



SURVEY OF INVESTMENT REGULATION OF PENSION FUNDS

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Background

This report describes the main quantitative investment regulations applied to pension funds in OECD and selected non-OECD countries as of December 2008.

The questionnaire covers all types of pension plans financed via pension funds. Where regulations vary depending on the type of plan (occupational, personal, mandatory, voluntary, DB, DC, etc), the tables identify the types of plan that the investment regulations apply to.

The information collected concerns all forms of quantitative portfolio restrictions (minima and maxima) applied to pension funds at different legal levels (law, regulation, guidelines, etc). The survey also includes information on investment regulations pertaining to selected non-OECD countries that participate in the meetings of the Working Private Pension Party (WPPP) as observers (i.e. Brazil, Chile, Colombia, Estonia, India, Israel, Russian Federation and South Africa).

The survey contains 4 different tables. Table 1 contains only portfolio ceilings on pension fund investment by broad asset classes. Table 2 contains quantitative restrictions on foreign investment. Table 3 contains other quantitative restrictions classified by type of regulation. Table 4 shows the main changes to pension fund investment regulations during the period 2002-2008

Main regulatory changes during 2008

According to the information collected from government authorities, main regulatory changes since December 2007 occurred only in Hungary, Mexico and Chile.

In Hungary, since 2007, private pension funds can establish voluntarily a life-cycle portfolio system (from 2009 this amendment will become mandatory). This system offers to pension fund members the option to choose between 3 different portfolios (conventional, balanced and growth). At the time of launching the new system, the fund assigns members to the specific portfolios on the basis of the time remaining until retirement.

In Mexico, limits for AA and A bonds from issuer other than Federal Government were raised in 2008 from 35% to 50% and from 5% to 20%, respectively. Non-convertible subordinated obligations are permitted under the same asset class as the structured instruments. The limit (per fund) for this asset class was increased in 2008.

In Chile, Law 20.255 enacted in March 2008 eliminated an important group of restrictions defined by law, which contains only the structural limits for multi-funds and those limits which avoid obtaining controlling interest. In the new scheme, the detailed regulation is defined by the Investment Regime. The amendments have the purpose to create a more flexible framework in order to promote efficiency for

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pension funds investments. In that sense, the maximum range of the global limit for investment abroad was increased from 45% to 80%, the funds were allowed to invest in relatively risky securities not permitted before, and the pension funds managers were required to disclose their investments policy to general public. In addition, the law creates the Technical Council, a new independent institution, whose objective is to advice the government in investments issues.

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

Country	Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
OECD COUNTRIES							
Australia	- No limit.	- No limit.	- No limit	- No limit	- No limit	- No limit - Loans or financial assistance to members is not permitted.	- No limit
Austria	- Shares, negotiable securities equivalent to shares, corporate bonds and other equity securities and other assets ² : - 70% (commitments without minimum yield guarantee) - 50% (commitments with minimum yield guarantee ³).	- No limit (see also table 3).	- See equity	- Limits apply to the underlying components of investment funds	- Limits apply to the underlying components of investment funds	- No limit	- No limit
Belgium	- No limit	- No limit.	- No limit	- No limit	- No limit	- No limit	- No limit
Canada	- No limit.	- 15% (if in resource property). - 25% (real estate and resource property)	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.
Czech Republic	- 70% for equity traded on OECD regulated markets (a common overall limit for securities traded on OECD markets, open-ended mutual funds, movable assets and real estate) (Non-OECD equity can be	- 10%	- No limit (if issued or guaranteed by OECD member state or its central bank or EIB).	- 70% if open-ended (also see the information in the first column).	- If traded on OECD regulated markets: 70%, if not, they can be included in 5% limit for other assets (also see the information in the first column)..	- 0% (not allowed)	- No limit.

² Investment in debt securities, shares and securities equivalent to shares which are not admitted to trading on a regulated market < 30%.

³ In this case additional up to 20% investment grade bonds are possible

Country	Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
	included in 5% limit for other assets).		EBRD, IBRD or other international financial institution where the Czech Republic is a member. 70% if other than above and traded on OECD regulated markets. In other cases, bonds can be included in 5% limit for other assets.				
Denmark	- 70%	- No limit (if gilt-edged).	- No limit (if gilt-edged). 70% (if non-gilt edged).	- 70% (no limit, for UCITS with only listed gilt-edged bonds as underlying assets).	-10% hedge funds, private equity funds and other funds.	- No limit (if gilt-edged). - 2% (if non gilt edged).	- No limit.

Finland Voluntary pension plans	- 50% (listed). - 10% (non-listed).	- 40%	- No limit in government bonds, local government bonds and bonds issued by corresponding institution. - 10 % (non-listed); other than government bonds, local government bonds and bonds issued by corresponding institution.	- No limit, when the fund invests in bonds issued by government, local government or corresponding institution; 10% (non-listed) - 50% when the fund invests in equities; 10% (non-listed).	- 5% hedge funds.	- 70% if mortgage loans including investment in real estates and buildings; 10% if subordinated loans ⁴ .	- No limit.
Finland Statutory pension plans	- No limit (listed) - 15% (non-listed). The limit 15% is set for the total number of non-listed securities (excluding real estate investments) including equities.	- No limit	- No limit - 15% (non-listed). The limit 15% is set for the total number of non-listed securities (excluding real estate investments) including bonds other than government, local government and corresponding bonds	- No limit - 15% (non-listed); when the fund invests in non-listed securities (excluding real estate investments)	- 15% (non-listed). The limit 15% is set for the total number of non-listed securities (excluding real estate investments).	- No limit - 5 % in unsecured loans if a debtor is other than government, local government or corresponding institution	- No limit
Germany Pensionskassen	- 35% (if listed). - 10% (non-listed).	- 25%	- 50% - 7.5% ABS/CLN altogether*	- depends in what the funds invest (see e.g. limits for equity and bonds) "look through" principle. - 10% if close-end funds	- 5% hedge funds. - depends in what the funds invest (see e.g. limits for equity and bonds) "look through" principle.	- 50% (if mortgage) - 50% (if other) - 7,5% ABS/CLN altogether * - 10% (non listed) subordinated loans - 35% (if listed) subordinated loans	- 50%

⁴ 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.

Germany Pensionsfonds	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.
Greece	- 70% where pension funds' members bear the investment risk.	- No limit.	- Government Bonds : No limit - Corporate Bonds: 70% in pension funds where members bear the investment risk	- 70% of technical provisions in mutual funds.	- 5% in venture capitals and new financial products (hedge funds, etc.).	- Loans are not permitted.	- No limit
Hungary⁵	- Listed: No limit. - Non-listed equities: 10 % (both of domestic and foreign equities). Conventional portfolio: max. 10% - Balanced portfolio: min. 10%, max. 40% - Growth portfolio: min. 40% ⁶	- MPF: 5% directly, 10% together with real estate investment funds. - VPF: 10% directly or through real estate investment funds. Conventional portfolio: 0% - Balanced portfolio: max. 10% - Growth portfolio: max. 20%	- Government bonds: No limit - Hungarian corporate bonds: 10% - Hungarian municipalities bonds: 10% - Mortgage bonds: 25 %	- MPF: No limit - VPF: No limit.	- Derivative fund: 5% - Risk capital: 5% Conventional portfolio: 0 % - Balanced portfolio: max. 3%, max. 2% per issuer - Growth portfolio: max 5%, max 2% per issuer	- MPF: 0% - VPF: Max. 30% of the total amount of the individual account of the member who took the loan. - VPF: 5% of all assets can be given only to fund members.	- Listed: No limit.
Iceland	-Max. 60% listed equities. - Max. 20% non-listed	- 0%	-Max. 50% in bonds issued by financial institutions.	-Open-end underlying assets are added to directly owned assets of	-Max. 50% in investment funds not having a European	- 0%	- No limit

⁵ MPF stands for mandatory pension fund and VPF for voluntary pension fund.

⁶ Postponed until July of 2011

	securities within OECD and Liechtenstein (joint limit with bonds and units or shares of other collective investment undertaking). - Max 60% joint limit with listed equities and shares in funds that are not directed by public surveillance.		- Max. 50% in municipality bonds. - Max. 20% non-listed securities within OECD and Liechtenstein (joint limit with equities and units or shares of other collective investment undertaking).	same type. - Units or shares of other collective investment undertaking. - Max. 20% non listed securities within OECD and Liechtenstein (joint limit with bonds and equity).	passport. - Max. 10% in investment funds not directed by public surveillance. - Max. 60% (joint limit with equities).		
Ireland	- No limit.	- No limit ⁷ .	- No limit.	- No limit.	- No Limit.	- No limit.	- No limit
Italy⁸	- No limit.	- Only indirect investment allowed.	- No limit.	- Closed-end funds (retail and private): 20% of the pension fund's asset and 25% of the closed-end fund's value. In the 20% limit investments in real estate funds are included.	- Closed-end funds (retail and private): 20% of the pension fund's asset and 25% of the closed-end fund's value. In the 20% limit investments in real estate funds are included.	- 0%	- 20% (including short-term bills).
Japan	- No limit.	- Not permitted.	- No limit.	- No limit.	- No limit.	- Not permitted.	- No limit.
Korea Personal pension	- 10% (non-listed)	- 15%	- No limit.	No limit.	- No limit.	- No limit.	- No limit.

⁷ Regulations effectively limit aggregate unquoted investments to 50% of total assets for schemes with more than 100 members. Same regulation applies for private investment funds and loans.

⁸ The limits described refer to the funds instituted after the setting up in 1993 of the current regulatory framework. A softer regime applies to the funds instituted before this date.

