

SURVEY OF INVESTMENT REGULATION OF PENSION FUNDS

20 September 2004

1. Two previous documents described quantitative investment regulations on pension funds in OECD countries as of December 2001 and as of December 2002. The current document includes all regulatory changes that took place during 2003. The information collected is therefore valid as of end December 2003.

2. The information collected concerns all forms of quantitative portfolio restrictions (minima and maxima) applied to autonomous pension funds in OECD countries at different legal levels (law, regulation, industry norms, etc). Table 1 contains only portfolio ceilings on pension fund investment by broad asset classes. Table 2 contains additional quantitative restrictions classified by type of regulation.

Table 1: Portfolio limits on OECD pension fund investment in selected domestic asset categories

<i>Country</i>		<i>Equity</i>	<i>Real Estate</i>	<i>Bonds</i>	<i>Investment funds</i>	<i>Loans</i>	<i>Bank deposits</i>
Australia		No limit	No limit	No limit	No limit	No limit	No limit
Austria		50	20	No limit	No limit	No limit	10
Belgium		No limit (listed) 10 (non-listed)	No limit	No limit	No limit	No limit	No limit
Canada		No limit	15 in resource property 25 (real estate and resource property)	No limit	No limit	No limit	No limit
Czech Republic		25 (non-listed)	10	No limit	25	0 (not allowed)	10
Denmark		70	No limit (if gilt-edged)	No limit (if gilt-edged)	70 (there are no limit, for investment funds with only gilt-edged bonds as underlying assets).	No limit (if gilt-edged)	No limit
Finland		50 (listed) 10 (non-listed)	40	No limit	No limit, when the fund invests in bonds; 50% when the fund invests in equities	70 (mortgage loans, including real estates and buildings 10 (subordinated loans) ³	No limit
Germany	Pensions-kassen	35 (listed) 10 (non-listed)	25	50	35 (incl. Equity) 5 (hedge funds)	50 (mortgage) 50 (other)	50
	Pensionsfonds	No limit	No limit	No limit	No limit	No limit	No limit
Hungary ¹		50 (MPF) 60 (VPF)	5 directly, 10 together with real estate investment funds (MPF) 10 directly or through real estate investment funds (VPF)	30 (corporate, municipalities), no limit on financial institutions 25 (mortgage)	50	0 (MPF) 30% of the projected fund income to the liquidity and operational reserves during the maturity of the loan (VPF) 5% to fund members (VPF)	No limit
Iceland		50 (listed) 10 (non-listed)	0	50 (financial institutions) 50 (municipalities)	Open-end: Underlying assets are added to directly owned assets of same type. Closed-end: Shares are categorized as "equity"; 50	No limit	No limit

				listed and 10 non listed.			
Ireland	No limit	No limit	No limit	No limit	No limit	No limit	
Italy ³	No limit	Direct investment not allowed	No limit	20 for closed-end funds	0	20 (including short-term bills)	
Japan	No limit	No limit	No limit	No limit	No limit	No limit	
Korea	10 (non-listed)	15					
Luxembourg	No limit	No limit	No limit	No limit	No limit	No limit	
Mexico	0	0	No limit (federal government); No limit (AAA corporates); 35 (AA corporates); 5 (A corporates)	0	0	250,000 in local currency (Mexican pesos) and US\$ 25,000 in foreign currency plus the required amount for currency matching.	
Netherlands	No limit	No limit	No limit	No limit	No limit	No limit	
New Zealand	No limit	No limit	No limit	No limit	No limit	No limit	
Norway	35	No limit	30 (corporate)	30	1 (unsecured loans)	No limit	
Poland ²	OPF	40 (listed on primary market + National Investment Funds) 10 (on secondary market or unlisted)	0	40 (mortgage) 40 (municipal) 20 (corporate)	10 (close-ended) 15 (open-ended)	Equal to investment in the shares of the borrower	20
	EPF	No limit	0	5	No limit	Equal to investment in the shares of the borrower	No limit
Portugal	55%, but maximum 15% joint limit in non-listed and non-OECD equities and bonds	50% (includes mortgage, loans to members, real estate and property investment funds units)	No limit, but maximum 15% joint limit in non-listed and non-OECD equities and bonds	No limit in harmonized funds, 5% in non-harmonized	50% (includes mortgage, loans to members, real estate and property investment funds units)	No limit	
Slovak Republic	25	10	No limit	20	0	No limit	
Spain	No limit 30% in securities not admitted to trading on a regulated market	-20% (joint limit with mortgage loans)	No limit 30% in bonds not admitted to trading on a regulated market	No limit (whenever UCITs satisfy legal requirements)	20 (joint limit with real estate). Loans are not permitted to members	No limit	
Sweden ⁴	FSR: 0 % IR: - 25 % (quoted)	FSR: 4/5 or 2/3 of ratable value,	FSR: no limit (other bonds than those	FSR: 0 % IR: type of asset in fund	FSR: no limit (only loans with some form of mortgage	FSR: 0 % IR: 75 %	

