



Direction

To: Dexia banque Internationale a Luxembourg (the “firm”)

Ref: 490696

Of: Shackleton House
Hay's Galleria
4 Battlebridge Lane
London
SE1 2GZ

Date: 14 July 2005

Handbook Version as in force at the date of this Direction

Power

1. This direction is given by the *FSA* under section 148 of the *Act*.

Duration

2. (1) This direction takes effect on 14 July 2005.
(2) This direction ends on 13 July 2010.

Rules Waived

3. The *FSA* directs that the *rules* listed below do not apply to the firm.

<i>Rules</i>	
<i>SUP</i> 16.7.10R	These <i>rules</i> do not apply to the firm.
<i>PRU</i> 5.1.4R(3)	
<i>PRU</i> 1.2.3R(3)	

Conditions

4. This direction is conditional upon:
 1. the FSA receiving written confirmation from the firm at least two months before each anniversary of the commencement of this direction that there have been no changes to the conditions or factual circumstances under which the waiver was originally granted; and
 2. the firm's head office:



(a) continuing to provide funding to the London branch whenever such liquidity is needed to assist in meeting the branch's obligations as they fall due;
(b) providing FSA with written confirmation by each anniversary of the commencement of this direction that the position in (a) remains true, and that there have been no other changes to the conditions or factual circumstances under which the waiver was originally granted; and

(c) making full information available to FSA on whole bank liquidity if FSA deems it reasonable to request it; and

3. CSSF, as primary supervisor

(a) continuing to confirm that it is satisfied with the firm's liquidity management practices;

(b) providing FSA with written confirmation by each anniversary of the commencement of this direction that the position in (a) remains true; and

(c) continuing to agree to inform the FSA of any material or persistent breaches by the bank of its liquidity rules, or if they are aware of risks that may cause such breaches; and

4. SUP 16.7.10R not being amended to include additional reporting obligations.

Interpretation

5. Interpretative provisions (including definitions) of the *Handbook* apply to this direction in the same way as they apply to the *Handbook*.

Richard Monks
Waiver Team
Financial Services Authority