

APPENDIX C

Recommended LBWF Lending Criteria from 2 March 2009

Fitch Ratings
Long Term Short Term Individual Support Maximum Deposit

LBWF Current Minimum Ratings	A	F2	B	2	£5m
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Current Tier 1, Tier 2, and Tier 3 (sample) Institutions based on Sector Counterparty List December 2008

Fitch Ratings
Long Term Short Term Individual Support Maximum Deposit

TIER 1	RECOMMENDATION :DEPOSITS UP TO 1 YEAR * £10m Limit						
	Minimum requirement	UK	AA-	F1+	B	1	
Bank	Abbey National	UK	AA-	F1+	B	1	£10m
Bank	Bank of Scotland	UK	AA	F1+	B	1	£10m
Bank	Barclays	UK	AA	F1+	B	1	£10m
Bank	HSBC	UK	AA	F1+	A/B	1	£10m
Bank	Lloyds TSB	UK	AA+	F1+	A	1	£10m
Bldg Soc	Nationwide Building Society	UK	AA-	F1+	B	1	£10m

* Up to 2 years with explicit agreement of Director of Finance
(Deposits exceeding 1 year limited to 20 per cent of overall total deposits)

Fitch Ratings
Long Term Short Term Individual Support Maximum Deposit

TIER 2	RECOMMENDATION :DEPOSITS UP TO 6 months* £5m Limit						
	Minimum requirement	UK	A	F1+	B/C	1	
Bank	Alliance and Leicester	UK	AA-	F1+	B/C	1	£5m
Bank	Clydesdale Bank	UK	AA-	F1+	B/C	1	£5m

* Up to 12 months with explicit agreement of Director of Finance

Fitch Ratings
Long Term Short Term Individual Support Maximum Deposit

TIER 3	RECOMMENDATION :DEPOSITS UP TO 3 months* £5m Limit CURRENT CRITERIA sample						
	Minimum requirement		A	F2	B	2	
Tier 3 based on current criteria; this category currently includes many banks, e.g. the following UK/Overseas Institutions							
Bank	Banco Comercial Portugues	Portugal	A+	F1	B	2	£5m
Bank	Banco Popular Espanol	Spain	AA	F1+	A/B	2	£5m
Bank	Banco Santander	Spain	AA	F1+	A/B	1	£5m
Bank	Bank of New York	US	AA-	F1+	A/B	2	£5m
Bank	BNP Paribas	France	AA	F1+	A/B	1	£5m
Bank	Danske Bank	Denmark	AA-	F1+	B	1	£5m
Bank	National Bank of Canada	Canada	A+	F1	B	2	£5m
Bank	National Bank of Kuwait	Kuwait	AA-	F1+	B	1	£5m
Bank	Rabobank International	Netherlands	AA+	F1+	A	1	£5m
Bank	Riyad Bank	Saudi Arab	A+	F1	B	1	£5m
Bank	Societe Generale	France	AA-	F1+	B	1	£5m

* Up to 6 months with explicit agreement of Director of Finance

Other Tiers

TIER 4	OVERNIGHT DEPOSITS WITH THE CO OP BANK				£15m Limit * £15m
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* £20m Limit with explicit agreement of Director of Finance

TIER 5	UK GOVERNMENT - DIRECT LENDING via the D M O up to 6 months*			£25m Limit £25m
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(*12 months with explicit agreement of Director of Finance)