
STATUTORY INSTRUMENTS

1998 No. 27

FINANCIAL SERVICES

**The Financial Markets and Insolvency
(Ecu Contracts) Regulations 1998**

<i>Made</i>	- - - -	<i>12th January 1998</i>
<i>Laid before Parliament</i>		<i>12th January 1998</i>
<i>Coming into force</i>	- -	<i>2nd February 1998</i>

Whereas the Treasury and the Secretary of State are satisfied that, having regard to the extent to which contracts described in the definition of “money market contracts” substituted by these Regulations for the definition in the Financial Markets and Insolvency (Money Market) Regulations 1995 are of a kind dealt in by persons supervised by the Bank of England, it is appropriate that settlement arrangements in relation to those contracts should be subject to the supervision of the Bank of England, and

Whereas the Treasury and the Secretary of State have consulted the Bank of England before making these Regulations:

Now, therefore, the Treasury and the Secretary of State, in exercise of the powers vested in them jointly under sections 171, 176, 181, 185 and 186 of the Companies Act 1989⁽¹⁾ and of all other powers enabling them in that behalf, hereby make the following Regulations—

1. These Regulations may be cited as the Financial Markets and Insolvency (Ecu Contracts) Regulations 1998 and shall come into force on 2nd February 1998.

2. In the Financial Markets and Insolvency (Money Market) Regulations 1995⁽²⁾ regulation 2 shall be amended as follows:

(a) below the definition of “default rules” the following shall be inserted:

““ecu” means the unit of account of that name defined in Council Regulation (EEC) No. 3320/94⁽³⁾,”

(b) the definition of “money market contract” shall be replaced by the following—

(1) 1989 c. 40. The powers originally vested in the Secretary of State under sections 171, 176, 181, 185 and 186 of the Companies Act 1989 are now exercisable by her jointly with the Treasury—see the Transfer of Functions (Financial Services) Order 1992 (S.I. 1992/1315).

(2) S.I. 1995/2049.

(3) OJ No. L350, 31.12.94, p.27.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

““money market contract” means a contract in relation to which a listed person provides settlement arrangements and which is a contract for the acquisition or disposal either of—

- (i) currency of the United Kingdom or of any other country or territory; or
- (ii) rights under a contract the value of which is determined by reference to the value of the ecu;”

12th January 1998

Graham Allen
Bob Ainsworth
Two of the Lord’s Commissioners of her
Majesty’s Treasury

28th December 1997

Nigel Griffiths
Parliamentary Under Secretary of State
Department of Trade and Industry

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations extend the scope of contracts in relation to which listed persons within the meaning of the Financial Markets and Insolvency (Money Market) Regulations 1995 (S.I.1995/2049) may provide settlement arrangements. This means that those Regulations will apply to the settlement by listed persons of contracts for the acquisition and disposal of the ecu as they apply to the settlement of contracts relating to currencies.