Korea Corporate pension	- DB: 30% (listed). - DC: Not permitted.	- DB: Not permitted. - DC: Not permitted.	- DB: No limit (Investment Grade: above BBB-). - DB: No limit (Investment Grade: above BBB-).	- Equity fund ⁹ : · DB: 30% · DC: not permitted. - Balanced fund : · DB: 40 % · DC: not permitted. - Bond Fund : · DB: no limit. · DC: no limit.	- DB: Not permitted. - DC: Not permitted.	- DB: Not permitted. - DC: Not permitted.	- DB: No limit. - DC: No limit
Luxembourg SEPCAV and ASSEP¹⁰	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.
Luxembourg – CAA supervised pension funds (all values are for DB CAA supervised pension funds. For DC CAA supervised pension funds, CAA considers each investment strategy separately).	- 10% by issuer. 5% if asset is not traded. For non traded assets, the overall limit is 10%. The sum of issuers >5% has to be <=40% of the total assets. There is a 5% limit for affiliated companies to the pension fund, and 10% for the sum of affiliated companies	- Real Estate is only taken into account up to 80% of the value of the building; 10% overall limit and 5% for a single object/set of objects considered as a single investment	- 10% by issuer. 5% if asset is not traded. 1% for issuers outside OECD. Exception: government bonds	- No distinction retail/private investment fund. 15% by investment fund, or by investment segment of an investment fund. 25% if investment compliant with 85/611/CE.	- No distinction retail/private investment fund. 15% by investment fund, or by investment segment of an investment fund. 25% if investment compliant with 85/611/CE.	- Not allowed, except for liquidity reasons and temporarily. Subordinated loans may be allowed, if they have an undefined term and if their reimbursement is subject to CAA's approval	- 20% global and by issuer, except for terms < 3months preceding reception of a contribution, a surrender or market turmoil
Mexico	Only through ETFs, derivatives and with shares that replicate the approved index. • 0% for Basic Fund 1 • 15% for Basic Fund 2	Not allowed directly. Although pension funds can invest in	• No limit for those issued by the Federal government. • Aggregate limits for corporate with same	- Mutual funds are not allowed, although SIEFORES are allowed to invest in Exchange-Traded Funds (ETFs).	Only through structured instruments: • Basic Fund 1: 0%, • Basic Fund 2: 5%, • Basic Fund 3: 10%, • Basic Fund 4: 10%,	Not allowed	No limit.

⁹ Equity funds: Funds investing in equities more than 60% of its net assets. Balanced Funds: Funds investing in equities between 40%-60% of its assets. Bond Funds: Funds investing in bonds more than 60% of its assets.

¹⁰ The Luxembourg information concerns the pension funds governed by the law of 13 July 2005 relating to institutions for occupational retirement provision in the form of pension savings companies with variable capital (SEPCAVs) and pension savings associations (ASSEPs)

	<ul style="list-style-type: none"> • 20% for Basic Fund 3 • 25% for Basic Fund 4 • 30% for Basic Fund 5 <p>- 30% for voluntary funds.</p>	<p>Real Estate through Mexican REITS (called FIBRAS):</p> <ul style="list-style-type: none"> • 0% for Basic Fund 1 • 5% for Basic Fund 2 • 5% for Basic Fund 3 • 10% for Basic Fund 4 • 10% for Basic Fund 5 	<p>credit rating:</p> <ul style="list-style-type: none"> • No limit: AAA any other issuer. • 50%: AA any other issuer. • 20%: A any other issuer. <p>- Individual issuer limits apply (see Table 3).</p> <p>- Securitised instruments:</p> <ul style="list-style-type: none"> • Basic Fund 1: 10%, • Basic Fund 2: 15%, • Basic Fund 3: 20%, • Basic Fund 4: 30%, • Basic Fund 5: 40% <p>- Structured instruments and subordinated obligations:</p> <ul style="list-style-type: none"> • Basic Fund 1: 0%, • Basic Fund 2: 5%, • Basic Fund 3: 10%, • Basic Fund 4: 10%, • Basic Fund 5: 10%. 		<ul style="list-style-type: none"> • Basic Fund 5: 10% 		
Netherlands	- No limit.	- 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.	- No limit.
Norway	- 35%	- No limit.	- 30% (corporate)	- 30%		- 1% (unsecured loans)	- No limit.

Poland: OPF¹¹	- 40% (listed on primary market) - 7.5% (on secondary market or non-listed).	- 0%	- No limit in treasury bonds - 40% (mortgage) but no more than 15% in non-listed ones. - 40% (municipal). - 40% (corporate).	- 10% (close-ended). - 15% (open-ended).	- 0%	- Equal to investment in the shares of the borrower.	- 20%
Poland: EPF¹²	- 5% in shares issued by EPF management society shareholder.	- 0%	- 10% in bonds and shares issued by EPF management society shareholder.	- No limit.	- Not allowed.	- Equal to investment in the shares of the borrower.	- No limit.
Portugal	- No limit for occupational pensions. - 55% for PPR pension funds ¹³	- No limit for occupational pension funds. - 20% for PPR ¹³ pension funds.	- No limit.	- No limit ¹⁴ .	- No limit ¹⁴ .	- No limit for occupational pension funds - 20% in mortgages for PPR ¹³ pension funds.	- No limit for occupational pension funds. - 20% for PPR ¹³ pension funds.
Slovak Republic	Depending on type of fund. Growth fund: max. 80% Balanced fund: max. 50% Conservative fund: none	Total of mortgage debentures issued by one bank: max. 50 %	Bonds issued by Slovak republic: max 20% Securities issued by 1 state max.: 20 %	Open-end funds: max. 25 %	- 0%	None (allowed only temporarily in case of insufficient liquidity max. 5%)	- 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).	- 30% in private investment funds (individually, 2%). Exception: investment funds that invest in other investment funds (this exception is not applicable to Spanish private investment	- 20% (joint limit with real estate). Loans to members are not permitted.	-20%.

¹¹ Mandatory, personal pension funds

¹² Voluntary, employees (occupational) pension fund

¹³ Personal retirement pension funds

¹⁴ Although Private and Retail Investment Funds do not have specific limits Investment Funds are subject to other quantitative Investment limits – see table 3.

					funds).		
Sweden¹⁵	<ul style="list-style-type: none"> - FSR: 0 % - IR: 25 % (if quoted), 10 % (if unquoted). - OP: no limit if quoted, 10% if unquoted. 	<ul style="list-style-type: none"> - FSR: Allowed, but only up to 4/5 or 2/3 of rateable value, depending on type of estate, or 70 or 60 %, respectively, of the estate's estimated market value. - IR: 25 % - OP: No limit. 	<ul style="list-style-type: none"> - FSR: no limit (other bonds than those 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. - OP: 10 % if unquoted. 	<ul style="list-style-type: none"> - FSR: 0 % - IR: Investments can only be made in funds that primarily invest in assets that would be allowed for direct investment. The type of asset in the fund must be added to directly owned assets of the same type and the total not exceeds the limit for the asset in question (e.g. 25 % for quoted shares). - OP: No limit. 	<ul style="list-style-type: none"> - FSR 0 % - IR: Investments can only be made in certain funds that primarily invest in assets that would be allowed for direct investment. The type of asset in the fund must be added to directly owned assets of the same type and the total not exceeds the limit for the asset in question (e.g. 25 % for quoted shares). - OP: No limit. 	<ul style="list-style-type: none"> - FSR: no limit (only loans with some form of mortgage 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). OP: 10 % if unquoted 	<ul style="list-style-type: none"> - FSR: 0 % - IR: 75 % - OP: No limit.
Switzerland	<ul style="list-style-type: none"> - 50% (overall limit in equities, including domestic and foreign). - 30% sub-limit on domestic equities. 	<ul style="list-style-type: none"> - 50% overall limit. - There is also a combined limit of 70% on real estate and equities. 	<ul style="list-style-type: none"> - No limit. 	<ul style="list-style-type: none"> - Information is not available. 	<ul style="list-style-type: none"> - Information is not available. 	<ul style="list-style-type: none"> - 75% mortgage (maximum of 80% of market-value of the real estate). 	<ul style="list-style-type: none"> - No limit.

¹⁵ The Swedish information 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. OP stands for rules applicable to providers of occupational retirement pensions in accordance with the Directive 2003/41/EC.

Turkey ¹⁶	- No limit.	- 0%	- No limit.	- 10%	- Information is not available.	- 10%	- 10%
United Kingdom	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No employer-related loans.	- No limit.
United States	- Some limits on employer securities.	- Some limits on real estate leased to employers.	- Some limits on employer bonds.	- No limit.	- No limit.	- No employer-related loans	- No limit.
NON OECD COUNTRIES							
Brazil	- 50% in companies with good corporate governance rating; 45% in companies with regular governance rating and 35% for non-classified companies; - 20% for private equity investment.	- 11% ¹⁷	- No limit for federal government bonds, treasuries; - 80% others bonds.	- No limit.	- No limit.	-15% for loans; - 10% for real estate financing.	- 80% ¹⁸
Colombia	- Up to 40% in equities with high, medium and low trading liquidity, stocks from privatization processes and GDRs or ADRs. - Nevertheless, the limit for equities with low trading liquidity is up to 5% of the fund value.	- Not allowed.	- Up to 50% of Public Debt – 10% of debt issued by entities supervised by the Superintendencia Financiera de Colombia and other debt titles. - 30% of debt issued by entities not	- 5%	- 5%	- Not allowed.	- 10% time deposits with the Central Bank - 5% Overnight deposits in national or foreign credit entities.

¹⁶ In Turkey, pension investments are executed through pension mutual funds.

