

NORTHERN IRELAND PCA BANKING MARKET INVESTIGATION

Notice of Suspension of Articles 5 and 6 of Order

On 19 February 2008 following its report *Personal current account banking services in Northern Ireland market investigation* (the report) published on 15 May 2007, the Competition Commission (the CC) published the Notice of Making of Order and the Order on the CC website in accordance with section 138 of the Enterprise Act 2002 (the Act) and in exercise of the powers conferred by sections 161 (1) (3) and (4), and paragraphs 1, 3, 10, 15, 19, 21 and 22 of Schedule 8 of the Act.

The Order was made for the purpose of remedying, mitigating or preventing the adverse effect on competition and for the purpose of remedying, mitigating or preventing any detrimental effects on customers so far as they have resulted from, or may be expected to result from, the adverse effect on competition specified in the report. The Order came into force on 22 February 2008, except Article 5 and Article 6 which shall come into force on 1 July 2008 and Articles 7 to 11 which shall come into force on 1 April 2009.

Article 12 of the Order allows banks to make an application to the CC for suspension of Articles 5 to 10 of the Order if it believes that it will be unable to comply with them.

On 23 April 2008, a group of reporting panel members of the CC (the Group) was appointed to perform the functions of the CC specified in the Order, including considering applications for suspension.

On 1 May 2008, Barclays Bank Plc (Barclays) applied for a 3-month suspension of Article 5 and Article 6 of the Order, in accordance with Article 12 of the Order. The Group has decided to grant the suspension, subject to the following specified conditions:

1. Barclays will establish and carry out a follow-up telephone call process to ensure that all customers opening PCA accounts in Northern Ireland with Barclays in the period from 1 July 2008 until 1 October 2008 are satisfied with their choice of account and that they have the opportunity to ask any questions about the terms of the account and on the way in which the account operates; and
2. Barclays will provide the CC with monthly updates accompanied by a report by an independent expert approved in advance by the CC on progress towards compliance by 1 October 2008. If required by the CC, Barclays will provide more frequent updates.

The revised date on which Article 5 and Article 6 will come into force for Barclays is 1 October 2008 or such later date as the CC shall approve following an application by Barclays for an extension to the suspension beyond 1 October 2008. Such approval of an extension to the suspension period shall be governed on the same terms as contained in Article 13 of the Order or as directed by the CC.

(signed) CHRISTOPHER CLARKE
Group Chairman
Competition Commission
12 June 2008