

SCHEDULE 5

PROHIBITIONS AND RESTRICTIONS BY THE DIRECTOR

Notice of prohibition or restriction

2.—(1) This paragraph applies where the Director proposes, in relation to a European institution—

- (a) to impose a prohibition;
- (b) to impose a restriction; or
- (c) to vary a restriction otherwise than with the agreement of the institution.

(2) The Director shall, by notice—

- (a) inform the institution that, as the case may be, the Director proposes to impose the prohibition or restriction or vary the restriction, stating his reasons; and
- (b) invite the institution to submit representations to the proposal in accordance with paragraph 4 below.

(3) If he imposes the prohibition or restriction or varies the restriction, the Director may give directions authorising the institution to carry into effect agreements made before the coming into force of the prohibition, restriction or variation.

(4) A prohibition, restriction or variation shall not come into force before the end of the appeal period.

(5) Where the Director imposes a prohibition or restriction or varies a restriction, he shall serve a copy of the prohibition, restriction or variation—

- (a) on the Bank; and
- (b) on the relevant supervisory authority in the institution's home State.