

**Changes to legislation:** Building Societies Act 1986, SCHEDULE 2A is up to date with all changes known to be in force on or before 05 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

## SCHEDULES

### [<sup>F1</sup>SCHEDULE 2A

#### DISCHARGE OF MORTGAGES: SUPPLEMENTARY PROVISIONS

##### Textual Amendments

**F1** Sch. 2A inserted (1.12.1997) by 1997 c. 32, s. 7(2), **Sch. 2**; S.I. 1997/2668, art. 2, **Sch. Pt. I(a)**

##### *Main provisions*

- 1 (1) When all money intended to be secured by a mortgage given to a building society has been fully paid or discharged, the society may endorse on or annex to the mortgage one or other of the following—
- (a) a receipt in the prescribed form signed by any person acting under the authority of the board of directors;
  - (b) a reconveyance of the mortgaged property to the mortgagor;
  - (c) a reconveyance of the mortgaged property to such person of full age, and on such trusts (if any), as the mortgagor may direct.
- (2) Where in pursuance of sub-paragraph (1) above a receipt is endorsed on or annexed to a mortgage, not being a <sup>M1</sup>[<sup>F2</sup>registered charge (within the meaning of the Land Registration Act 2002)], the receipt shall operate in accordance with section 115(1), (3), (6) and (8) of the <sup>M2</sup>Law of Property Act 1925 (discharge of mortgages by receipt) in the like manner as a receipt which fulfils all the requirements of subsection (1) of that section.
- (3) Section 115(9) of the Law of Property Act 1925 shall not apply to a receipt in the prescribed form endorsed or annexed by a building society in pursuance of sub-paragraph (1) above; and in the application of that subsection to a receipt so endorsed or annexed which is not in that form, the receipt shall be taken to be executed in the manner required by the statute relating to the society if it is signed as mentioned in sub-paragraph (1)(a) above.
- (4) [<sup>F3</sup>The foregoing sub-paragraphs shall, in the case of a mortgage of registered land, have effect without prejudice to the operation of the Land Registration Act 1925 or any rules in force under it.]
- (5) In this paragraph—
- “mortgage” includes a further charge;
  - “the mortgagor”, in relation to a mortgage, means the person for the time being entitled to the equity of redemption; [<sup>F4</sup>and
  - “registered land” has the same meaning as in the Land Registration Act 1925.]
- (6) This paragraph does not extend to Scotland.

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#### Textual Amendments

- F2** Words in Sch. 2A para. 1(2) substituted (E.W.) (13.10.2003) by [Land Registration Act 2002 \(c. 9\)](#), s. 136(2), [Sch. 11 para. 19\(2\)](#) (with s. 129); S.I. 2003/1725, art. 2(1)
- F3** Sch. 2A para. 1(4) repealed (E.W.) (13.10.2003) by [Land Registration Act 2002 \(c. 9\)](#), s. 136(2), [Sch. 11 para. 19\(3\)](#), [Sch. 13](#) (with s. 129, [Sch. 12 para. 1](#)); S.I. 2003/1725, art. 2(1)
- F4** Words in Sch. 2A para. 1(5) repealed (E.W.) (13.10.2003) by [Land Registration Act 2002 \(c. 9\)](#), s. 136(2), [Sch. 11 para. 19\(4\)](#), [Sch. 13](#) (with s. 129, [Sch. 12 para. 1](#)); S.I. 2003/1725, art. 2(1)

#### Marginal Citations

- M1** [1925 c.21.](#)
- M2** [1925 c.20.](#)

#### *Application of paragraph 1 to Northern Ireland*

- 2 (1) In its application to Northern Ireland, paragraph 1 above shall have effect with the following modifications.
- (2) In sub-paragraph (1) after the words “on such trusts” there shall be inserted the words “or uses”.
- (3) In sub-paragraph (2)—
- (a) for the words from “charge” to “Property Act 1925” there shall be substituted the words “charge on registered land, the receipt shall operate in accordance with Article 3(1), (7) and (9) of the <sup>M3</sup>Property (Discharge of Mortgage by Receipt) (Northern Ireland) Order 1983”; and
  - (b) for the words “subsection (1) of that section” there shall be substituted the words “paragraph (1) of that Article”.
- (4) For sub-paragraphs (3) and (4) there shall be substituted the following sub-paragraphs—
- “(3) If the mortgage is registered in accordance with the <sup>M4</sup>Registration of Deeds Act (Northern Ireland) 1970, the registrar under that Act shall—
- (a) on production of the receipt mentioned in sub-paragraph (1) above make a note in the Abstract Book against the entry relating to the mortgage that the mortgage is satisfied; and
  - (b) grant a certificate, either on the mortgage or separately, that the mortgage is satisfied.
- (4) The certificate granted under sub-paragraph (3)(b) above shall—
- (a) be received in all courts and proceedings without further proof; and
  - (b) have the effect of clearing the register of the mortgage.”

(5) In sub-paragraph (5) for the definition of “registered land” there shall be substituted the following definition—

““registered land” means land the title to which is registered under Part III of the <sup>M5</sup>Land Registration Act (Northern Ireland) 1970.”

#### Marginal Citations

- M3** [S.I. 1983/766 \(N.I.9\).](#)

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**M4** 1970 c.25 (N.I.).

**M5** 1970 c.18 (N.I.).

### *Power to prescribe form of documents*

- 3 (1) The [<sup>F5</sup>Treasury] may make rules for prescribing anything authorised or required by paragraph 1 above to be prescribed; and in this Schedule “prescribed” means prescribed by rules made under this paragraph.
- (2) The power to make rules under this paragraph shall be exercisable by statutory instrument.]

#### **Textual Amendments**

**F5** Words in Sch. 2A para. 3(1) substituted (17.8.2001 for certain purposes and otherwise 1.12.2001) by [S.I. 2001/2617](#), arts. 2, 8, 13(1), [Sch. 3 Pt. II para. 201](#) (with [S. 13\(3\)](#), [Sch. 5](#)); [S.I. 2001/3538](#), [art. 2](#)

#### **Modifications etc. (not altering text)**

**C1** Sch. 2A para. 3(1): Functions of the Chief Registrar, Assistant Registrar for Scotland, Assistant Registrars and the Central Office transferred (1.12.2001) to the Treasury by [S.I. 2001/2617](#), arts. 2(b), 4(1), [Sch. 1 Pt. I](#); [S.I. 2001/3538](#), [art. 2](#)

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 5(11)-(14) inserted by [2007 c. 26 s. 1\(2\)](#)
- s. 5(13)(a) substituted by [S.I. 2013/496 Sch. 8 para. 4\(4\)](#)
- s. 7(6A)-(6C) inserted by [2007 c. 26 s. 1\(1\)\(a\)](#)
- s. 7(8A) inserted by [2007 c. 26 s. 1\(1\)\(c\)](#)
- s. 176ZB excluded by [S.I. 2017/400 reg. 14](#)
- s. 246ZA-246ZC excluded by [S.I. 2017/400 reg. 15](#)
- s. 246ZD excluded by [S.I. 2017/400 reg. 16](#)