¹⁷ From 1st of January 2009, the limit will be of 8%.

¹⁸ Investment limit depends of the credit risk of the bank.

			supervised by the Superintendencia Financiera de Colombia - Up to 10% of debt issued by Fogafin or Fogacoop				
Chile ^{19,20}	- Max Limit for variable income securities ²¹ : • 80% fund A • 60% fund B • 40% fund C • 20% fund D • 5% fund E - Min Limit for variable income securities: • 40% fund A • 25% fund B • 15% fund C • 5% fund D • 0% fund E - Domestic public limited companies (sub-limit): • 60% fund A • 50% fund B • 30% fund C • 15% fund D • 5% fund E	-Direct investment is not allowed	- Government bonds: • 40% fund A • 40% fund B • 50% fund C • 70% fund D • 80% fund E - Bond of Public and private companies, including convertible and commercial papers: • 60% each type of fund - Convertible bonds, local plus foreign (sub-limit) • 30% fund A • 30% fund B • 10% fund C • 10% fund D • 3% fund E - Not investment grade bonds (sub-	- Joint limit for closed-ended and open-ended mutual funds shares and committed payments: • 40% fund A • 30% fund B • 20% fund C • 10% fund D • 5% fund E - Sub-limit mutual fund shares: • 5% for each type of fund, including fund E. - committed payments for closed-ended funds: 2% for each type of fund, including fund E.	- Not allowed.	- Joint limit for time deposit, bonds and other financial instruments: • 40% fund A • 40% fund B • 50% fund C • 70% fund D • 80% fund E	

¹⁹ A new Law implemented in August 2002 requires to each Pension Fund Administrator (AFP) to offer mandatory four different types of funds, called simply Funds B, C, D and E, which vary according to the degree of risk. AFPs may also offer voluntarily a Fund A. The funds are differentiated by the proportion of their portfolio invested in variable income securities (such as equities) and fixed income (such as bank deposit, mortgages, or government bond that offer a low level of risk or variability).

²⁰ The law enacted in 2008 includes only the structural limits for multifunds and those limits which avoid obtaining controlling interest. Other limits are included in the Investment Regime.

²¹ Including public limited company shares, real estate public company shares, mutual fund shares and investment fund shares.

			limit): • 5% fund A • 4% fund B • 3% fund C • 2% fund D • 0% fund				
Estonia	- Mandatory system: • up to 75% - except. conservative funds • 0% conservative funds. - Voluntary system: • No limit.	- Mandatory system: 40% - Voluntary system: 70%	- Listed: No limit - Unlisted: 10%	- No limit.	- No limit.	- 10%	- Mandatory system: No - Voluntary system: No limit.
India²²			-25% of assets must be invested in central government bonds -15% of assets must be invested in state government bonds or bonds of public sector enterprises guaranteed by central or state government 30% are required to be invested in bonds of public financial institutions or public sector enterprises				
Israel²³	- No limit.	-No limit.	- No limit.	- No limit.	- No limit.	- No limit.	- No limit.

²² Information refers to non-state pension funds.

²³ Old pension funds are private sector defined-benefit pension plans established until 1999. New pension funds are private sector defined-contribution pension plans established after 1995. The new pension funds and the old pension funds must invest 30% in designated bonds, and the remaining has no limit. New pension funds and Old pension funds must invest 30% in designated bonds, and the remaining has no limit.

Russian Federation²⁴	- 65%	- Not allowed.	- Russia government bonds: No limit - Regional government bonds: 40% - Municipal bonds: 40% - Mortgage bonds: 40% - Bonds of Russian issuer: 80%	- Not allowed.	- Not allowed.	- Not allowed.	- 20% (Deposits in roubles and balances in accounts with lending institutions)
South Africa	- 75% (overall limit). - 5% in unlisted shares, unlisted convertible debentures, shares and convertible debentures listed in the Development Capital Sector of the Johannesburg Stocks Exchange (JSE).	- 25%	- No limit on bills, bonds and securities issued and guaranteed by the government.	- Not allowed.	- Not allowed	- 5% to participating employer. It can increase to 10% with the approval of the Registrar and members of the fund. - Housing loans to members limited to 95% of the fair value of the fund.	- No limit on total of deposits in banks, mutual banks and South African Futures Exchange (SAFEX) - 20% limit per bank or mutual society

²⁴ Information refers to new defined contribution system.

Table 2: Portfolio limits on pension fund investment in selected foreign asset categories

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
OECD COUNTRIES								
Australia	- No limit.							
Austria	- 30%							
Belgium	- No limit.							
Canada	- No limit.							
Czech Republic	No global limit. Limitations implied from specific limits.	No specific limit for OECD countries. (Non-OECD equity can be included in 5% limit for other assets.	<i>No limit on foreign investment.</i>	No limit if issued or guaranteed by OECD member state or its central bank or EIB, EBRD, IBRD or other international financial institution where the Czech Republic is a member. No specific limit on foreign investment if other than above and traded on OECD regulated				

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
				markets.				
Denmark	- No limit for OECD countries.							
Finland Voluntary pension plans	- 10% in assets only in OECD countries other than EEA countries.							
Finland Statutory pension plans	- 20 % in assets in countries other than OECD countries							
Germany Pensionskassen²⁵	- no limit	- 10% in non-EEA and non-OECD equity					- 10% non-listed subordinated loans in non-EEA and non- OECD	
Germany Pensionsfonds	- No limit.							
Greece	- Investment is permitted only in EU and EEA countries.							
Hungary	- Within investments made abroad, the ratio of investments in non-OECD countries shall		- Only in European Economic Area and Hungary.	- Max. 10% foreign corporate - Max. 10% foreign municipalities.				

²⁵ New regulation came into effect on the 1st January 2008

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
	not exceed 20%.							
Iceland	- Investment only permitted in OECD securities.							
Ireland	- No limit.							
Italy²⁶	- Securities (debts and equities) issued by non-OECD residents: 5% if traded on regulated markets; 0% if not traded on regulated markets.							
Japan	- No limit.							
Korea Personal Pension	- 20% (it applied only to personal pension insurance). The other types of personal pension including trusts and investment funds have no restriction on these limits.)							
Korea	- DB: No limit - DC: Total 30%.	- DB: 30% (listed) ²⁷ .	- DB: Not permitted. -	- DB: No limit.	- DB: 30%. - DC:	- DB: Not permitted. -	- DB: Not permitted. -	- DB: Not permitted. -

²⁶ 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.

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
Corporate Pension (Retirement Pension)		- DC: Not permitted.	DC: Not permitted.	- DC: Permitted.	Permitted only for bond funds.	DC: Not permitted.	DC: Not permitted.	DC: 30%
Luxembourg SEPCAV and ASSEP	- No limit.							
Luxembourg – CAA supervised pension funds	- 5% overall limit if no guarantee from a OECD country. - 1% by issuer	- 1%	- 1%	- 1%	- 1%	- 1%	- Not allowed	- 1%
Mexico	- 20%	Through ETFs, derivatives and with shares that replicate authorised indices. Basic Fund 1: 0% Basic Fund 2: 15% Basic Fund 3: 20% Basic Fund 4: 20% Basic Fund 5: 20%.	- 0%	- 20% (For Fixed Income, at least A-).	SIEFORES are allowed to invest in Exchange-Traded Funds (ETFs).	- 0%	Not allowed	-20%
Netherlands	- No limit.							
New Zealand	- No limit.							

²⁷ Only for listed equities traded in designated markets, including NASDAQ ; New York, America, Tokyo, London, Euronext Paris, Deutsch, Hong Kong and Singapore stock exchanges.

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
Norway	- No limit.							
Poland	-OPF: 5% -EPF: at least 70% of assets denominated in Polish zloty							
Portugal	- No limit .	- 15% ²⁸ joint limit in non-regulated markets ²⁹ for equities and bonds for occupational pension funds and 10% for PPR pension funds.		- 15% joint limit in non-regulated markets ²⁵ for equities and bonds for occupational pension funds and 10% for PPR pension funds.				
Slovak Republic	- 70% ³⁰							
Spain	- No limit.							
Sweden	- No limit.							
Switzerland	- 30% (overall limit on foreign investments).	- 25% in equities.	- 5%	- 20% in foreign currency bonds (30% for foreign				

²⁸ This limit can be exceeded if, for the excess of the limit, the pension fund manager applies risk management techniques to hedge against the risks involved (namely credit risk, counterparty risk)

²⁹ Euro Area, OECD countries and other recognized as such by the Portuguese Pension Fund Supervisory Authority – ISP

³⁰ At least 30% of the pension assets management funds must be invested in Slovak securities. There are no specific limits that could be applied to different asset categories.

