

## LOCAL GOVERNMENT INVESTMENTS

### SPECIFIED INVESTMENTS

*All "Specified Investments" listed below must be sterling-denominated.*

Investment	Share/ Loan Capital?	Repayable/ Redeemable Within 12 Months?	Security/ Minimum Credit Rating **	Capital Expenditure?	Circumstance of Use	Maximum Period
<b>Debt Management Agency Deposit Facility</b>	No	Yes	Govt-backed	No	In-house	1 year
<b>Term or callable deposits</b> with the UK government or with UK local authorities	No	Yes	High security although Las not credit rated.	No	In-house and by external fund managers	1 year
<b>Term or callable deposits</b> with credit-rated deposit takers (banks and building societies)	No	Yes	Yes-varied	No	In-house and by external fund managers	1 year
<b>Certificates of Deposit</b> issued by credit-rated deposit takers (banks and building societies)	No	Yes	Yes-varied	No	To be used by fund managers	1 year
<b>Gilts</b> : with maturities up to 1 year	No	Yes	Govt-backed	No	External cash fund managers subject to the management agreement	1 year
<b>Money Market Funds</b> (i.e. a highly rated collective investment scheme)	No	Yes	Yes- <i>minimum</i> : AAA	No	In-house and by external fund managers subject to the management agreement	<i>Subject to cash flow and liquidity requirements</i>

Investment	Share/ Loan Capital?	Repayable/ Redeemable Within 12 Months?	Security/ Minimum Credit Rating **	Capital Expenditure?	Circumstance of Use	Maximum Period
<b>Forward deals</b> with credit rated banks and building societies	No	Yes	Yes-varied	No	In-house and fund managers	1 year in aggregate
<b>Commercial paper</b> <i>[short-term obligations (generally with a maximum life of 9 months issued by banks and other issuers)]</i>	No	Yes	Yes-varied	No	External fund managers subject to the management agreement	9 months
<b>Treasury bills</b> <i>[Government debt security with a maturity less than one year and issued through a competitive bidding process at a discount to par value]</i>	No	Yes	Govt-backed	No	External fund managers subject to the management agreement	1 year
<b>Bonds issued by a financial institution that is guaranteed by the United Kingdom Government</b>	No	Yes	Govt-backed	No	Trading by external cash fund managers only subject to management agreements	1 year
<b>Bonds issued by multilateral development banks</b>	No	Yes	AAA	No	Trading : by external cash fund managers subject to management agreements	1 year