

SCHEDULE 4

Methods of securing shortfall in cases of serious underprovision

Valuation of increases secured as mentioned in this Schedule

6.—(1) An increase in value secured by the method specified in paragraph 2 shall at any time be treated for the purposes of Article 60 as being of an amount equal to—

- (a) the amount specified in the appropriate letter of credit as the maximum amount the institution guarantees, or
- (b) the Article 60 shortfall at that time,

whichever is less.

(2) An increase in value secured by the method specified in paragraph 3 shall at any time be treated for the purposes of Article 60 as being of an amount equal to—

- (a) the amount standing to the credit of the account at that time, or
- (b) the Article 60 shortfall at that time,

whichever is less.

(3) An increase in value secured by the method specified in paragraph 4 shall at any time be treated for the purposes of Article 60 as being of an amount equal to—

- (a) the amount specified in the charge as the maximum amount to be secured by it, or
- (b) the Article 60 shortfall at that time,

whichever is less.