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
				CHF bonds).				
Turkey	- No limit.							
United Kingdom	- No limit.							
United States	- No limit.	- Some limits on employer securities.	- Some limits on real estate leased to employers. Indicia of ownership must be subject to U.S. jurisdiction.	- Some limits on employer bonds.				
NON OECD COUNTRIES								
Brazil	- Foreign investment is limited to 2% - 3% through retail investment funds and restricted to Brazilian Depositary Receipts (BDRs) and stocks listed in the MERCOSUR capital markets.	- Not allowed.	- Not allowed.	- Not allowed.	- Within the investment funds, maximum 20% in stocks and private bonds, and a minimum 80% in Brazilian foreign debt.	- Not allowed.	- Not allowed.	- Not allowed.
Colombia	Investment in foreign assets is up to 40% of the fund value and includes: - Public Debt issued by Foreign central	40%	- Not allowed	40%	40%	- 5%.	- Not allowed.	- 5%

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
	governments and central banks. - Debt securities issued by foreign banks. - Debt securities issued by foreign entities other than banks. - Debt securities issued by multilateral credit organizations. - Participations in representative index funds of commodities, fixed income stock shares including ETFs (Exchange traded funds) and global mutual investment funds (referring to collective portfolios outlines), - Stock shares issued by foreign entities or negotiable savings certificates of deposits representing							

Country	Global investment limit in foreign assets	Specific investment limits in selected foreign asset categories						
		Equity	Real Estate	Bonds	Retail Investment Funds	Private Investment funds	Loans	Bank deposits
	such stock shares (ADRs and GDRs). - Foreign Private Equity Funds. NOTE: investments in Foreign Equity Funds can be made if it is up to 5% of the fund value. .							
Chile	- Joint limit for all funds: 60% - Limits for each fund: • 80% fund A • 70% fund B • 60% fund C • 30% fund D • 25% fund E	Equity linked notes: • 4% fund A • 3% fund B • 2% fund C • 2% fund D • 0% fund E	Not allowed	-Convertible bonds, including local bonds: • 30% fund A • 30% fund B • 10% fund C • 10% fund D • 3% fund E				- Time deposits: 2% (each fund).
Estonia	- No Limit	- No Limit	- No Limit	- Mandatory system: No limit. - Voluntary system: No limit.	- Mandatory system: No limit - Voluntary system: No limit.			
India								
Israel	- In any country which is rated A- at least.							

Russian Federation ³¹	- 10% (20% since 2010)							
South Africa	- Limited to 20% of the total fair value of the assets of a fund.	- Limited to 20% of the total fair value of the assets of a fund.	- Limited to 10% of the total fair value of the assets of a fund. - 5% limit on any single property or property development project.	- Limited to 20% on bills, bonds and securities issued or guaranteed by a foreign government	- Not allowed.	- Not allowed.	- Limited to 20% of the total fair value of the assets of a fund.	- Limited to 20% of the total fair value of the assets of a fund.

³¹ Information refers to new defined contribution system

Table 3: Other quantitative investment regulations on pension fund assets in OECD countries

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
OECD COUNTRIES				
Australia	- None, but trustees must consider diversification in making asset allocation.	- Limited to 5%.	- None.	- None.
Austria³²	- 5% - 10% for investments in assets for issuer which belong to one group\ - Cash at bank and in hand: 25 % at the same banking group.	- Limited to 5%.	- The regulation 'Besondere Veranlagungsvorschriften für Pensionskassen requires Pensionskassen not applying the regulation 'Risikomanagementverordnung Pensionskassen - RIMAV-PK' (Risk management) to maintain additional asset limits (in addition to the limits of the Federal Act on the Establishment, Administration and Supervision of Pensionskassen). e.g.: - Derivatives 5 % - Other assets 5 % - Real Estate 10 %	- None.
Belgium	- None	- investments in the sponsoring undertaking shall be no more than 5% of the portfolio as a whole and, when the sponsoring undertaking belongs to a group, investments in the undertakings belonging to the same group as the sponsoring undertaking shall not be more than 10% of the portfolio.	- None	- None.

³² Pension funds refer to Pensionskassen, which are under the supervision of the Financial Market Authority.

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Canada	<ul style="list-style-type: none"> - Max. 10% of total book value of assets may be invested in securities stocks, bonds and notes of one company or person. - Max. 5% for investment in a single property (real estate) or any one resource property. 	<ul style="list-style-type: none"> - 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. 	<ul style="list-style-type: none"> - None. 	<ul style="list-style-type: none"> - Funds may own maximum 30% of voting shares of one company³³.
Czech Republic	<ul style="list-style-type: none"> - Max 10% in securities issued by a single issuer (however, this limit is not applicable on bonds issued by governments and central banks of OECD Member Countries and bonds issued by EIB, EBRD, IBRD and other international financial institution where the Czech Republic is a member). - Max. 10% or 20,000,000 Czech crowns in bank deposit in one bank. - Max. 10% for investment in a single property (real estate) or one movable asset. 	<ul style="list-style-type: none"> - Investment in shares of other pension funds is prohibited. 	<ul style="list-style-type: none"> - 50% of total book value of assets must be invested in assets denominated in the currency in which liabilities to participants are stated. 	<ul style="list-style-type: none"> - Pension funds assets cannot include more than 20% of the nominal value of securities issued by the same company (however, this limit is not applicable on bonds issued by governments and central banks of OECD Member Countries and bonds issued by EIB, EBRD, IBRD and other international financial institution where the Czech Republic is a member).

³³ The 30% limit does not apply to a fund's investments in corporations established to acquire and hold real property, resource properties, or other permitted investments.

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Denmark	<ul style="list-style-type: none"> - Max 3% in securities issued by a single issuer (general rule).2% for small non-listed companies. - Max. 40% in mortgage bonds issued by a single issuer - Max. 10% in receivable amounts issued by a single bank. - Max. 10% in units in a branch of an investments fund or in a investment fund - Max. 10% in Contracts of reinsurance issued by a single issuer. - Max. 10% in loans issued by a single issuer. - Max. 5% for investment in a single property. 		<ul style="list-style-type: none"> - Minimum 80% currency matching requirement. Euro can match up to 50% of other EU currencies (e.g. DKK) than Euro. 	<ul style="list-style-type: none"> - Ownership is limited to carry out activities ancillary to the activities licensed. - It is allowed, through subsidiaries, to carry out other financial activities. - It is allowed temporarily to carry out other activities to secure or phase out exposures already entered into, or with regard to restructuring enterprises. - It is allowed to carry out the following activities: <ol style="list-style-type: none"> 1. Agency activities for insurance companies and other companies under the supervision of the Danish FSA. 2. Establishment, ownership and operation of real property as a long-term placing of funds.

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Finland Voluntary pension plans	<ul style="list-style-type: none"> - Assets should be diversified and decentralised within the diversified groups. - Max 25% in one single investment. - Max. 5% in shares of the same company. - Max. 15% in one single investment target, if it 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. 	<ul style="list-style-type: none"> - Max. 25% may be invested in the sponsoring employer. - Max. 15% in one single functional investment target 	<ul style="list-style-type: none"> - Currency matching for at least 80%. - Max. 20% of the assets and obligations may be denominated in currencies other than the euro. - 95 % of assets must be located in EEA countries, but may be to some extent invested in countries comparable to EEA countries (OECD countries). 	<ul style="list-style-type: none"> - Of the assets and obligations of the gross sum of the pension, liability may be invested at most: 5% of quoted or of unquoted shares of a single corporation
Finland Statutory pension plans	<ul style="list-style-type: none"> - Assets should be diversified and decentralised within the diversified groups. - Max. 10% in one single investment target, if it pertains to (i) a single piece of real estate or a real estate corporation, (ii) debt obligations that are secured by investments in (i) - Max. 5%: <ul style="list-style-type: none"> (i) in equities, bonds or other engagements of a single corporation (ii) in debt obligations secured by a single corporation. 	<ul style="list-style-type: none"> - Max. 5% may be invested in the sponsoring employer. 	<ul style="list-style-type: none"> - Currency matching for at least 80%. - Max. 20% of the assets and obligations may be denominated in currencies other than the euro. 	<ul style="list-style-type: none"> - Max. 5%: <ul style="list-style-type: none"> (i) in equities, bonds or other engagements of a single corporation (ii) in debt obligations secured by a single corporation.

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Germany Pensionskassen	<ul style="list-style-type: none"> - Max. 5% in securities issued by a single issuer, except 30% for state loans and bonds, bank deposits and mortgage bonds. - 1% single hedge funds - 10 % in a single piece of land or in a right equivalent to real property or in units in an enterprise the sole purpose of which is acquisition, development and management of real property or of rights equivalent to real property. The same restriction applies to several legally independent pieces of land which, taken together, constitute a commercial unit. 	<ul style="list-style-type: none"> - Max. 5% may be invested in the sponsoring employer in the case of single-employer plan; in the case that a plan is sponsored by more than two employers, investments in these companies shall be limited to no more than 15 %. 	<ul style="list-style-type: none"> - 70% currency matching requirement. 	<ul style="list-style-type: none"> - Permitted, but limited to 10% of the nominal capital of one and the same company.
Germany Pensionfonds	<ul style="list-style-type: none"> - Max. 5% in securities issued by a single issuer, except 30% for state loans and bonds, bank deposits and mortgage bonds. - 10 % in a single piece of land or in a right equivalent to real property or in units in an enterprise the sole purpose of which is acquisition, development and management of real property or of rights equivalent to real property. The same restriction applies to several legally independent pieces of land which, taken together, constitute a commercial unit. 	<ul style="list-style-type: none"> - Max. 5% may be invested in the sponsoring employer; in the case that it is sponsored by more than two employers, investments in these companies shall be limited to 15 %. 	<ul style="list-style-type: none"> - 70% currency matching requirement. 	<ul style="list-style-type: none"> - Permitted, but limited to 10% of the nominal capital of one and the same company.

