

## Proposed Counterparty List

2011/12

CRITERIA												
				FITCH RATINGS			Moody's Ratings		S&P Ratings			
				S/Term	L/Term	Support	S/Term	L/Term	S/Term	L/Term		
				F1	A	3	P-1	A2	A-1	A		
		Duration	Council Limit (£m)									
<b>UK Banks</b>												
				<b>Sovereign Rating</b>			<b>AAA</b>		<b>Aaa</b>		<b>AAA</b>	
Barclays Bank	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1+	AA-			
HSBC Bank plc	2 Years	20	F1+	AA	1	P-1	Aa2	A-1+	AA			
<b>Lloyds Banking Group</b>												
Lloyds TSB Bank	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1	A+			
Bank of Scotland	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1	A+			
<b>RBS Group</b>												
National Westminster Bank	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1	A+			
Royal Bank of Scotland	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1	A+			
Standard Chartered Bank	3 Months	5	F1+	AA-	3	P-1	A1	A-1	A+			
<b>UK Building Societies</b>												
Nationwide	2 Years	20	F1+	AA-	1	P-1	Aa3	A-1	A+			
Leeds	3 Months	5	F1	A	5	P-1	A2	-	-			
Coventry	3 Months	2	F1	A	5	P-2	A3	-	-			
Yorkshire	3 Months	2	F2	A-	5	P-2	Baa1	A-2	A-			
Skipton	3 Months	2	F2	A-	5	P-2	Baa1	-	-			
Principality	3 Months	2	F2	BBB+	5	P-2	Baa2	-	-			
Norwich & Peterborough	3 Months	2	F2	BBB+	3	P-2	Baa2	-	-			
<b>Foreign Banks</b>												
<b>Australia</b>												
				<b>Sovereign Rating</b>			<b>AA+</b>		<b>Aaa</b>		<b>AAA</b>	
Australia & New Zealand Banking Group	6 Months	10	F1+	AA-	1	P-1	Aa1	A-1+	AA			
Commonwealth Bank of Australia	1 Year	10	F1+	AA	1	P-1	Aa1	A-1+	AA			
<b>National Australia Bank</b>												
Clydesdale Bank	6 Months	5	F1+	AA-	1	P-1	A1	A-1	A+			
National Australia Bank	1 Year	10	F1+	AA	1	P-1	Aa1	A-1+	AA			
Westpac Banking Corporation	6 Months	10	F1+	AA	1	P-1	Aa1	A-1+	AA			
<b>Austria</b>												
				<b>Sovereign Rating</b>			<b>AAA</b>		<b>Aaa</b>		<b>AAA</b>	
Raiffeisen Zentralbank Österreich AG	3 Months	5	F1	A	1	P-1	A1	A-1	A			
<b>Belgium</b>												
				<b>Sovereign Rating</b>			<b>AA+</b>		<b>Aa1</b>		<b>AA+</b>	
<b>Dexia Bank</b>												
Dexia Bank Belgium	3 Months	5	F1+	A+	1	P-1	A1	A-1	A			
Dexia Banque Internationale a Luxembourg	3 Months	5	F1+	A+	1	P-1	A1	A-1	A			
Dexia Credit Local	3 Months	5	F1+	A+	1	P-1	A1	A-1	A			
<b>KBC Bank</b>												
KBC Bank	3 Months	5	F1+	A	1	P-1	Aa3	A-1	A			
<b>Canada</b>												
				<b>Sovereign Rating</b>			<b>AAA</b>		<b>Aaa</b>		<b>AAA</b>	
Bank of Montreal	6 Months	5	F1+	AA-	1	P-1	Aa2	A-1	A+			
Bank of Nova Scotia	6 Months	10	F1+	AA-	1	P-1	Aa1	A-1+	AA-			
Canadian Imperial Bank of Commerce	6 Months	5	F1+	AA-	1	P-1	Aa2	A-1	A+			
National Bank of Canada	3 Months	5	F1	A+	2	P-1	Aa2	A-1	A			
Royal Bank of Canada	6 Months	10	F1+	AA	1	P-1	Aaa	A-1+	AA-			
Toronto-Dominion Bank	6 Months	10	F1+	AA-	1	P-1	Aaa	A-1+	AA-			
<b>Denmark</b>												
				<b>Sovereign Rating</b>			<b>AAA</b>		<b>Aaa</b>		<b>AAA</b>	
Danske Bank	3 Months	5	F1	A+	1	P-1	Aa3	A-1	A			
<b>France</b>												
				<b>Sovereign Rating</b>			<b>AAA</b>		<b>Aaa</b>		<b>AAA</b>	
<b>BNP Paribas</b>												
BNP Paribas	6 Months	10	F1+	AA-	1	P-1	Aa2	A-1+	AA			
Fortis Bank	6 Months	5	F1+	A+	1	P-1	A1	A-1+	AA			
<b>Caisse Federative du Credit Mutuel</b>												
Banque Federative du Credit Mutuel	6 Months	5	F1+	AA-	1	P-1	Aa3	A-1	A+			
Credit Industriel et Commercial	6 Months	5	F1+	AA-	1	P-1	Aa3	A-1	A+			
<b>Group BPCE</b>												
BPCE	6 Months	5	F1+	A+	1	P-1	Aa3	A-1	A+			
Credit Foncier de France	3 Months	5	F1+	A+	1	P-1	Aa3	A-1	A			
<b>Group Credit Agricole</b>												
Credit Agricole	6 Months	10	F1+	AA-	1	P-1	Aa1	A-1+	AA-			
Credit Agricole Corp. & Investment Bank	6 Months	10	F1+	AA-	1	P-1	Aa3	A-1+	AA-			
Societe Generale	6 Months	5	F1+	A+	1	P-1	Aa2	A-1	A+			

