

SCHEDULE 1

Regulations 7(7) and 11.

LIMITS ON INVESTMENTS

PART I

1% limit

1. Any single sub-underwriting contract.

2% limit

2. All contributions to any single partnership.

5% limit

3. All contributions to partnerships.

10% limit

4. All deposits with a person specified in paragraph 12 or 13 of Schedule 2 to the Banking Act 1987 and all loans (but see paragraph 12).
5. All investments in unlisted securities of companies.
6. Any single holding (but see paragraphs 13 and 14).
7. All deposits with any single bank, institution or person (other than the National Savings Bank).

15% limit

8. All sub-underwriting contracts.

25% limit

9. All investments in—
 - (a) units or other shares of the investments subject to the trusts of unit trust schemes managed by any one body (but see paragraph 14), and
 - (b) open-ended investment companies where the collective investment schemes constituted by the companies are managed by any one body.
10. All insurance contracts.
11. All securities transferred (or agreed to be transferred) by the authority under stock lending arrangements.

PART II

EXCEPTIONS TO LIMITS IN PART I

12. The restriction in paragraph 4 does not apply to a Government loan.
13. The restriction in paragraph 6 does not apply if—

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- (a) the investment is made by an investment manager appointed under regulation 6, and
- (b) the single holding is in units or other shares of the investments subject to the trusts of any one unit trust scheme.

14. The restrictions in paragraphs 6 and 9 do not apply—

- (a) to any investment falling within paragraph 1 of Part I (National Savings) or paragraph 1 or 2 of Part II (interest bearing securities, loans etc.) of Schedule 1 to the Trustee Investments Act 1961, or
- (b) to a deposit with a relevant institution.

PART III

INTERPRETATION

“Collective investment scheme” has the meaning given in section 75 of the Financial Services Act 1986⁽¹⁾.

“Companies” includes companies established under the law of any territory outside the United Kingdom.

“Government loan” means a loan—

- (a) to Her Majesty’s Government in the United Kingdom, or
- (b) to the Government of the Isle of Man.

“Listed securities” means securities quoted on a recognised stock exchange.

“Loan” does not include—

- (a) investing money in registered securities to which section 1 of the Stock Transfer Act 1963⁽²⁾ applies (transfer by stock transfer forms) or in listed securities, or
 - (b) depositing money with a relevant institution,
- and “lent” must be understood in that way.

“Open-ended investment company” means a company incorporated by virtue of regulation 3(1) of the Open-ended Investment Companies (Investment Companies with Variable Capital) Regulations 1996⁽³⁾.

“Single holding” means investments—

- (a) in securities of, or in loans to or deposits with, any one body,
- (b) in units or other shares of the investments subject to the trust of any one unit trust scheme, or
- (c) in transactions involving any one piece of land or other property.

“Unlisted securities” means securities which are not quoted on a recognised stock exchange.

(1) 1986 c. 60.
(2) 1963 c. 18.
(3) S.I.1996/2827.