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STATUTORY INSTRUMENTS

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**2005 No. 3374**

**The Loan Relationships and Derivative Contracts  
(Disregard and Bringing into Account of Profits  
and Losses) (Amendment No. 2) Regulations 2005**

**Amendment to the Loan Relationships and Derivative Contracts (Disregard and Bringing into Account of Profits and Losses) Regulations 2004**

**9.** In regulation 9 (profits or losses arising from derivative contracts which are interest rate contracts) after paragraph (2) insert—

“(2A) Where an interest rate contract—

- (a) becomes a contract to which paragraph (1) applies, or
- (b) ceases to be a contract to which paragraph (1) applies,

the amount to be brought into account for the purposes of paragraph 17C(1)(b) of Schedule 26 to the Finance Act 2002 is such amount as is just and reasonable in the circumstances and with regard to whether as a result of the change any amounts cease to be brought into account or are brought into account more than once.”.