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CRITERIA										
Country	Sovereign Rating	Duration	Council Limit (£m)	FITCH RATINGS			Moody's Ratings		S&P Ratings	
				S/Term	L/Term	Support	S/Term	L/Term	S/Term	L/Term
				F1	A	3	P-1	A2	A-1	A
<b>Germany</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
Commerzbank Group										
Commerzbank AG	3 Months	5		F1+	A+	1	P-1	Aa3	A-1	A
Deutsche Bank	6 Months	5		F1+	AA-	1	P-1	Aa3	A-1	A+
DZ Bank	6 Months	5		F1+	A+	1	P-1	Aa3	A-1	A+
Landesbank Hessen-Thuringen	3 Months	5		F1+	A+	1	P-1	Aa2	A-1	A
<b>Netherlands</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
ING Bank NV	3 Months	5		F1+	A+	1	P-1	Aa3	A-1	A+
Rabobank Group	2 Years	10		F1+	AA+	1	P-1	Aaa	A-1+	AAA
<b>Norway</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
DnB NOR Bank	3 Months	5		F1	A+	1	P-1	Aa3	A-1	A+
<b>Singapore</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
Development Bank of Singapore	6 Months	10		F1+	AA-	1	P-1	Aa1	A-1+	AA-
Oversea-Chinese Banking Corp	3 Months	5		F1+	AA-	1	P-1	Aa1	A-1	A+
United Overseas Bank	3 Months	5		F1+	AA-	1	P-1	Aa1	A-1	A+
<b>Sweden</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
Nordea Group										
Nordea Bank AB	6 Months	10		F1+	AA-	1	P-1	Aa2	A-1+	AA-
Nordea Bank Finland plc	6 Months	10		F1+	AA-	1	P-1	Aa2	A-1+	AA-
Skandinaviska Enskilda Banken (SEB)	3 Months	5		F1	A+	1	P-1	A1	A-1	A
Svenska Handelsbanken	6 Months	10		F1+	AA-	1	P-1	Aa2	A-1+	AA-
<b>Switzerland</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
Credit Suisse	6 Months	5		F1+	AA-	1	P-1	Aa1	A-1	A+
UBS AG	6 Months	5		F1+	A+	1	P-1	Aa3	A-1	A+
<b>USA</b>	<b>Sovereign Rating</b>			<b>AAA</b>			<b>Aaa</b>		<b>AAA</b>	
Bank of America Corporation										
Bank of America NA	6 Months	5		F1+	A+	1	P-1	Aa3	A-1	A+
Bank of New York Mellon	6 Months	10		F1+	AA-	2	P-1	Aaa	A-1+	AA
Citigroup										
Citibank NA	6 Months	5		F1+	A+	1	P-1	A1	A-1	A+
Citibank International plc	3 Months	5		F1+	A+	1	P-1	A2	A-1	A+
J P Morgan Chase Bank NA	6 Months	10		F1+	AA-	1	P-1	Aa1	A-1+	AA-
Northern Trust Company	6 Months	10		F1+	AA-	3	P-1	Aa3	A-1+	AA
State Street Bank and Trust Co	6 Months	5		F1+	A+	1	P-1	Aa2	A-1+	AA-
Wells Fargo & Co										
Wells Fargo Bank NA	6 Months	10		F1+	AA-	1	P-1	Aa2	A-1+	AA

**Credit Rating Matrix - UK Banks & Building Societies from 1st April 2011**

Total Limit	Maximum Term	Short Term	Long Term	Support	Short Term	Long Term	Short Term	Long Term
£5M	3 months	F1	A	3	P-1	A2	A-1	A
£20M*	2 Years*	F1+	A+	1	P-1	A1	A-1	A+
£20M	2 Years	F1+	AA+	1	P-1	Aa1	A-1+	AA+
£20M	5 Years	F1+	AAA	1	P-1	Aaa	A-1+	AAA

\* It is proposed that where taking the lowest of the Credit Rating Agencies, the Long Term Rating is A+ or equivalent, the maximum investment limit is raised from £10m to £20m and duration up to 2 years for UK Banks. This is to allow the proposed investment strategy of increased limits for UK banks and Building Societies with implicit or expected Government Support.

**Credit Rating Matrix - Foreign Banks from 1st April 2011**

Total Limit	Maximum Term	Short Term	Long Term	Support	Short Term	Long Term	Short Term	Long Term
£5M	3 months	F1	A	3	P-1	A2	A-1	A
£5M	6 Months	F1	A+	3	P-1	A1	A-1	A+
£10M	6 Months	F1	AA-	3	P-1	Aa3	A-1	AA-
£10M	1 Year	F1+	AA	2	P-1	Aa2	A-1+	AA
£10M	2 Years	F1+	AA+	2	P-1	Aa1	A-1+	AA+
£10M	5 Years	F1+	AAA	1	P-1	Aaa	A-1+	AAA