	Investment limit in single issuer/issue	Self-investment / Conflicts of interest	Other quantitative rules	Ownership concentration limits
Greece	- Investment is in accordance with the rules of prudent management, diversification and quality of investment choices.	- Up to 5% in financial instruments issued by the sponsoring undertaking. - Up to 10% in financial instruments issued by undertakings belonging to the same group as the sponsoring undertaking.	- Up to 5% of the 70% of technical provisions in shares which are not admitted to trading on the stock exchange. - Up to 30% of technical provisions may be invested in assets denominated in currencies other than those in which the liabilities are denominated.	- Investment is in accordance with the rules of prudent management, diversification and quality of investment choices
Hungary	- Max. 10% in securities issued by a single issuer (except for state bonds). - Max 20% may be in the overall value of securities and deposits issued by an organisation belonging to the same banking group. Max. 30% from the same fund management company's different investment funds. - Max. 2% from the same risk fund management company's different risk funds.	-MPF: Funds may not have ownership in business in which the founders of the fund, the employers of the fund members, the donors or service providers of the fund own more than 10% of the shares (exception ownership in service providers).	- Repo deals: 20 % for securities issued by government only - Swap deals: 10 % - Cash in hand: max. HUF 500,000 - Security loaning deals: 30 % - Risk funds: 5 % - Derivative funds: 5 % - Securities lending: 30 %	- MPF: 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 securities issued by the same issuer (exception government papers, mortgage bonds and retail investment funds).

Iceland	<ul style="list-style-type: none"> - Max. 10% in securities issued by the same party, related parties or parties within the same consolidated group. - Max. 25% jointly in securities and bank deposit issued by the same party or related parties. - Max. 25% can be deposited in one bank. - There are no limits on investment in securities guaranteed by the State. - Max. 5% in uncollateralised corporate bonds issued by parties other than financial institutions. 	<ul style="list-style-type: none"> - 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. 	<ul style="list-style-type: none"> - Max. 50% in securities other than bonds guaranteed by the State, collateral loans, equities and units or shares of investment funds and open-end funds. - Borrowing not allowed unless investing in real estates that are essential for the operation of the fund. - Foreign currency exposures of more than 50% must be hedged. - Investing in investment funds that are financed with borrowing and short sale no allowed. 	<ul style="list-style-type: none"> - Funds may not own more than 15% of the shares of a single firm or shares of other collective investment undertaking, except for companies that exclusively handle services for the pension fund, or more than 25% of shares in a particular investment fund (open end). - Max. 25% in investment funds of the same operating company.
Ireland	<ul style="list-style-type: none"> - Regulations set out specific rules that must be applied to pension fund investment. - These rules require that assets must be invested in a diversified manner so as to avoid excessive reliance on any particular asset, issuer or group of undertakings. - Investments issued by the same issuer or group of issuers must not expose the scheme to excessive risk concentration. - Also any issue of securities can only represent up to a maximum of 10% of pension fund assets for purposes of proving solvency. 	<ul style="list-style-type: none"> - Again the assets must be invested in a manner designed to ensure the security, quality, liquidity and profitability of the portfolio as a whole. - Any self-investment will be excluded for purposes of proving solvency. Disclosure of any self-investment must be made. 	<ul style="list-style-type: none"> - Schemes (apart from single member schemes) may not borrow except for short term liquidity purposes. - Assets must be invested predominantly in regulated markets (in this case "predominantly" means at least 50% of the assets). - Investments which are not in regulated markets should be kept to a prudent level. - Investment in derivative instruments is limited to using them to contribute to risk reduction or to facilitate efficient portfolio management 	<ul style="list-style-type: none"> - Assets must be invested in a diversified manner so as to avoid excessive reliance on any particular asset, issuer or group of undertakings. - Any issue of securities can only represent up to a maximum of 10% of pension fund assets for the purposes of proving solvency. - Any self-investment will be excluded for purposes of proving solvency.

Italy ³⁴	- Max. 15% of the pensions fund's asset in securities issued by a single issuer or connected group of companies.	- For single-employer funds, investments in securities issued by the sponsoring employer shall be no more than 5% of the pension fund assets (10% in the case of a group). - For multi-employer funds, investments in securities issued by the sponsoring employers shall be no more than 20% of the pension fund assets or 30% in the case of industry-wide pension funds.	- Short selling not allowed. - Borrowing not allowed, - Derivatives: financial leverage \leq 1. - Pension fund must invest a minimum of 1/3 of its assets in the currency in which the benefits will be denominated (currency matching requirement). - Not listed securities: max 10% shares issued by OECD residents; max 20% securities issued by OECD residents different from States and International Organisations.	- Pension fund's investment must not constitute more than 5% of the nominal value of all voting shares of a listed company and not more than 10% of a non-listed company.
Japan	- EPF ³⁵ , DB: None, but the pension legislation stipulates that each pension fund should endeavour to avoid concentration of investment on a specific asset category. - TQP ³⁶ : not regulated	- EPF, DB: Investment on securities with the purpose of pursuing interests of someone other than the pension fund is prohibited.	- EPF: None.	- EPF: None.
Korea Personal pension	- Max 5% in loans to one business(5% for one person) - Max 10% in bonds and shares issued by a single issuer or 5% by affiliated companies.	- Loans are limited to 2% of the fund. - Bonds and share issued by the plan sponsor is limited to 3% of the fund ³⁷ .	- None - The deposit commission of derivatives is limited to 3% of the fund.	•None

³⁴The 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.

³⁵EPF-employee pension fund

³⁶TQP-tax qualified plan

³⁷In Retirement Pension, it is not permitted to invest in any security issued by the plan sponsor, the parent companies or subsidiary companies of the sponsor

Korea Corporate Pension (Retirement Pension)	- DB: Max 10% in shares issued by a single issuer. In bonds, CP and RP, Max 5% issued by a single issuer and Max 15% done by affiliated companies. - DC: Max 30% in the all securities issued by a single issuer.	- DB: Max 5% in bonds, CP and RP issued by the connected companies of the sponsor. - DC: Max 10% in bonds, CP and RP issued by the connected companies of the sponsor.	- DB: None. - DC: None.	- DB: Max 10% of the capitalization of a company. - DC: None.
Luxembourg SEPCAV and ASSEP	- The investment in assets of the same issuer or of the issuers belonging to the same group shall not expose the pension fund to excessive risk. Proper diversification of the assets is required but no quantitative limit exists.	- Max. 5% of assets may be invested in the sponsoring employer. - Max. 10% of assets may be invested in the companies belonging to the same group as the sponsoring employer.	- None.	- None.
Luxembourg CAA supervised pension funds	- 10%; 5% if not traded; 1% outside OECD	- Max. 5% of assets may be invested in the sponsoring employer. - Max. 10% of assets may be invested in the companies belonging to the same group as the sponsoring employer.	- Proper diversification of the assets is required but no quantitative limit exists.	- No qualified participations allowed
Mexico	- Max 5% in debt issued by a single issuer (except for Mexican Federal Government and the Central Bank) rated AAA in local scale or A or better in global scale. - Max. 3% in debt issued by any single issuer (except for Mexican Federal Government and the Central Bank) rated AA. - Max 1% in debt issued by any single issuer (except for Mexican Federal Government and the Central Bank) rated A. - Max. 15% in debt issued by non-financial companies	- Investment in instruments issued by financial institutions with any given relationship with the Afore, is prohibited. - If the institution with which the Afore has a relationship with is not a financial institution, the limit is 5%.	- At least 51% of the assets must be invested in inflation-linked or inflation protected securities (only for the most conservative Fund 1). - The portfolio risk is subject to a VaR limit of: • 0.6% for Basic Fund, • 1, 1% for Basic Fund 2, • 1.3% for Basic Fund 3, • 1.6% for Basic Fund 4, and • 2% for Basic Fund 5. - The lowest rating permitted for fixed-income bonds of Mexican corporations denominated in foreign currency is BBB.	- Up to 20% of the amount outstanding of any single issue (except for Mexican Fed Gov and Mexican Central Bank).

	belonging to the same group.		<ul style="list-style-type: none"> - The lowest rating permitted for fixed-income bonds of foreign corporations denominated in foreign currency is A- - Issues must be rated by two authorized rating companies. - Derivative trades may take place in organized markets or over-the-counter. - Credit derivatives are forbidden. - OTC derivative counterparties must also be rated by a rating agency. 	
Netherlands	- Diversification is required, but no quantitative rules.	- Max. 5% may be invested in shares of the sponsoring employer, in case of exceeding assets; it can be 10% maximum.	- None.	- None.
New Zealand	- None.	- No limit but Trustees are required to notify members and beneficiaries annually if more than 10% of the market value of the assets at any time during the year were invested directly or indirectly in any employer who is a party to the scheme or in any company or entity associated with any such employer, and if so details of all such investments held during the year.	- None.	- None.
Norway	<ul style="list-style-type: none"> - Diversification is required. - Max. 0.5% of the portfolio can be invested in a single unsecured loan. - Max. 10% in a single securities fund or a single investment firm may in the aggregate not exceed 10% of the assets covering the 	<ul style="list-style-type: none"> - Loans to the employer are permitted only if the loans are secured by pledge, and must not exceed 20% of the total assets. - The pension fund is not permitted to own shares or 	- 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	- None

