
EXPLANATORY NOTE

(This note is not part of the Regulations)

These regulations amend the Local Government Pension Scheme (Management and Investment of Funds) Regulations 1998 (“the principal Regulations”).

Regulation 3 amends the description of an insurance company with whom an insurance contract, which counts as an investment for the purposes of the principal Regulations, may be made. The amendment refers to an insurance company having its head office in a member State of the European Economic Area rather than a member State of the European Communities. The amendment takes effect from 19th August 1998, the date that the principal Regulations came into force.

Section 12 of the Superannuation Act 1972 provides that regulations made under section 7 of that Act may have retrospective effect.

Regulation 4 amends the limit on investments in insurance contracts from 25% for all such contracts to 25% for any one such contract, the limit being calculated by reference to the total value of the fund at the date that the investment is made.