



Financial Services Act 2012

2012 CHAPTER 21

PART 3

MUTUAL SOCIETIES

Building societies: miscellaneous

55 Building societies: creation of floating charges

- (1) Section 9B of the Building Societies Act 1986 (restriction on creation of floating charges) is amended as follows.
- (2) In subsection (1), at the end insert “unless it complies with the requirements in subsection (1A)”.
- (3) After that subsection insert—
 - “(1A) The requirements are that the floating charge—
 - (a) is created in favour of a participant in a system, and
 - (b) is created for the purpose of securing any rights and obligations that may arise in connection with participation in that system.”
- (4) After subsection (2) insert—
 - “(3) In this section “participant” and “system” have the meaning given by Article 2 of Directive [98/26/EC](#) of the European Parliament and of the Council of 19th May 1998 on settlement finality in payment and securities settlement systems (as amended by Directives [2009/44/EC](#) and [2010/78/EU](#)).”