

APPROVED LENDING LIST & POLICY (as per TMP 4)

1. Approved Types of Investment

The Council may use the following types of investment when managing funds:

- Fixed Term Deposits
- On Call Deposits

2. Approved Institutions for Investment

The Council may invest surplus cash with the following institutions, subject to the provisions within the **investment policy** below:

- UK Debt Management Office (DMO);
- Local Authorities and Police Authorities within the UK;
- Major clearing banks incorporated in the UK and their subsidiaries (**use of non-British banks is subject to the assessment and approval of the Finance Services Manager**);
- UK Building Societies;
- British Merchant Banks and Securities House Association members;
- The secondary banking sector (**use of non-British banks is subject to the assessment and approval of the Finance Services Manager**).
- Foreign Banks with an F1+ Rating (**subject to the assessment and approval of the Finance Services Manager**).

3. Investment Policy

The following limits apply on the amount of money that can be invested with any one institution mentioned above, by the designated officers:

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| • UK Debt Management Office (DMO) | £10M |
| • Highest quality financial institutions (see note below) | £5M |
| • Local authorities and police authorities | £1M |
| • 100% owned subsidiaries of clearing banks | £1M |
| • F1/AA rated building societies | £1M |
| • Top 10 building societies (Butlers Guide List) (see note) | £1M |
| • F1/A rated building societies | £0.5M |
| • F1 /A rated merchant or secondary banks | £0.5M |
| • F2/A rated merchant or secondary banks | £0.25M |

NOTES

- The highest quality financial institutions must have a minimum short-term "Fitch" IBCA rating of F1+ and long-term rating of AA-
- Where building societies are not rated, the limit is £0.5m