
STATUTORY INSTRUMENTS

2011 No. 698

**The Loan Relationships and Derivative Contracts
(Disregard and Bringing into Account of Profits
and Losses) (Amendment) Regulations 2011**

Substitution of regulation 4C (review period)

6. For regulation 4C (review period)(1) substitute—

“Review period

4C.—(1) For the purposes of regulations 4A(7)(e) and 4B(2)(2), a review period is a period, or one of a series of successive periods, of a length specified by a company making an election in accordance with regulation 4A(1)(a).

This is subject to the provisions of this regulation.

(2) A review period, or where more than one in an accounting period the first review period in that accounting period, begins on the first day of the accounting period or, if later, the date that a liability or derivative contract first becomes matched with shares in accordance with regulation 3(3)(b) or 4(3)(b).

(3) A review period, or where more than one in an accounting period the last review period in that accounting period, must end on the last day of the accounting period.

(4) If a company has matched shares in accordance with regulation 3(3)(b) or 4(3)(b) (“the first asset”), the first review period in relation to shares which are subsequently matched—

(a) begins when the subsequent matching occurs, and

(b) ends at the same time as the review period which is current in relation to the first asset when the subsequent matching occurs.

(5) If during a review period (“the current period”) there is a significant variation in the net asset value underlying shares which have been matched in accordance with regulation 3(3)(b) or 4(3)(b), there shall be a new review period in relation to those shares which—

(a) begins on the day that any variation in the net asset value becomes a significant variation, and

(b) ends at the same time as the current period.

(6) In paragraph (5) “significant variation” means an increase or decrease of 10% or more in the net asset value underlying the matched shares.

(7) In this regulation the net asset value underlying shares shall be determined in accordance with regulation 4A(2).”.

(1) Regulation 4C was inserted by S.I. 2007/3431.

(2) Regulation 4B was inserted by S.I. 2007/3431.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.