	- 10 % (unquoted)	depending on type of estate, or 70 or 60 %, respectively, of the estate's estimated market value IR: 25 %	issued by a state or of equal quality must be issued by a credit institution or be guaranteed by such an institution) IR: - no limit if issued by a state or of equal quality - 75 % if other (of which a maximum of 50 % may be issued by companies other than credit institutions) - 10 % if unquoted	must be added to directly owned assets of the same type and the total not exceed the limit for the asset in question (e.g. 25 % for quoted shares)	guarantee or equal security are allowed unless the debtor is the Swedish state or a Swedish municipality) IR: - no limit if the debtor is a state or an equally financially stable subject - 75 % if the debtor is a credit institution or other company, of which the latter may stand for a maximum of 50 % - 25 % (mortgage guarantee in real estate) - 10 % (other security)	
Switzerland	There is an overall limit in equities of 50% and the following sub-limits: - 30% domestic - 25% foreign	50% domestic 5% foreign	No limit		75% mortgage (maximum of 80% of market-value of the real estate)	No limit
Turkey	76	0	No limit	10	10 (loans to plan members or others)	10
United Kingdom	No limit	No limit	No limit	No limit	No employer-related loans	No limit
United States	No limit	No limit	No limit	No limit	No employer-related loans	No limit

Note: in Turkey, pension investments are executed through pension mutual funds.

(1) MPF stands for mandatory pension fund; VPF for voluntary pension fund

(2) OPF stands for open pension fund, EPF for employee pension funds (closed funds); NIF stands for national investment funds.

(3) No limit if a debtor or a guarantor is an EEA State, municipality, a municipal authority, a parish located in an EEA State, a deposit bank or an insurance company licensed in an EEA State or a bank or an insurance company comparable to the above mentioned;

(4) The Swedish concerns friendly societies. There are also pension foundations, but these are not subject to uniform investment rules and are therefore not covered here. FSR stands for the investment rules specific to friendly societies. IR stands for the investment rules specific to insurance companies, as most friendly societies have been granted an exception to apply these rules. The rules only concern assets held to cover technical provisions and have been simplified, given their complex nature.

(5) The limits described refer to the funds instituted after the setting up in 1993 of the current regulatory framework. Different, less stringent limits apply to the funds institute before this date.