	technical provisions.	equity in the company for which the fund is founded.	receivables in that currency to a value of 7% or less of its overall assets in other currencies.	
Poland	<p>OPF³⁸ and EPF limits:</p> <ul style="list-style-type: none"> - Max. 10% in public mortgages issued by one entity. - Max. 5% deposited with a single bank or with two or more affiliated banks. One bank or a group of affiliated banks may be chosen in which up to 7.5% of assets may be deposited. - Max. 2% (5%) in investment certificates of a single closed-end (open-end) investment fund or a single hybrid investment fund. - Max. 15% in investment funds managed by one investment society. - Max. 5% in all securities issued by a single issuer or of two or more affiliated issuers. 	<p>OPF limits:</p> <ul style="list-style-type: none"> - Assets may not be invested in securities issued by a pension fund company or its shareholders, controlled, controlling or associated entities. <p>EPF limits:</p> <ul style="list-style-type: none"> -5% in shares issued by EPF management society shareholders 10% in shares and bonds issued by EPF management society shareholders. 	<p>EPF – at least 70% of assets denominated in Polish zloty.</p>	<p>OPF: if shares of one issuer exceed 1% of assets, maximum 10% of a single issue may be bought. If they fall below 1%, the maximum is increased to 20%. No more than 5% of OPF assets may be invested in all shares exceeding 10% of respective issues. As to close-end investment certificates – no more than 35% of a single issue. In cases of numerous issues of one issuer without noticeable differences between them, they are treated as one “big” issue.</p>
Portugal	<ul style="list-style-type: none"> - Investment limit per issuer: Max. 10% fund value.³⁶ - Investment limit per group of companies that hold between them, or with the pension fund manager, a controlling ownership or group relationship: Max. 20% fund value for occupational pension funds and 15% for PPR pension funds.³⁶ - Investment limit in a single non-harmonised investment fund: Max. 2% for occupational 	<ul style="list-style-type: none"> - Investment limit per issuer (when the issuer is a sponsor of the pension fund): Max. 5% fund value.³⁶ - Investment limit per group of sponsors or companies that hold a controlling ownership or group relationship with the sponsors: Max. 10% fund value.³⁶ - The fund is not allowed to 	<ul style="list-style-type: none"> - Max. 30% in assets denominated in currencies other than the currency in which the pension fund's liabilities are denominated.³⁹ - Assets used in securities lending: Max. 40% of fund value. - Max: 10% in non-harmonized investment funds for occupational pension funds and 5% for PPR pension funds. Non-harmonized funds are those that do not respect Directive 85/611/CEE and 	

³⁸ Open pension funds (mandatory)

³⁹ These limits can be exceeded if, for the excess of the limit, the pension fund manager applies risk management techniques to hedge against the risks involved (namely credit risk, counterparty risk and exchange rate risk)

	pension funds.	<p>own securities issued by the pension fund manager or 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 except if the securities are traded in regulated markets.</p> <p>- The fund is not allowed to own securities issued by the sponsors or by companies that hold a controlling ownership or group relationship with these sponsors except if the securities are traded in regulated markets. Other conflict rules also apply e.g. related party rules.</p>	<p>the corresponding updates. However, some non-harmonized funds are not considered to this limit (e.g. Real estate, index funds...)</p>	
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<p>Slovak Republic</p>	<ul style="list-style-type: none"> - Max. 80% in Slovak government securities. - Max. 20% in Government securities of other single EU/OECD member country. - Max. 10 % of mortgage bonds issued by a single bank. - Max. 3% in securities issued by a single issuer. 	<p>- The assets of the pension funds may not comprise:</p> <ul style="list-style-type: none"> a) Shares of joint-stock companies that have the share on basic capital of the pension management company larger than 5 %, b) Shares of the depository of the pension management company, c) Shares of the pension management company managing this pension fund, d) Investment certificates of open unit funds managed by a management company with which the pension management company, managing this pension fund, forms a group with close relations. 	<ul style="list-style-type: none"> - In the mandatory pension system, 100 % of pension assets of conservative pension funds must be invested in bond and monetary instruments. In case of balanced pension funds, at least 50 % of pension assets must be invested in bond and monetary instruments. - In the conservative pension funds, the pension assets must be fully hedged against currency risk. In the balanced pension funds, this ceiling is set 50 % (max), in the growth pension funds 20 % (max). - Derivatives investments are allowed only for purpose of hedging against currency risks. Value of these investments may not be larger than 5 % of the value of assets in pension funds 	<ul style="list-style-type: none"> - The pension management company must ensure that its assets and assets in pension funds (managed by this company), comprised no more than 5 % of the nominal values of shares issued by one issuer or shares with voting rights, allowing the pension management company to exert a significant influence on management of the issuer.
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<p>Spain</p>	<ul style="list-style-type: none"> - Max. 5% in securities issued or guaranteed by the same entity, plus the liabilities guaranteed by it. - Max. 10% in securities issued or guaranteed by the same group of companies, plus the liabilities guaranteed by it. <p>This general rule has some exceptions⁴⁰:</p> <ul style="list-style-type: none"> - Max. 2% in securities not admitted to trading on a regulated market issued by the same undertaking and no more than 4% in securities not admitted to trading on a regulated market issued by undertakings belonging to a single group. - Max 5% in a single property. - Max 20% in the same UCIT. 	<p>-5% of its assets in securities issued by issuers belonging to the same group as the sponsoring undertaking.</p>	<p>- At least 70 % of pension funds assets must be invested in securities traded on organized markets (according to EU legislation in force), bank deposits, properties, mortgage loans and UCITs.</p>	<p>-5% of the face value in total outstanding securities issued or guaranteed by a single entity. However, Pension Fund shall invest a maximum of 20% of the face value in total outstanding securities issued by a risk-capital institution.</p>
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⁴⁰ 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.

Sweden	<p>FSR limits: none. IR and OP limits:</p> <ul style="list-style-type: none"> - No limit for bonds issued by and loans granted to a state or an equally financially stable subject - Max. 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 a single company and loans granted to the same subject. - Max. 5 % in a single piece of real estate (or group of). - Max. 10 % in a single investment fund. 	<p>FSR limits: none. IR limits: none. OP limits: investment in the sponsoring undertaking shall be no more than 5 % and when the sponsoring undertaking belongs to a group, investment in the undertakings belonging to the same group as the sponsoring undertaking shall not be more than 10 % of the portfolio.</p>	<p>FSR limits: No investments in derivatives allowed. IR limits: see first table. No derivatives in assets held to cover technical provisions. Max. 20% in assets denominated in currencies other than the currency in which the liabilities are denominated. OP limits: Risks related to currency matching have to be limited.</p>	<p>FSR limits: none. IR limits: none. OP limits: none.</p>
Switzerland	<ul style="list-style-type: none"> - Max. 15% (5% for foreign assets) in debt instruments (except government bonds, banks and insurance companies) issued by a single issuer. - Max 10 % (5% for foreign assets) in equities of a single company. 	<ul style="list-style-type: none"> - Max. 5% may be invested in the sponsoring employer. 	<ul style="list-style-type: none"> - Investment in derivatives for hedging purposes only. - With a founded explanation the quantitative limits may be exceeded. - Limit of foreign currency of 30% 	<p>None.</p>
Turkey	<ul style="list-style-type: none"> - Max. 10% in money and capital market instruments from one single issuer. - Max. 20% % in money and capital market instruments from one group. - Max. 2% in a single investment fund. - Max. 2% in a specific bank's deposits. 	<ul style="list-style-type: none"> - Purchase of money and capital market instruments of the pension company and the portfolio manager is not allowed. - The total of the money and capital market instruments issued by companies where the pension company's and portfolio manager's: <ul style="list-style-type: none"> (1) Shareholders having more than 10% of its capital; (2) Chairman and 	<ul style="list-style-type: none"> - Only money and capital market instruments which are traded in the stock exchange may be included in the fund portfolio. - Total amount of money and capital market instruments of the companies the fund invests more than 5%, may not exceed 40% of fund assets. These limitations are not applied for state bonds. - Max. 5% of the fund assets may be invested in money and capital market instruments issued by venture capital companies. - Max. 20% of fund assets can be 	<ul style="list-style-type: none"> - The fund may not own 5% 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% of capital or all voting rights collectively, in any partnership.

		<p>members of board of directors;</p> <p>(3) General manager and vice general managers have separately or collectively more than 20% 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% of fund assets.</p> <p>- Pension funds are not allowed to intervene or be represented in the management of partnerships whose shares they purchased.</p>	<p>invested in the Stock Exchange Money Market.</p> <p>- Investment in derivatives for hedging purposes only.</p>	
United Kingdom	- General requirement for diversification and suitability.	- Yes, employer-related investment is limited to 5%.	- No other quantitative portfolio restrictions	- None.

United States	- General requirement for diversification. An exception applies for holding employer securities or real property under certain DC plans.	- No self dealing, representing two sides of a single transaction, kickbacks to fiduciaries, or transactions with parties in interest, unless an exemption applies. - Special restrictions apply to certain types of investments, including ownership of pass through entities (partnerships and S corporations) and collectibles (art, coins, etc.). - No employer securities or real property in excess of 10% of plan assets, but an exception applies for holding employer securities or real property under certain DC plans.	- Indicia of ownership of plan assets must be under the jurisdiction of US courts. - Investment vehicles with <25% benefit plan investors not subject to ERISA. Fiduciaries remain liable, however, for decision to invest in such vehicles.	- None.
NON OECD COUNTRIES				
Brazil	- None for the federal government's bonds; and - 30% for single issuer or connected group of companies.	- Max. 10% may be invested in the sponsoring employer or connected group of companies.	- 80% in fixed income securities with low credit risk and up to 20% in fixed income securities with medium/high credit risk. - Derivatives: when for protection, until the limit of the financial positions, and when for speculation, the pension funds should have disentailed federal government's bonds of any operations ⁴¹ .	- Pension Funds in Brazil can hold a maximum 20% of the capital of a single company.

⁴¹ Changes in the investment rules for Brazil's by National Monetary Council (CMN) / Regulation of The National Monetary Council) are in progress.

