



# Banking and Financial Dealings Act 1971

## 1971 CHAPTER 80

### 2 Power to suspend financial dealings.

(1) If it appears to the Treasury necessary or expedient so to do in the national interest, they may by order (made by statutory instrument, which shall be laid before Parliament after being made) give, with respect to a day specified in the order, all or any of the following directions, namely:—

- (a) a direction that, subject to any exceptions for which provision may be made by the order, no person carrying on the business of a banker shall, except with permission granted by or on behalf of the Treasury, effect on that day, in the course of that business, any transaction or, according as may be specified in the order, a transaction of such kind as may be so specified;
- (b) a direction that, subject as aforesaid, [<sup>F1</sup>no person]shall, on that day, except with permission so granted, deal in any foreign currency or, according as may be specified in the order, foreign currency of such kind as may be so specified;
- (c) a direction that, subject as aforesaid, [<sup>F2</sup>no persons]shall on that day, except with permission so granted, deal in any gold [<sup>F3</sup>or, according as may be specified in the order, gold of such kind as may be so specified];
- (d) a direction that, subject as aforesaid, no person shall on that day, except with permission so granted, deal in silver bullion;
- (e) a direction that, subject as aforesaid, no member of any commodity exchange or, as the case may be, of any such commodity exchange as may be specified in the order, shall, on that day, except with permission so granted, deal thereon in futures in any commodity or, according as may be so specified, in futures in a commodity of such kind as may be so specified;
- <sup>F4</sup>(f) .....
- (g) a direction that no member of a stock exchange in the United Kingdom shall, on that day, effect any transaction on that exchange. [<sup>F5</sup>;and
- (h) a direction that, subject as aforesaid, no building society shall, on that day, except with permission so granted, effect in the course of its business any transaction or, according as may be specified in the order, a transaction of such kind as may be so specified.]

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*Changes to legislation: There are currently no known outstanding effects for the Banking and Financial Dealings Act 1971, Section 2. (See end of Document for details)*

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- (2) Subsection (1)(a) above shall not authorise the giving of directions to a person carrying on the business of a savings bank in respect of that business,<sup>F6</sup> . . .
- (3) An obligation on a person to do a thing on a day on which he is prevented from doing it by an order under this section, or is unable to do it by reason of any such order, shall be deemed to be complied with if he does it so soon as practicable thereafter.
- (4) A person who knowingly or recklessly contravenes a direction given by an order under subsection (1) of this section shall be guilty of an offence and liable—
- (a) on summary conviction, to a fine of not more than £400;
  - (b) on conviction on indictment, to imprisonment for not more than two years or to a fine or to both.
- (5) Where an offence under this section which has been committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of, a director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity he, as well as the body corporate, shall be guilty of that offence and shall be liable to be proceeded against accordingly.

Where the affairs of a body corporate are managed by its members, this subsection shall apply in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body corporate.

- (6) In this section—

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 .....<sup>F7</sup>  
 .....

[<sup>F8</sup>“building society” means a building society within the meaning of the Building Societies Act 1986.]

“commodity exchange” means an association established in the United Kingdom for the purpose of facilitating dealings by the members thereof in a commodity; and

[<sup>F9</sup>“foreign currency” means any currency other than sterling and any units of account defined by reference to more than one currency (whether or not including sterling); and “gold” includes gold coin, gold bullion and gold wafers.]

#### Textual Amendments

- F1** Words substituted by [Finance Act 1981 \(c. 35, SIF 99:6\)](#), **s. 136(2)(a)**
- F2** Words substituted by [Finance Act 1981 \(c. 35, SIF 99:6\)](#), **s. 136(2)(b)**
- F3** Words added by [Finance Act 1987 \(c. 16, SIF 10\)](#), **s. 69(a)**
- F4** [S. 2\(1\)\(f\)](#) and the word “and” repealed (26.3.2001) by [S.I. 2001/1149](#), [arts. 1\(2\), 3\(2\)](#), **Sch. 2** (with [art. 4\(11\)](#))
- F5** Word “and” and (h) inserted by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), **ss. 54(3)(a)(5)**, 120, Sch. 18 para. 8(2)
- F6** Words in [s. 2\(2\)](#) repealed (26.3.2001) by [S.I. 2001/1149](#), [arts. 1\(2\), 3\(2\)](#), **Sch. 2** (with [art. 4\(11\)](#))
- F7** Definitions repealed by [Finance Act 1981 \(c. 35, SIF 63:1\)](#), s. 139, **Sch. 19 Pt XI**
- F8** Definition inserted by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), **ss. 54(3)(a)(5)**, 120, Sch. 18 para. 8(3)
- F9** Definition substituted by [Finance Act 1987 \(c. 16, SIF 10\)](#), **s. 69**, (b)

**Changes to legislation:**

There are currently no known outstanding effects for the Banking and Financial Dealings Act 1971, Section 2.