Table 2: Other quantitative regulations of pension fund assets in OECD countries

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Australia	None	Limited to 10%, being reduced to 5% in 2000/1 Loans or financial assistance to members not permitted	None	None
Austria¹	<ul style="list-style-type: none"> - Maximum 10% of the same issuer for bonds, loans, bank deposits (except if the issuer is a state) - Maximum 5% of the same issuer for shares, securities on participation capital, index certificates - Maximum 20% land and buildings - Maximum 10% in derivatives (only through investment funds) - Maximum 5% alternative investments 	Permitted, but requires the explicit approval of the Supervisory Board and limited to 10%.	<p>At least 35% of the assets must be invested in mortgage bonds, government bonds, and debentures denominated in Euro.</p> <p>Non-Euro investments limited to 50% of investments (here within: 30 shares and 10% land and buildings outside Austria).</p>	None
Belgium	<ul style="list-style-type: none"> - 10% for bonds issued by states, local authorities or companies from outside zone A as intended by Directive 89/647/EEC - 10% for investments in shares traded on a non-regulated market ¹ - 10% for units in undertakings for collective investment in transferable securities not submitted to the legislation of a member state of the Community 	Limited to 15% of the free assets.	<p>The minimum diversification requirements only apply for the covering assets, for the free assets the sole limitation is the limit on self-investment.</p> <p>Localisation requirement: all assets must be located in Belgium or EC countries. Movable covering assets can be invested outside the Community if the National Bank or a credit institution licensed by the Bank Commission or the competent</p>	None

1 . Pension funds refers to *Pensionskassen*, which are under the supervision of the Financial Market Authority.

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
	<p>accordingly directive 85/611/EEC</p> <ul style="list-style-type: none"> - 5% in real estate certificates - 5% in derivatives - 5% in unsecured loans and 1% in such loans per issuer - 10% for investments in a single property (real estate) <p>A maximum of 5% per issuer applies²</p>		<p>authority of a member state of the Community certifies that through a branch in the Community, these covering assets are held for the account of the pension institution by a credit institution outside the Community that holds a license issued by a public authority with a role similar to that of the Bank Commission.</p>	
Canada	<ul style="list-style-type: none"> - Maximum 10% of total book value of assets may be invested in securities stocks, bonds and notes of one company or person. - Maximum 5% may be invested in one individual property or any one resource property. 	<p>Permitted, but limited to 10% of the fund's assets. Other conflict rules also apply, e.g. related party rules. Securities must be acquired on a public exchange</p>	<p>Maximum 30% of the fund may be invested in foreign securities</p>	<p>Funds may own maximum 30% of voting shares of one company</p>
Czech Republic	<p>Investment in securities from the same issuer limited to 10% of the fund's assets</p> <p>Bank deposit in one bank is limited to 10% or 20 000 000 Czech crowns</p> <p>The value of one piece of real estate or one movable assets can not exceed the 10% of the fund assets.</p>	<p>Investment in shares of other pension funds is prohibited</p>	<p>Foreign investment is permitted only in case of the securities traded in OECD markets</p> <p>70% of total book value of assets must be invested in assets denominated in currency in which liabilities to participants are stated.</p>	<p>Pension funds assets can not include more than 20% of the nominal value of securities issued by the same company</p>
Denmark	<p>Limits for any one investment depending on the sort of assets.</p> <p>A limit of 2(3) percent of the provisions for investment in any one enterprise.</p>		<p>Minimum 80% currency matching requirement. For EU currencies up to 50% of liabilities can be covered by assets denominated in Euro.</p>	<p>Prohibited to exercise a controlling influence over the company in question. However, it is allowed temporarily to carry out other activities to secure or phase out</p>

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
				<p>commitments already entered into, or with regard to restructuring enterprises.</p> <p>Assets covered by bonds may comprise no more than 40 per cent per issuer.</p> <p>Assets covered by receivable amounts may comprise no more than 10 per cent per issuer.</p> <p>Loans covered by unlisted holdings may comprise no more than 1 per cent per issuer.</p>
Finland²	<p>Yes, assets should be diversified and decentralised within the diversified groups.</p> <p>Main limits:</p> <ul style="list-style-type: none"> - 25% in one single investment eg in guaranteed loans or quoted shares - Maximum 5% of quoted or of unquoted shares of the same company. - - At most 15% in one single investment target, if the 	<p>Permitted, but limited to 25%. Maximum 15% in one single functional investment target</p>	<p>Minimum 80%. Maximum 20% of the assets and obligations may be denominated in currencies other than the euro.</p> <p>95 % of assets must be located in EEA countries, but may be to some extent invested in countries comparable to EEA countries (OECD countries).</p> <p>Maximum 5% of the assets and obligations may be altogether invested in</p>	<p>Of the assets and obligations of the gross sum of the pension, liability may be invested at most:</p> <ul style="list-style-type: none"> -5% of quoted or of unquoted shares of a single corporation