Colombia	<ul style="list-style-type: none"> - Max. 10% of the fund's value in securities issued by a single issuer, including their controlled companies, its holding or parent company and the controlled companies of the last one⁴². - Max. 30% on any single issuance, including securities from a securitization process⁴³. 	<ul style="list-style-type: none"> - Max. 10% in investments on companies related to the administrator of the pension fund. - Investment limits by issuer are reduced to 5% when the investment is on securities whose issuer or guarantor is a company related to the administrator of the pension fund. 	<ul style="list-style-type: none"> - The uncovered position on foreign currency cannot be higher than 30% of the pension fund value. 	<ul style="list-style-type: none"> - Max. 10% of equity and 10% of mandatorily-convertible bonds into common stock (BOCEAS) issued by a single company.
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⁴² This limit does not apply for securities issued or warranted by the Colombian Nation, the Colombian Central Bank and for “REPO” transactions carried out through the Clearing House of the “Bolsa Nacional Agropecuaria”.

⁴³ This limit does not apply to investments on CDT and CDAT issued by credit entities, and securities issued or warranted by the Colombian Nation, the Colombian Central Bank, FOGAFIN and FOGACOOOP.

<p>Chile</p>	<ul style="list-style-type: none"> - Financial sector (individual funds): <ul style="list-style-type: none"> • Max. 10%*VF⁴⁴*RF⁴⁵ in current account and time deposits and debt securities issued by a single issuer. • Max. 7%*VF in current account and time deposits, debt securities and shares issued by a single issuer. - Foreign sector (individual funds): <ul style="list-style-type: none"> • Max. 1%*VF in equities issued by a single issuer. • Max. 5%*VF*RF in debt securities issued by a single issuer. • Max. 5%*VF in a single open ended fund, closed ended fund or exchange traded fund (ETF). • Max. 1%*VF in exchange traded funds (ETFs). • Max. 1%*VF * RF in structured notes (capital protected notes) issued by foreign institutions. • Max. 0.5%*VF in short-term deposits. • Max. 4%*VF each local or foreign counterparty in OTC. 	<ul style="list-style-type: none"> - No allowed securities issued or granted by the AFP or a related company. 	<ul style="list-style-type: none"> - Net foreign currency exposure without hedging: <ul style="list-style-type: none"> • 50% fund A • 40% fund B • 35% fund C • 25% fund D • 15% fund E - Risk hedging operations: <ul style="list-style-type: none"> • The limit is given by the total fund investment subject being hedge. • Max 3% * VF in not hedge derivatives. • Max 1/3 of foreign assets of each fund is allow to be lent in securities lending operations. • Max 15% local assets of each fund is allow to be lent in securities lending operations. • Risky assets (not investment grade, illiquid and high-risk instruments) <ul style="list-style-type: none"> • 20% fund A • 17% fund B • 14% fund C • 10% fund D • 0% fund E 	<ul style="list-style-type: none"> - Max 15% * VF (individual funds) in all shares, bonds and commercial paper issued or guaranteed by companies belonging to a single group. • Max. 35% shares issued by local investment funds or outstanding shares of local mutual funds, for the sum of the Funds of the same AFP. • Max. 7% subscribed shares in public limited local company shares, for the sum of the Funds of the same AFP. • Max. 35% of single issue of bonds, commercial papers, or securitized loans, for the sum of the Funds of the same AFP. • The sum of investments by all funds from the same AFP, in bonds and commercial papers issued or granted by a single company may not exceed 12% of the company assets.
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⁴⁴ VF means value of the fund.

⁴⁵ The weighted average risk factor (RF) is obtained by adding the products of: the risk factor corresponding to the instrument or series issued or guaranteed by the institution and the proportion represented by the amount of the respective Fund investment in each instrument, as compared with the total value of the Fund investments in different debt securities

	<p>- Company sector: (individual funds):</p> <ul style="list-style-type: none"> • Max. $7\% \cdot VF \cdot RF$ in debt securities issued by a single company. • Max $5\% \times VF \times FC$ in public limited company shares (FC: concentration factor). • Max. $7\% \cdot VF$ in bonds, commercial papers and shares issued by a single company. • Max. $5\% \cdot VF$ in a local closed ended fund. • Max. $1\% \cdot VF$ in a local open ended Fund. • Max $0.3\% \cdot VF$ in risky securities 			
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from the same issuer. The risk factors are determined according to the rating of the instrument. Categories AAA and N-1 receive factor 1, risk category AA receives 0.9, risk category A receives 0.8, categories BBB and N-2 receive 0.6 and risk category N-3 receives factor 0.3.

Estonia	<ul style="list-style-type: none"> - Securities issued by a single issuer: <ul style="list-style-type: none"> • Mandatory system: 5% • Voluntary system: 10% - Securities issued by a single group: <ul style="list-style-type: none"> • Mandatory system: 20% • Voluntary system: 20% - One persons contract of pledge: <ul style="list-style-type: none"> • Mandatory system: 5% • Voluntary system: 5% - Deposits issued by a single issuer (or group): <ul style="list-style-type: none"> • Mandatory system: 10% • Voluntary system: 10% - Securities issued by a single fund: <ul style="list-style-type: none"> • Mandatory system: 10% • Voluntary system: 10% - Investment in funds of same fund manager: <ul style="list-style-type: none"> • Mandatory system: 10% • Voluntary system: 50% - Investment in a single property: <ul style="list-style-type: none"> • Mandatory system: 2% • Voluntary system: 5% - Investment in one state security: <ul style="list-style-type: none"> • Mandatory system: 35% • Voluntary system: 35% 	<ul style="list-style-type: none"> - On behalf of a management company qualifying holding may not, directly or indirectly, be acquired or held through any shares carrying voting rights. - A management company may not acquire or hold in any person more than 50 % of the securities and money market instruments issued by the management company. 	<ul style="list-style-type: none"> - It is prohibited to issue securities, short-selling, give loan. - Derivatives 10% 	<ul style="list-style-type: none"> - A management company may acquire no more than: <ul style="list-style-type: none"> • 10% of the non-voting shares of any single body; • 10% of the debt securities of any single body; • 10% of the money market instruments of any single body; • 25% of the units of another investment fund specified in § 264 of this Act.
India				

<p>Israel⁴⁶</p>	<ul style="list-style-type: none"> - Between 5% to 10% of securities (bonds, stocks, loans, deposits etc) issued by a single company, depends on the rate of the securities - Pension funds can lend to a "group" (borrower together with an entity which has the majority controlling interest in the borrower and an entity which is controlled by the borrower), between 8% to 15% of the pension fund's assets, depends on the rate of the investment. - Between 5% to 15% in a series of debentures, depending on the rate. 	<ul style="list-style-type: none"> - Any pension fund should not invest in an entity which has a controlling interest greater than 20% or has the majority controlling interest in the managing company of the pension fund. - Investment in a subsidiary which is controlled by anyone who controls or manages the pension fund is prohibited. - A pension fund can purchase securities via an underwriter which is a related party up to 10% of the total securities issued in each offering. - A pension fund can purchase/ sell securities via a broker which is a related party up to 20% of the total securities purchased or sold during the calendar year. 	<ul style="list-style-type: none"> - The investment value in one real estate asset should not exceed from 3% of pension fund's assets. - The total investment in income producing property from the total investment in real estate should be 75% at least. - The investment value of options that were acquired should not exceed from 5% of pension fund's assets. - The value of the collateral (due to options, futures and short sales) should not exceed from 10% of pension fund's assets. - 30% of the Pension fund's assets are invested in earned marked government bonds (Until 2003 70% of the pension funds assets were invested in these bonds as part of the reforms in the pension market the percentage is being reduced to 30%). 	<ul style="list-style-type: none"> - A pension fund can hold a maximum up to 10% of the controlling interests in a company, as long it does not have a controlling interest.
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⁴⁶ The new pension funds and the old pension funds must invest 30% in designated bonds.

Russian Federation	<ul style="list-style-type: none"> - Max 5% in securities of one issuer or a group of connected issuers. - Max 10% in deposits placed with lending institution (or members of one bank group) and securities issued by this lending institution (members of one bank group). - Max 10% in stocks of one issuer (of issuer's capitalization). - Max 10% in bonds of one issuer (of the aggregate volume of the issuer's bonds in circulation). - Max 30% in securities of one issuer in the aggregate investment portfolio (of the total volume of securities in circulation of one issuer). - Max 35% in government bonds of the Russian Federation of one issue. 	<ul style="list-style-type: none"> - Max 20% in securities issued by affiliated companies of management company and the specialised depository. 		
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South Africa	<ul style="list-style-type: none"> - Max. 20% in securities issued by a single banking institution or mutual bank. - Max. 20% in bills, bonds and securities issued or guaranteed loans to or guaranteed by a single local authority, development boards, Rand Water Board, Eskom, Landbank of South Africa, Local Authorities Loans Fund Board. - Max. 5% in a single property or property development project. - Max. 15% in shares and convertible debentures listed on the JSE of any one company with a market capitalisation of R2 billion or more. - Max. 10% in shares and convertible debentures listed on the JSE of any one company with a market capitalisation of less than R2 billion - Max. 2.5% in any asset that is not listed in regulation 28 	<ul style="list-style-type: none"> - Max. 5% in investments in the business of the participating employer (up to 10% with the approval of the registrar and members of the fund). 	<ul style="list-style-type: none"> - Max. 5% on South African Futures Exchange (SAFEX). 	<ul style="list-style-type: none"> - None
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Table 4: Main Changes to pension fund investment regulations during the period 2002-2008

