

*These notes refer to the Banking Act 2009 (c.1)
which received Royal Assent on 12 February 2009*

BANKING ACT 2009

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 5: Inter-Bank Payment Systems

Enforcement

Section 201: Warning

446. This section requires the Bank of England to give a warning notice of its intention to impose a sanction (sections 197(1)-200 (see *subsection 2*)) and allow 21 days for the person to whom the notice relates to make representations, which the Bank of England must consider before it may impose a sanction under this Part. The Bank of England must issue a decision notice stating whether or not it intends to impose the sanction.
447. In certain circumstances the Bank of England has the power, under *subsection (3)*, to give a closure order under section 199 or to issue a disqualification order under section 200 without giving a warning notice. The Bank of England may make such orders if, for instance, the operator of a recognised inter-bank payment system is committing a compliance failure of such a serious nature that it poses an imminent threat to the stability of the UK financial system.