2 . The Insurance Supervision Authority is legally entitled to impose even lower limits to ensure that in covering their pension liabilities, pension foundations and pension funds take account of the yield and marketability of the assets and ensure that the assets are diversified and adequately spread

		Investment regulation			
		Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
		investment pertains to (i) a single piece of real estate, a building or a real estate corporation, (ii) debt obligations that are secured by mortgage on one investment target or that are secured by shares and holdings in a single real estate corporation - 25% in one single investment eg in guaranteed loans or investment fund		assets in OECD countries other than EEA countries	
Germany	Pension-fonds	Yes, maximum 5% by the same issuer, except 30% of state loans, bank deposits and mortgage bonds	Permitted, but limited to 5% and, when the entity is sponsored by more than two companies, limited to 15% of the assets	70% currency matching requirement.	Permitted, but limited to 10% of the nominal capital of one and the same company
	Pensionskassen	Yes, maximum 5% by the same issuer, except 30% of state loans, bank deposits and mortgage bonds	Permitted, but limited to 5%	80% currency matching requirement. Main limits on foreign investment: 35% in EU equity 25% in EU property 10% in non-EU equity 10% in non-EU bonds	None
Hungary		Funds may invest maximum 10% of its assets in securities issued by the same issuer (except for state bonds) Overall value of securities issued by an organisation belonging to the same banking group cannot exceed 20% of the invested fund assets	Funds may not have ownership in business organisations in which the founders of the fund, the employers of the fund members, the donors or service suppliers of the fund own more than 10% of the stakes	Foreign investment is limited to 30% of the fund's assets, and within investments made abroad the ratio of investments made in non-OECD countries shall not exceed 20%	Funds shall not directly own more than 10% of the registered capital or equity of a business organisation for more than a year Funds may own maximum 10% of the

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
				securities issued by the same issuer
Iceland	<p>Maximum 10% of total assets can be invested in securities issued by the same party or related parties.</p> <p>Still, there are no limits on investment in securities guaranteed by the State.</p> <p>Maximum 5% of total assets can be invested in uncollateral corporate bonds issued by parties other than financial institutions.</p>	<p>Loans to directors, members of the board or other staff of the pension fund are not permitted except if they are members of the fund and in such cases the loans must be in accordance with the rules that apply to loans to fund members in general.</p>	<p>Total assets in securities other than bonds guaranteed by the State, collateral loans and securities mentioned above: 50%</p> <p>Investment only permitted in OECD securities, up to a maximum of 50% for quoted and 10% for unquoted securities.</p> <p>Foreign currency exposures of more than 50% must be hedged.</p>	<p>Funds may not own more than 15% of the shares of an individual firm, except for companies that exclusively handle services for the pension fund, or more than 25% of shares in a particular equity fund (open-end).</p>
Ireland	<p>None, but any of issue of securities can only represent up to a maximum of 10% of pension fund assets for purposes of proving solvency.</p>	<p>No limit, but company assets can only represent up to a maximum of 5% of assets for purposes of proving solvency. Disclosure of self-investment if in excess of</p>	<p>None</p>	<p>None</p>