Country	Table 1: Portfolio ceilings on pension fund investment by broad asset classes	Table 2: Additional quantitative restrictions on foreign investment	Table 3: Additional quantitative restrictions classified by type of regulation
OECD COUNTRIES			
Australia	-	-	-
Austria	2003: Investment limit in loans of 10% was eliminated 2006: Investment limit in bank deposits of 10% was eliminated	-	2006: The regulation 'Besondere Veranlagungsvorschriften für Pensionskassen' requires Pensionskassen not applying the regulation 'Risikomanagementverordnung Pensionskassen - RIMAV-PK' (Risk management) to maintain additional asset limits (in addition to the limits of the Federal Act on the Establishment, Administration and Supervision of Pensionskassen).
Belgium	-	-	-
Canada	-	2005: Investment limit in foreign investment of 30% was eliminated	-
Czech Republic	2004: Investment limits in shares and investment funds of 25% and investment limit of 10% on bank deposits were eliminated	-	2004: Increase from 5% to 10% the limit on one piece of real estate or one movable asset
Denmark	-	-	2005: Investment limits on loans per issuer increased from 1% to 10%
Finland	-	2005: Increase from 5% to 10% in the limit in foreign assets from OECD countries other than EEA countries	-
Germany Pensionskassen	-	-	2004: Hedge funds are permitted for the first time max. 5%; single hedge funds 1%

			2005: Currency matching requirement decrease from 80% to 70% 2007: Investment spectrum basically has been expanded to Full Member State of the OECD countries
Germany Pensionsfonds	-	-	-
Greece	-	-	-
Hungary	2004 (VPF): Investment limit in equities of 60% was eliminated - 2005 (MPF): Investment limit in equities of 50% was eliminated	2005: Investment limit in foreign assets of 30% was eliminated	Since 2007: Introduction of a voluntary life-cycle portfolio system (from 2009 this amendment will become mandatory). This system offers to pension fund members the option to choose between 3 different portfolios (conventional, balanced and growth).
Iceland	-2006: Investment limit in shares issued by corporations was raised from 50% to 60%.	2004: Investment limit in listed foreign assets of 50% was eliminated - Investment limit in unlisted foreign assets of 10% was eliminated	-
Ireland	-	-	-
Italy	-	-	2007: following the implementing of the Directive IORP 2003/41/EC into the primary law on private pensions (Legislative decree 252/2005), quantitative limits on self investments have been integrated.
Japan	-	-	-
Korea Personal Pension	-	2003: Investment limit in foreign investment increased from 10% to 20%	2003: Investment limit in bonds and shares issued by one pension group or company increased from 5% to 10%
Korea Corporate pension	-	-	-
Luxembourg SEPCAV and ASSEP	-	-	-
Luxembourg CAA supervised pension funds	2005: Adoption of IORP directive restrictions	2005: Adoption of IORP directive restrictions	2005: Adoption of IORP directive restrictions

<p>Mexico</p>	<p>2005: Investment limits in equities increased from 0% to 15%.</p> <p>2006: Investment limit in equities for Additional Funds was expanded from 15% to 30%.</p> <p>2007: Three New Basic Funds were created according to the life cycle. New instruments were allowed as well as new limits:</p> <ul style="list-style-type: none"> - Investment limit in equities was expanded up to 30% only for Basic Fund 5 (26 years old and younger). - Investment in Mexican private equity through structured notes. <p>2008: Limits for AA and A bonds from issuer different than Federal Government were raised to 50% (from 35% previously) and 20% (from 5% previously), respectively. No-convertible subordinated obligations are permitted under the same asset class as the structured instruments. The limits for this asset class changed.</p>	<p>2005: Investment limit in foreign investment increased from 0% to 20% across the board.</p>	<p>2005: Mexico pension funds must offer two different funds with different risk/return profiles: Fund 1 (SIEFORE 1) with no equity exposure and a Fund 2 (SIEFORE 2) with an equity share of up to 15%.</p> <ul style="list-style-type: none"> - Investment limit in government repos of 5% was eliminated. -The lowest rating permitted for instrument of Mexican corporation denominated in foreign currency increased from BBB- to BBB. <p>2006: Maximum limit for the Value at Risk (VaR) for the Basic Fund 2 was modified from 0.6% to 1.0% of the fund's assets.</p> <p>2007: Maximum limits for VaR increased to 1.3% for Basic Fund 3, 1.6% for Basic Fund 4 and 2% for Basic Fund 5.</p>
<p>Netherlands</p>	<p>-</p>	<p>-</p>	<p>-</p>
<p>New Zealand</p>	<p>-</p>	<p>-</p>	<p>-</p>

Norway	-	-	-
Poland	2005 (OPF): Investment limits in equities on secondary markets or unlisted decreased from 10% to 7.5% - Investment limits in corporate bonds increased from 20% to 40% 2005 (EPF): Investment limits in bonds increased from 5% to 10%	-	-
Portugal	2007: for occupational pension funds: withdrawn of the 55% limit on equities and 50% on real estate, mortgages and loans to members; increase in the limit for non-harmonized investment funds from 5% to 10% and introduction of a 2% investment limit in a single non-harmonised investment fund	2007: Clarification of what is considered regulated market	2007: raised the global limit on the amount of assets that can be used in securities lending by the pension fund, from 10% to 40%; introduction of an investment limit in a single non-harmonised investment fund for occupational pension funds; withdrawn of the 25% limit in real estate used by the sponsors of the fund (or by companies that hold a controlling ownership or group relationship with these sponsors) for occupational pension funds; withdrawn of the limit on ownership of shares or voting rights of an individual firm from each pension fund or group of pension funds managed by the same manager; and increase in the limit for group of sponsors (or companies that hold a controlling ownership or group relationship with the sponsors) from 5% to 10% for occupational pension funds.
Slovak Republic	2005: Investment limits in equities increased from 25% to 80% - Investment limit in investment funds increased from 20% 50%	2005: Investment limit in foreign investment increased from 15% to 70%	2005: Slovak pension funds must offer three different funds with different risk/return profiles: A conservative fund with no equity exposure and 100 % allocation into bonds and money market instruments. A balanced fund with an equity share of up to 50 % and a bond/money market instrument share of at least 50 %. A growth fund with an equity share of up to 80 %.
Spain	-2004: Adoption of IORP directive restrictions.	-	-

	All investment limits described in this document tables were introduced in the period 2004-2008		
Sweden	-	-	-
Switzerland	-	-	-
Turkey	2007: The 76% ceiling on equities was eliminated.	2007: The 15% cap on foreign investment was eliminated.	2003: The minimum investment requirement in government bonds decreased from 30% to 24%
United Kingdom	-	-	-
United States	-	-	-
NON OECD COUNTRIES			
Brazil	-	-	-
Colombia	<ul style="list-style-type: none"> - Limits regarding investment in domestic variable rent and foreign issuers are set up to 40% of the fund value. - Up to 5% of the fund value in Private Equity funds. - Maximum global limit for local and foreign variable rate is now up to 40% of the fund value 	<ul style="list-style-type: none"> - Modification regarding assets under management of the fund managers of private equity funds located overseas or its head office has been changed from US\$ 10.000 to US\$ 1.000 	<ul style="list-style-type: none"> - The designations of “Standard & Poor’s, Fitch Inc. or Moody’s” were replaced by “international recognized rating agency” - According to the case, the country where the international mutual fund is located, the country where the manager of the international mutual fund is located, the country where the headquarters of the international mutual fund is located, the country where the stock market or the market where the shares and stock are traded is located, must be rated investment grade by an international recognized rating agency - At least one of the following entities must be located in one jurisdiction with investment grade by an international recognized rating agency: i) The vehicle which helps to constitute the Private Equity Fund, ii) the manager of the Private Equity Fund (also known as the fund manager), its headquarters, or its agencies, or iii) The manager of the Private Equity Fund which is a corporate body.

Chile			<p>2002: Chile pension funds must offer four different funds with different risk/return profiles: fund B with an equity share of up to 60 %. Fund C with an equity share of up to 40 %. Fund D with an equity share of up to 20 %. Fund E with no equity exposure. Additionally, pension funds can offer voluntarily the fund A with an equity share of up to 80 %</p> <p>2007: New procedures established to grant a license to new AFPs, and the minimum percentage of total investments that must be under custody were increased. Also, global investments limit in foreign assets is being increased gradually from 30% to 45%, and mutual fund shares and investment fund shares are not considered in the variable income securities limit as long as they do not invest any of their holdings in equities.</p> <p>2008. Law 20.255 in investments matters, eliminated an important group of restrictions defined by law, which contains only the structural limits for multifunds and those limits which avoid obtaining controlling interest. In the new scheme, the detailed regulation is defined by the Investment Regime, a new document issued by the Superintendency of Pensions and approved by the Ministry of Finance and the Technical Council. The Technical Council is a new independent institution, whose objective is to advice in investments issues. Other main changes are the following:</p> <ul style="list-style-type: none"> • Required AFPs to issue an Investment Policy Document in order to disclose the AFPs investment rules to general public. • Increased the maximum global limit of the range for investment abroad to 80%. The Central Bank set the limit at 60% on August 3,

			<p>2008. Establishment new limits by type of Pension Funds for investment abroad. The Central Bank set these limits at 80%, 70%, 60%; 30%, and 25%, for Funds Type A, B, C, D and E, respectively.</p> <ul style="list-style-type: none"> • Permitted AFPs to invest a limited portion of Pensions assets in relatively risky instruments (under investment grade, illiquid and high-risk instruments). • Authorized derivative instruments (apart from hedge) subject to some limits and the implementation of a risk management policy. • Consider for limits the indirect investments in securities and issuer through certain investment vehicles. • Simplified analysis for authorizing investment in domestic equity. • Possibility to introduce portfolio risk management techniques requirements.
Estonia	In 2007, investment limits for real estate and real estate funds were increased from 10% to 40 % and for venture capital funds from 30% to 50%.	-	-
India	-	-	-
Israel	-	-	-
Russia	-	-	-
South Africa	-	-	-