

Treasury Management Update

Internal Lending List of Tonbridge and Malling Borough Council										
Checked against Sector Duration Matrix dated 25/03/11										
TMBC minimum investment criteria AA-, F1+, B, 2 unless there is an implicit guarantee by HMG.										
Money Market Funds minimum investment criteria AAA / MR1+										
Counterparty	Government Direct Guarantee or investment in bank	Sovereign Rating Must not be less than AAA	Country	L/Term	S/Term	Individual	Support	Obligor limit subject to specific approval by DoF/CA for amounts of over £2m	Duration limit subject to approval by 2 of DOF, CA and CE and Sector duration limit if > overnight	Sector Duration
Svenska Handelsbanken	-	AAA	SWE	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 12 months	1 year
Barclays Bank plc	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
HSBC Bank plc	Implicit guarantee by HMG	AAA	GBR	AA	F1+	B	1	£2m	Overnight unless approved as above then max 12 months	1 year
Santander (Formerly Abbey plc & Alliance & Leicester)	Implicit guarantee by HMG plus expected support from parent.	AAA	GBR	AA-	F1+	B	1	£2m (£3m o/n only)	Overnight unless approved as above then max 3 months	3 months
Nationwide Building Society	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	B	1	£2m	Overnight unless approved as above then max 6 months	6 months
Bank of Scotland Plc - Group limit with HBOS, BOS and Lloyds TSB of £3m	Now part of Lloyds and covered by the implicit guarantee from HMG	AAA	GBR	AA-	F1+	C	1	£2m (£2.4m o/n only)	Overnight unless approved as above then max 12 months	1 year
Lloyds TSB Bank - Group limit with HBOS, BOS and Lloyds TSB of £3m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	C	1	£2m	Overnight unless approved as above then max 12 months	1 year
National Westminster Bank - Group limit with Nat West, RBS and Ulster Bank of £3m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	-	1	£2m (£2.4m o/n only)	Overnight unless approved as above then max 12 months	1 year
The Royal Bank of Scotland plc - Group limit with Nat West, RBS and Ulster Bank of £3m	Implicit guarantee by HMG	AAA	GBR	AA-	F1+	C/D	1	£2m	Overnight unless approved as above then max 12 months	1 year
DMADF - a/c	HMG	HM Govt owned	GBR	Government owned				£10m	Overnight unless approved as above then max 3 months	
UK Government Gilts	HMG	AAA	GBR	Guaranteed by HMG				£2m	1 year	
UK Local Authorities	-		GBR	Secured on revenues of authority				£2m	1 year	
Money Market Funds										
Blackrock	-	-	-	AAA/MR1+				£2.5m	Overnight only	
Global Treasury Fund	-	-	-	AAA/MR1+				£2.5m	Overnight only	
Goldman Sachs	-	-	-	AAA/MR1+				£2.5m	Overnight only	
Deutsche Fund	-	-	-	AAA/MR1+				£2.5m	Overnight only	
Insight	-	-	-	AAA/MR1+				£2.5m	Overnight only	
Approved by Director of Finance -			on 28 March 2011							

Sector rating & duration limit	N/C	G	R	O	B	P	
	0 days	3 month	6 months	1 year	1 year	2 years	TMBC

The Sector duration colours have been faithfully represented above. However, the duration adopted by TMBC and recorded in the duration limit column may in some cases be less than that suggested by Sector. The duration of any investment must at no time exceed the Sector duration limit.