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
		5% of total assets.		
Italy ³	Yes, general requirement for diversification. Debt and equity securities issued by one issuer or its group are limited to 15% of the pension fund's assets.	Shares issued by employers responsible for contribution are limited to 30% of fund's assets, in the case of sectorial funds, and 20% for other funds.	<ul style="list-style-type: none"> • short selling not allowed; • borrowing not allowed; • derivatives: financial leverage ≤ 1; • the fund must invest a minimum of 1/3 of its assets in the currency in which the benefits will be denominated (currency matching requirement); • No limits for investments in securities issued by OECD residents and traded in regulated markets; • 5% for debt and equity securities issued by non-OECD residents. 	5% of shares with right to vote issued by listed companies (10% in case of unlisted companies).
Japan	EPF ⁴ : None, but the pension legislation stipulates that each pension fund should endeavour to avoid concentration of investment on a specific asset category TQP ⁵ : not regulated	EPF: Investment on securities with the purpose of pursuing interests of someone other than the pension fund is prohibited	EPF: None	EPF: None
Korea ⁶	Loans to one business group are limited to 5% of the fund (5% for one person). Bonds and shares issued by one business group or company is limited to 10 % of the fund	Loans are limited to 2% of the fund Bonds an share issued is limited to 3% of the fund	Foreign investment limited to 20% of assets.	

3 The limits described refer to the funds instituted after the setting up in 1993 of the current regulatory framework. Different, less stringent limits apply to the funds institute before this date.

4. EPF-employee pension fund

5. TQP-tax qualified plan

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
	The deposit commission of derivatives is limited to 3% of the fund			
Luxembourg	None	None	None	None

6. Pension funds refer to insurance company managed pension funds that support the occupational retirement allowance (severance) system.

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Mexico	<ul style="list-style-type: none"> - Up to 5% of the funds' assets can be invested in debt issued by any single issuer (except for Federal Government and the Central Bank) rated AAA. - Up to 3% of the funds' assets can be invested in debt issued by any single issuer (except for Federal Government and the Central Bank) rated AA. - Up to 1% of the funds' assets can be invested in debt issued by any single issuer (except for Federal Government and the Central Bank) rated A. - A maximum of 15% may be in debt issued by companies belonging to the same group. 	<ul style="list-style-type: none"> - Up to 5% (or under special authorization 10%) of assets may be invested in securities issued by entities with which the Afore has any kind of financial relationship. - Investment in instruments issued by financial institutions with which the Afore have any kind of financial relationship is prohibited. 	<ul style="list-style-type: none"> - At least 51% of the funds' assets must be invested in inflation-linked or inflation protected securities (except for funds that receive only voluntary contributions). - The portfolio risk is subject to a VaR limit of 0.60%. - A maximum of 5% may be in government repos. - The lowest rating permitted for instruments of Mexican corporations denominated in foreign currency is BBB-. - Issues must be rated by two authorized rating companies. - Investment in foreign securities is not permitted (but it will in the near future). Siefors can, however, invest up to 10% of their assets in debt of Mexican issuers denominated in US Dollars, Euros or Yens. 	<ul style="list-style-type: none"> - Up to 20% of the amount outstanding of any single issue (except for banks, Federal Government and Mexican Central Bank).
Netherlands	Diversification is required, but no quantitative rules.	Limited to 5% of the fund assets until the level of technical provision, in case of exceeding assets, it can be 10% maximum	None	None
New Zealand	None	None	None	None

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Norway	<p>Diversification is required.</p> <p>Maximum of 0.5% of the portfolio can be invested in a single unsecured loan.</p> <p>Units in a single securities fund or a single investment firm may in the aggregate not exceed 10% of the assets covering the technical provisions.</p>	<p>Loans to the employer are permitted only if the loans are secured by pledge, and must not exceed 20% of the total assets. The fund is not permitted to own shares or equity in the company for which the fund is founded.</p>	<p>A minimum of 80% of assets must be denominated in the same currency as the pension fund's technical provisions (in the wide sense). This does not apply, however, if the pension fund in order to satisfy this requirement would have to hold net financial receivables in that currency to a value of 7% or less of its overall assets in other currencies.</p>	None
Poland	<p>OPF⁷ and EPF limits:</p> <p>No more than 10 % of the fund's assets shall be invested in public mortgages issued by one entity.</p> <p>No more than 5% of the fund's assets shall be deposited with a single bank or with two or more affiliated banks. No more than 5% may be placed in any other single bank or bank group.</p> <p>No more than 2% (5%) of the fund's assets shall be invested in investment certificates of a single closed-end (open-end) investment fund or a single hybrid investment fund.</p> <p>Total value of the fund's investment in all securities of a single issuer or of two or more affiliated issuers shall not exceed 5 % of the fund's assets</p>	<p>OPF limits:</p> <p>Assets may not be invested in securities issued by a pension fund company or its shareholders, controlled, controlling or associated entities</p> <p>EPF limits:</p> <p>Assets cannot be invested in securities issued by the EPF company.</p> <p>EPFs shall invest no more than 5 % of its assets in securities issued by shareholders of the EPF company and entities associated (12.5% if securities admitted to public trading)</p> <p>At least 7.5% of asset must be invested in securities admitted to public trading.</p>	<p>5% of EPF and OPF 's assets can be invested in foreign securities</p>	

