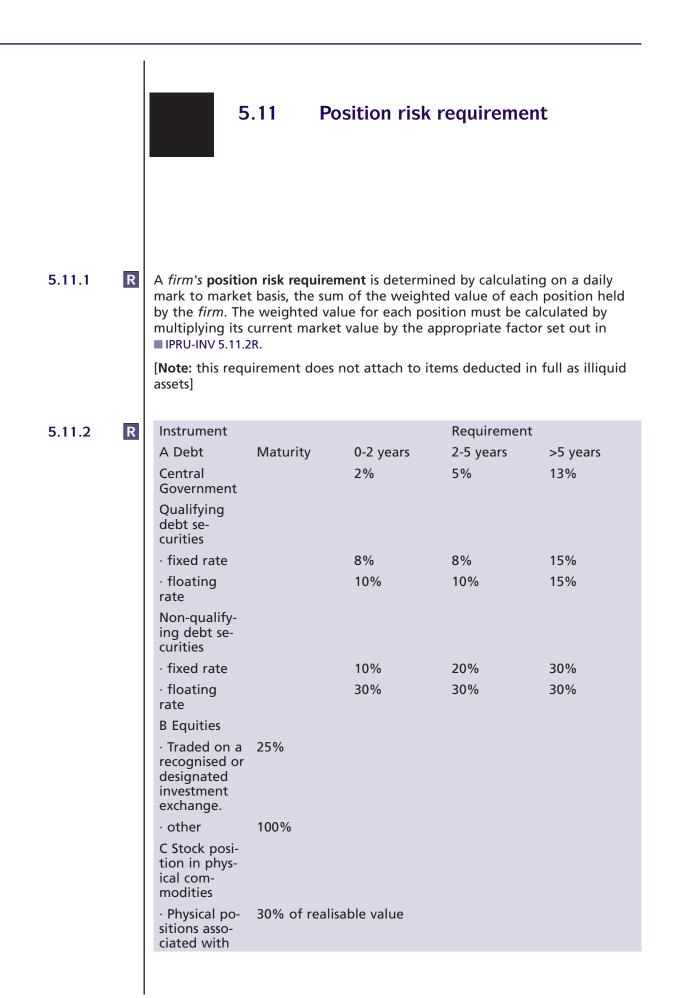
Interim Prudential sourcebook for investment businesses

Chapter 5

Financial resources

IPRU-INV 5 : Financial resources



firm's invest- ment business	
D Derivatives	
 Exchange traded fu- tures and written options 	4 x initial margin requirement.
 otc futures and written options 	Apply the appropriate percentage shown in Sections A, B, & C above to the market value of the underlying position.
 Purchased options 	Apply the appropriate percentage shown in Sections A, B & C above to the market value of the underlying position but the result may be limited to the market value of the option.
· Contracts for dif- ferences	20% of the market value of the contract.
E Other in- vestments	
• units in regulated collective in- vestment schemes	25% of realisable value.
· with profit life policies	20% of surrender value.
· other	100% of the value of investment or underlying instrument.