

This statutory instrument has been made to correct an error in S.I. 1997/817, and is being issued free of charge to all known recipients of that instrument

STATUTORY INSTRUMENTS

1997 No. 1866

BANKS AND BANKING

**The Banking Act 1987 (Exempt Transactions)
(Amendment) Regulations 1997**

<i>Made</i>	- - - -	<i>29th July 1997</i>
<i>Laid before Parliament</i>		<i>30th July 1997</i>
<i>Coming into force</i>	- -	<i>21st August 1997</i>

The Treasury, in exercise of the powers conferred upon them by section 4(4), (5) and (6) of the Banking Act 1987⁽¹⁾ and of all other powers enabling them in that behalf, hereby make the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Banking Act 1987 (Exempt Transactions) (Amendment) Regulations 1997 and shall come into force on 21st August 1997.

(2) In these Regulations “the principal Regulations” shall mean the Banking Act 1997 (Exempt Transactions) Regulations 1997⁽²⁾.

Amendment of principal Regulations

2. Regulation 14 of the principal Regulations shall be amended by substituting for paragraph (1) the following paragraph—

“(1) Where a relevant debt security issued in relation to the acceptance of a deposit intended to be an exempt transaction under regulation 13(1) or (3) above is commercial paper or a shorter term debt security or where it is a longer term debt security and in that case the requirements in regulation 13(4)(c), (d), (f) or (g) above apply, the relevant debt security shall meet the following requirements—

- (a) a single debt security shall be issued in consideration of the acceptance of the deposit, in the form of commercial paper or, as the case may be, a shorter term debt security or a longer term debt security; and

(1) 1987 c. 22.
(2) S.I. 1997/817.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

- (b) the redemption value of the relevant debt security shall be not less than £100,000 (or an amount of equivalent value denominated wholly or partly otherwise than in sterling); and
- (c) the whole or part of the relevant debt security may be transferred only if the redemption value of each such debt security or of the part of it being transferred is not less than £100,000 (or an amount of equivalent value denominated wholly or partly otherwise than in sterling).”

29th July 1997

Bob Ainsworth
Jon Owen Jones
Two of the Lords Commissioners of Her
Majesty’s Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend regulation 14(1) of the Banking Act (Exempt Transactions) Regulations 1997 to correct an error. Regulation 14(1) provided that the acceptance of a deposit involving the issue of shorter term debt securities which were not themselves listed would only be an exempt transaction if a single debt security was issued and the redemption value of each such debt security when issued or transferred was not less than £100,000. The amendment gives effect to the intention that these requirements should apply in respect of the issue of any shorter term debt securities, whether listed or not.