7. Open pension funds (mandatory)

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Portugal	<p>Main limits:</p> <ul style="list-style-type: none"> - 10% fund value in instruments issued by one undertaking and loans granted to a single borrower. - 20% in instruments issued by and loans made to companies that hold between them, or with the pension fund manager, a controlling ownership or group relationship, including bank deposits in credit institutions in an identical relationship. 	<ul style="list-style-type: none"> - 5% in quoted instruments issued by sponsors of the pension fund or by companies that hold a controlling ownership or group relationship with these sponsors. - 25% in land or buildings used by the sponsors of the fund or by companies that hold a controlling ownership or group relationship with these sponsors - The fund is not allowed to own securities issued by the pension fund manager or unquoted securities issued by companies that are members of its governing bodies or that have a controlling ownership or group relation with the pension fund manager, or directly or indirectly hold more than 10% of its share capital or voting rights. - The fund is not allowed to own unquoted securities issued by the sponsors or by companies that hold a controlling ownership or group relationship with these sponsors. Other conflict rules also apply e.g. related party rules. 	<p>Main limits:</p> <ul style="list-style-type: none"> - Maximum 15% joint limit in non-listed and non-OECD equities and bonds. - 30% in assets denominated in currencies other than the currency in which the pension fund's liabilities are denominated. 	<ul style="list-style-type: none"> - Funds may not own more than 10% of the shares or voting rights of an individual firm. - The totality of shares held by the set of pension funds managed by the same pension fund manager, may not confer to this body more than 20% of the share capital or voting rights of a single company nor permit it to exercise significant influence over the management of this company.
Slovak Republic	<p>Bank deposit in one bank is limited to 25%</p> <p>Investment in securities from the same issuer limited to 10%</p>	<p>Investment in shares of depository and asset manager is not allowed</p>	<p>Investment in shares and participation certificates is limited to 20%</p> <p>Direct limits on foreign investment: maximum 15% of the fund</p>	<p>Pension funds assets can not include more than 40% of the assets of the same bank</p>

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Spain	<p>Pension Fund shall not invest more than 5% of its assets in securities issued by the same undertaking plus credits granted or guaranteed by it, and no more than 10% of its assets in securities issued by undertakings belonging to a single group.</p> <p>This general rule has some exceptions: -Pension Fund shall not invest more than 2% of its assets in securities not admitted to trading on a regulated market issued by the same undertaking and no more than 4% of its assets in securities not admitted to trading on a regulated market issued by undertakings belonging to a single group. -5% of its assets in a single property. -20% of its assets in the same UCIT</p> <p>Previous Limits shall not be applied to securities issued or guaranteed by the State or its organizations, by the regional authorities, by the local authorities, by equivalent Public Administration of OCDE countries and by international institutions and organizations of which Spain it is a member.</p>	<p>-5% of its assets in securities issued by issuers belonging to the same group as the sponsoring undertaking.</p>	<p>At least 70 % its assets in securities admitted to trading on a regulated market (according to EU legislation in force)and in bank deposits, properties, mortgage loans and UCITs.</p>	<p>-5% of the face value in total outstanding securities issued or guaranteed by the same undertaking. However, Pension Fund shall invest a maximum of 20% of the face value in total outstanding securities issued by a risk-capital institution</p> <p>Previous Limits shall not be applied to securities issued or guaranteed by the State or its organizations, by the regional authorities, by the local authorities, by equivalent Public Administration of OCDE countries and by international institutions and organizations of which Spain is a member.</p>
Sweden	<p>FSR: none IR: - no limit for bonds issued by and loans granted to a state or an equally financially stable subject</p>	<p>FSR: none IR: none</p>	<p>FSR: none IR: see first box</p>	<p>FSR: none IR: none</p>

