
STATUTORY INSTRUMENTS

2003 No. 3226

FINANCIAL SERVICES AND MARKETS

The Financial Collateral Arrangements (No.2) Regulations 2003

<i>Made</i>	- - - -	<i>10th December 2003</i>
<i>Laid before Parliament</i>		<i>10th December 2003</i>
<i>Coming into force</i>		
<i>Regulation 2</i>		<i>11th December 2003</i>
<i>Remainder</i>		<i>26th December 2003</i>

**THE FINANCIAL COLLATERAL
ARRANGEMENTS (NO.2) REGULATIONS 2003**

PART 1

General

1. Citation and commencement
2. Revocation
3. Interpretation

PART 2

Modification of law requiring formalities

4. Certain legislation requiring formalities not to apply to financial collateral arrangements
5. Certain legislation affecting Scottish companies not to apply to financial collateral arrangements
6. No additional formalities required for creation of a right in security over book entry securities collateral in Scotland
- 6A. Certain legislation affecting overseas companies not to apply to financial collateral arrangements
7. Certain legislation affecting Northern Ireland companies and requiring formalities not to apply to financial collateral arrangements

Changes to legislation: The Financial Collateral Arrangements (No.2) Regulations 2003 is up to date with all changes known to be in force on or before 09 April 2024. 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

PART 3

Modification of insolvency law

8. Certain legislation restricting enforcement of security not to apply to financial collateral arrangements
9. Certain Northern Ireland legislation restricting enforcement of security not to apply to financial collateral arrangements
10. Certain insolvency legislation on avoidance of contracts and floating charges not to apply to financial collateral arrangements
11. Certain Northern Ireland insolvency legislation on avoidance of contracts and floating charges not to apply to financial collateral arrangements
12. Close-out netting provisions to take effect in accordance with their terms
13. Financial collateral arrangements to be enforceable where collateral-taker not aware of commencement of winding-up proceedings or reorganisation measures
14. Modification of the Insolvency (England and Wales) Rules 2016 and the Insolvency Rules (Northern Ireland) 1991
15. Modification of the Insolvency (Scotland) (Receivership and Winding up) Rules 2018 and the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018
- 15A. Insolvency proceedings in other jurisdictions

PART 4

Right of use and appropriation

16. Right of use under a security financial collateral arrangement
17. Appropriation of financial collateral under a security financial collateral arrangement
18. Duty to value collateral and account for any difference in value on appropriation
- 18A. Restrictions on enforcement of financial collateral arrangements, etc.

PART 5

Conflict of laws

19. Standard test regarding the applicable law to book entry securities financial collateral arrangements
- Signature
Explanatory Note

Changes to legislation:

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Changes and effects yet to be applied to :

- Regulations revoked by [2023 c. 29 Sch. 1 Pt. 2](#)