

**INTEGRATED PRUDENTIAL SOURCEBOOK (INSURERS)
(AMENDMENT) INSTRUMENT 2005**

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); and
 - (2) section 156 (General supplementary powers).
- B. The rule-making powers listed above are specified for the purpose of section 153(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 29 September 2005.

Amendments to the Integrated Prudential sourcebook

- D. The Integrated Prudential sourcebook is amended in accordance with the Annex to this instrument.

Citation

- E. This instrument may be cited as the Integrated Prudential Sourcebook (Insurers) (Amendment) Instrument 2005.

By order of the Board
15 September 2005.

Annex

Amendments to Integrated Prudential sourcebook

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

Stock lending

4.3.36 R (1) For the purposes of *PRU 2 Ann 1R* (Admissible assets in insurance), a *stock lending* transaction is approved if:

~~(1)~~(a) the assets lent are *admissible assets*;

~~(2)~~(b) the *counterparty* is an *authorised person* or an *approved counterparty*; and

~~(3)~~(c) adequate and sufficiently immediate *collateral* (*PRU 4.3.38R* to *PRU 4.3.41R*) is obtained to secure the obligation of the *counterparty*.

(2) *PRU 4.3.36R(1)(c)* does not apply to a *stock lending* transaction made through Euroclear Bank SA/NV's Securities Lending and Borrowing Programme.

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