

**INTERIM PRUDENTIAL SOURCEBOOK FOR BUILDING SOCIETIES
(AMENDMENT NO 4) INSTRUMENT 2003**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (the “Act”):
- (1) section 138 (General rule-making power);
 - (2) section 156 (General supplementary powers); and
 - (3) section 157(1) (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 March 2003.

Amendments to the Interim Prudential sourcebook for Building Societies

- D. The Interim Prudential sourcebook for Building Societies is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Interim Prudential Sourcebook for Building Societies (Amendment No 4) Instrument 2003.

By order of the Board
16 January 2003

Annex

Amendments to IPRU(BSOC)

In this Annex, underlining indicates new text and striking through indicates deleted text.

1 Solvency

Annex 1B

RISK ASSET WEIGHTS

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1B.9.9 Stock Lending

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1B.9.2 However, stock lending which is not fully collateralised, such as that conducted through the ~~Cedel~~ Clearstream and Euroclear stock lending programmes, needs to take account of the counterparty risk. As ~~Cedel~~ Clearstream and Euroclear are both Zone A banks, an additional capital weighting of 20% should be applied.