTORY INSTRUMENTS

---

**1992 No. 3218**

**The Banking Coordination (Second  
Council Directive) Regulations 1992**

**PART II**

**RECOGNITION OF EUROPEAN INSTITUTIONS**

*Effect of recognition*

**Procedural requirements for carrying on listed activities**

6.—(1) A European 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, unless the requirements of paragraph 1 of Schedule 2 to these Regulations have been (and, in the case of a European subsidiary, continue to be) complied with in relation to its carrying on of the activity or, as the case may be, its establishment of the branch.

(2) A European institution shall not change the requisite details of a branch established by it in the United Kingdom unless the requirements of paragraph 4 of Schedule 2 to these Regulations have been complied with in relation to its making of the change.

(3) An institution which contravenes paragraph (1) or (2) 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.

(4) In proceedings brought against an institution for an offence under paragraph (3) 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.