

Changes to legislation: The Central Securities Depositories Regulations 2017, Paragraph 20 is up to date with all changes known to be in force on or before 01 October 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

SCHEDULE

Minor and consequential amendments to primary and secondary legislation

PART 2

Minor and consequential amendments to secondary legislation

Financial Markets and Insolvency Regulations 1991

20.—(1) The Financial Markets and Insolvency Regulations 1991 ^{F1} are amended as follows.

(2) In regulation 2(1A) (interpretation: general) for “and Clearing Houses” substitute “, Clearing Houses and Central Securities Depositories”.

(3) In regulation 7 (interpretation of Part 5)—

- (a) after the definition of “Talisman Charge” omit “and”;
- (b) insert at the appropriate places—
 - ““EEA CSD” has the same meaning as in section 190(1) of the Act;”;
 - ““recognised body” has the same meaning as in section 190(1) of the Act;”;
 - ““recognised CSD” has the same meaning as in section 190(1) of the Act;”;
 - ““third country CSD” has the same meaning as in section 190(1) of the Act; and”.

(4) In regulation 10 (extent to which charge granted in favour of recognised investment exchange to be treated as market charge), in paragraph (1)(b)—

- (a) after “a recognised clearing house” insert “ or from a recognised CSD ”;
- (b) for “, clearing house or investment exchange” substitute “ or recognised body ”.

(5) In regulation 11 (extent to which charge granted in favour of recognised clearing house to be treated as market charge)—

- (a) in paragraph (aa)—
 - (i) after “a recognised investment exchange” insert “, a recognised CSD ”;
 - (ii) for “, investment exchange or clearing house” substitute “ or recognised body ”;
- (b) in paragraph (b)—
 - (i) after “a recognised investment exchange” insert “ or from a recognised CSD ”;
 - (ii) for “, clearing house or investment exchange” substitute “ or recognised body ”.

(6) After regulation 11 insert—

“Extent to which charge granted in favour of recognised CSD to be treated as market charge

11A.—(1) A charge granted in favour of a recognised CSD shall be treated as a market charge only to the extent that—

- (a) it is a charge over property provided as margin in respect of market contracts entered into by the recognised CSD or over property provided as a default fund contribution to the recognised CSD; and
- (b) it secures the obligation to pay to the recognised CSD any sum due to it from a member of the recognised CSD or from a recognised clearing house or from

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a recognised investment exchange or from another recognised CSD in respect of unsettled market contracts to which the member or recognised body is a party.

(2) A charge granted in favour of an EEA CSD or third country CSD shall be treated as a market charge only to the extent that—

- (a) it is a charge over property provided as margin in respect of market contracts entered into by the EEA CSD or third country CSD or over property provided as a default fund contribution to the EEA CSD or third country CSD; and
- (b) it secures the obligation to reimburse the cost (other than fees or other incidental expenses) incurred by the EEA CSD or third country CSD in settling unsettled market contracts in respect of which the charged property is provided as margin.”.

(7) In regulation 16 (circumstances in which member or designated non-member dealing as principal to be treated as acting in different capacities)—

- (a) in paragraph (1)(a) after “a recognised clearing house” insert “ or a member of a recognised CSD ”;
- (b) in paragraph (1A) after “a recognised investment exchange” insert “ or from a recognised CSD ”;
- (c) in paragraph (1B) after “a recognised clearing house” insert “ or from a recognised CSD ”;
- (d) after paragraph (1B) insert—

“(1BA) In addition “relevant transaction” means a market contract entered into by a recognised CSD effected as principal in relation to which money is received by the recognised CSD from a recognised clearing house or from a recognised investment exchange or from another recognised CSD.”;

(e) for paragraph (1C) substitute—

“(1C) Where paragraph (1A), (1B) or (1BA) applies, paragraph (1) applies to the recognised clearing house, recognised investment exchange or recognised CSD as it does to a member of the recognised clearing house, recognised investment exchange or recognised CSD, and as if the recognised clearing house, recognised investment exchange or recognised CSD were subject to the rules referred to in paragraph (1)(a)(i).”;

(f) in paragraph 2—

(i) omit “or” at the end of sub-paragraph (a);

(ii) after sub-paragraph (b) insert—

“or

(c) a recognised CSD or a member of a recognised CSD,”.

F1 [S.I. 1991/880](#). Regulation 2(1A) was inserted by and regulations 10, 11 and 16 were amended by [S.I. 2009/853](#). Regulation 11 was also amended by [S.I. 2013/504](#). Regulation 16 was also amended by [S.I. 2001/3649](#) and 2013/472.

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Changes and effects yet to be applied to :

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