

SCHEDULES

SCHEDULE 13

SALE AND REPURCHASE OF SECURITIES

Meaning of creditor repo

- 7 (1) For the purposes of this Schedule a company (“the lender”) has a creditor repo if conditions A to E are met.
- (2) Condition A is that under an arrangement another person (“the borrower”) receives from the lender any money or other asset (“the advance”).
- (3) Condition B is that, in accordance with generally accepted accounting practice, the accounts of the lender for the period in which the advance is made record a financial asset in respect of the advance.
- (4) Condition C is that under the arrangement the borrower sells any securities at any time to the lender.
- (5) Condition D is that the arrangement makes provision conferring a right or imposing an obligation on the lender to sell those or similar securities at any subsequent time.
- (6) Condition E is that, in accordance with generally accepted accounting practice, the subsequent sale of those or similar securities would extinguish the financial asset in respect of the advance recorded in the accounts of the lender.
- (7) For the purposes of conditions A to E references to the lender include a partnership of which the lender is a member.