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STATUTORY INSTRUMENTS

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**1996 No. 3127**

**The Occupational Pension Schemes  
(Investment) Regulations 1996**

**PART II**

**RESTRICTIONS ON EMPLOYER-RELATED INVESTMENTS**

**Loans that become employer-related**

**8.**—(1) If either a loan or a security falling within paragraph 2 of Schedule 1 to the Financial Services Act 1986 becomes an employer-related loan on or after the commencement date as a result of a change in the ownership of the employer or the person to whom the loan was made, the loan or security may be retained until whichever is the latest of—

- (a) the date falling two years after the date on which it became an employer-related loan;
- (b) the 6th April 2002; or
- (c) where repayment cannot by virtue of contractual or other legal obligations be required or, in the case of securities, disinvestment effected before the latest of the dates mentioned in sub-paragraphs (a) and (b), the earliest date on which repayment can be enforced, or disinvestment effected.

(2) In paragraph (1)—

- (a) “loan” does not include any sum regarded as a loan under section 40(3) of the 1995 Act; and
- (b) “retained” means left undischarged.