SCHEDULE 1

PART 3

DEMATERIALISED LOAN INSTRUMENTS

Modification of Part IV of the Local Government and Housing Act 1989

19. In section 43(4)–

(a) for "document which, directly or by reference to any other document", substitute "security which is constituted by a record (whether or not in the form of a document), which";

(b) in subparagraph (d), for "instrument", substitute "security";

(c) after subparagraph (d), insert–

"(da) states that uncertificated units of the security are transferable in no other manner than by means of a relevant system in accordance with the 2001 Regulations; and";

(d) in subparagraph (e), for "an instrument which is transferable by delivery", substitute "a security which is an eligible debt security within paragraph (a) of the definition of "eligible debt security" in regulation 3(1) of the 2001 Regulations".