

SCHEDULE 7

RESTRICTIONS BY THE UK AUTHORITY

Notice of restriction in urgent cases

- 3.—(1) No notice need be given in accordance with paragraph 2 above in respect of—
- (a) the imposition of a restriction; or
 - (b) the variation of a restriction otherwise than with the agreement of the institution concerned,
- in any case in which the UK authority considers that the restriction should be imposed, or the variation should be made, as a matter of urgency.
- (2) In any such case the UK authority may by written notice to the institution impose the restriction or make the variation.
- (3) Any such notice shall state the reasons for which the UK authority has acted and particulars of the rights conferred by sub-paragraph (5) below and by section 27 of the Banking Act or, as the case may be, section 46 of the Building Societies Act.
- (4) Where—
- (a) a restriction consists of or includes a condition requiring the removal of any person as director, controller or manager; or
 - (b) the ground or a ground for a restriction or variation of a restriction is that it appears to the UK authority that the criterion in paragraph 1 of Schedule 3 to the Banking Act is not or has not been fulfilled, or may not or may not have been fulfilled, in the case of any person,
- the UK authority shall give that person a copy of the notice mentioned in sub-paragraph (2) above, together with a statement of his rights under sub-paragraph (5) below.
- (5) An institution to which a notice is given under this paragraph and a person who is given a copy of it by virtue of sub-paragraph (4) above may within the period of 14 days beginning with the day on which the notice was given make representations to the UK authority.
- (6) After giving a notice under sub-paragraph (2) above and taking into account any representations made in accordance with sub-paragraph (5) above, the UK authority shall decide whether—
- (a) to confirm or rescind its original decision; or
 - (b) to impose a different restriction or to vary the restriction in a different manner.
- (7) The UK authority shall, within the period of 28 days beginning with the day on which the notice was given under sub-paragraph (2) above, give the institution written notice of its decision under sub-paragraph (6) above and, except where the decision is to rescind the original decision, the notice shall state the reasons for the decision.
- (8) Where the notice under sub-paragraph (7) above is of a decision to take the action specified in sub-paragraph (6)(b) above, the notice under sub-paragraph (7) shall have the effect of imposing the restriction, or making the variation specified in the notice, with effect from the date on which it is given.