



BANKING ACT 1998

Banking (Civil Penalties) Regulations 2006

Approved by Tynwald 17th October 2006

Coming into operation 1st November 2006

In exercise of the powers conferred on the Financial Supervision Commission by section 19A(5) of the Banking Act 1998^(a), and of all other enabling powers, and after consulting with such persons as it thinks appropriate, the following Regulations are hereby made:-

Citation and commencement

1. These Regulations may be cited as the Banking (Civil Penalties) Regulations 2006 and shall come into operation on 1st November 2006.

Interpretation

2. In these Regulations:
 - (1) "the Act" means the Banking Act 1998;
 - (2) "the Commission" means the Financial Supervision Commission;
 - (3) "licenceholder" means a holder of a banking licence;
 - (4) "return" means any document required to be submitted under:
 - (a) Codes 20, 25(1), 25(2), 74 or 76(1) (whichever are applicable) of the Banking (General Practice) Regulatory Code 2005^(b); or
 - (b) a direction or licence condition imposed by the Commission;
 - (5) "direction" means a direction made by the Commission under section 11 or 12 of the Act;
 - (6) "licence condition" means a condition imposed by the Commission under the Act in respect of a banking licence;
 - (7) "specified period" means the period during which a return is required to be submitted or otherwise provided to the Commission;
 - (8) a return is treated as "submitted" or "provided" once it is received by the Commission duly completed;
 - (9) "business day" means a day other than a Saturday or Sunday or a day which is a bank holiday under the Bank Holidays Act 1989^(c).

(a) 1998 c.4

(b) SD832/05

(c) 1989 c.5

Application

3. These Regulations apply to all holders of banking licences issued under Section 6 of the Act.

Penalties

4. The Commission will require a licenceholder to pay a penalty for each contravention of a requirement to submit or otherwise provide a return within a specified period, unless it appears to the Commission that there are exceptional circumstances.

5. The penalty payable shall be as follows:

| PENALTY | Preceding return submitted on time | Preceding return submitted late | Both preceding two returns submitted late |
|--|------------------------------------|---------------------------------|---|
| Return submitted/ provided 1 to 20 business days after specified period | £100 | £200 | £300 |
| Return submitted/ provided more than 20 business days after specified period | £1000 | £1000 | £1000 |

6. In the event of exceptional circumstances the Commission may require a licenceholder to pay a lesser penalty or may not require a licenceholder to pay a penalty.
7. Any penalty due shall be paid to the Commission within 21 business days of the penalty being imposed.

Made this 13th day of September 2006.

A. Barber Commissioner

J R Aspden Chief Executive

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations specify the penalty to be paid by a banking licenceholder that has not submitted a return within the specified period.