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
	<ul style="list-style-type: none"> - 5 % (10 % if the total of these investments does not exceed 40 % of the technical provisions and shares from the same issuer do not exceed 5 % of these provisions) in shares, bonds issued by and loans granted to the same subject - 5 % in a single piece of real estate (or group of) - 10 % in investment funds 			
Switzerland	<p>Investment in debt instruments of a single entity (except government bonds, banks and insurance companies) is limited to 15% (5% for foreign assets).</p> <p>Investment in equity of a single company is limited to 10% (5% for foreign assets).</p>	Limited to 5%.	<p>Investment in derivatives for hedging purposes only.</p> <p>There is an overall limit in foreign currency investments of 30% and the following sub-limits:</p> <ul style="list-style-type: none"> - 25% in equities, - 20% in foreign currency bonds (30% for foreign CHF bonds). <p>There are also aggregate limits for domestic and foreign equity (50%), foreign currency bonds and foreign CHF bonds (30%), and real estate and equity (70%).</p> <p>With a founded explanation the quantitative limits may be exceeded..</p>	None

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Turkey	<p>Maximum 10 percent of fund assets may be invested in one issuer's money and capital market instruments.</p> <p>Maximum 20 percent of fund assets may be invested in money and capital market instruments of one group.</p> <p>Maximum 2 percent of fund assets may be invested in a single investment fund.</p> <p>Maximum 2 percent of fund assets may be invested in a specific bank's deposits.</p>	<p>Purchase of money and capital market instruments of the pension company and the portfolio manager is not allowed.</p> <p>The total of the money and capital market instruments issued by companies where the pension company's and portfolio manager's:</p> <ol style="list-style-type: none"> 1) Shareholders having more than 10 percent of its capital, 2) Chairman and members of board of directors, 3) General manager and vice general managers have separately or collectively more than 20 percent of its capital, and total money and capital market instruments issued by the company's and portfolio manager's direct and indirect partnerships may not exceed 20 percent of fund assets. <p>Pension funds are not allowed to intervene or be represented in the management of partnerships whose shares they purchased.</p>	<p>Only money and capital market instruments which are traded in the stock exchange may be included in the fund portfolio.</p> <p>Total amount of money and capital market instruments of the companies the fund invests more than 5 percent, may not exceed 40 percent of fund assets. These limitations are not applied for state bonds.</p> <p>Maximum 5 percent of the fund assets may be invested in money and capital market instruments issued by venture capital companies.</p> <p>Maximum 20% of fund assets can be invested in the Stock Exchange Money Market.</p> <p>At least 24% of the contributions must be invested in government bonds.</p> <p>Maximum 15% percent of the contributions can be invested in foreign money and capital market instruments.</p> <p>Investment in derivatives for hedging purposes only.</p>	<p>The fund may not own 5 percent or more of capital or all voting rights in any partnership alone, and the funds established by a pension company may not own more than 20 percent of capital or all voting rights collectively, in any partnership.</p>

	Investment regulation			
	Minimum diversification requirements	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
United Kingdom	General requirement for diversification and suitability	Yes, employer-related investment is limited to 5%.	No quantitative portfolio restrictions	None
United States	General requirement for diversification	For all DB plans and some DC plans, 10% limit on investment in employer securities or real property; no transactions with parties in interest, unless an exemption applies.	Assets must be under the jurisdiction of US courts.	None