APPENDIX 6

CAPITAL PROGRAMME FRAMEWORK

The capital resources forecast to be available to the Council are as set out in the following table:

	2007-08 £000	2008-09 £000	2009-10 £000	2010-11 £000	2011-12 £000	2012-13 £000
Supported borrowing:						
- Education	11,877.2	11,000.0	11,000.0	11,000.0	11,000.0	11,000.0
- Highways	3,241.0	4,302.0	4,226.0	4,131.0	0.0	0.0
- Fire & Rescue	127.0	127.0	127.0	127.0	127.0	127.0
- Adult Social Services	88.0	88.0	88.0	88.0	88.0	88.0
- Childrens Social Services	114.0	114.0	114.0	114.0	114.0	114.0
- Carried over from 2006-07	1,383.6					
Prudential Borrowing:						
- New borrowing	3,375.0	0.0	0.0	0.0	0.0	0.0
- Carried over from 2006-07	2,524.4					
Capital Grants	19,052.4	19,509.0	17,626.0	20,987.0	6,732.0	115,851.0
Capital Receipts	5,530.3	13,156.5	8,922.5	14,328.6	6,520.3	5,614.9
Other resources:						
- From Revenue	371.6	371.6	371.6	371.6	371.6	371.6
- Carried over from 2006-07	2,970.1					
Total Expenditure	50,654.6	48,668.1	42,475.1	51,147.2	24,952.9	133,166.5

Delivery of the programme, particularly in later years, will depend on the generation of capital receipts and success in obtaining other forms of capital resource such as PFI and “Building Schools for the Future” monies.

PRUDENTIAL INDICATORS

The prudential framework for self-management of capital finance focuses upon the following elements:

- Capital expenditure plans
- External debt
- Treasury management

The prudential indicators are designed to support and record local decision making in these three areas.

In the Prudential Code, the indicators are set out according to whether they are indicators of affordability or prudence. This is necessary for an understanding of the role each indicator plays in the overall decision-making framework. The indicators are listed below:

- **Prudential indicators for affordability**

  - Estimate of the incremental impact of capital investment decisions upon Council Tax. *It is important to note that all associated borrowing is supported and any saving through not undertaking the programme would be a one off, as a result of the probable loss of Revenue Support Grant for later years.*

  - Ratio of financing costs to net revenue stream

- **Prudential indicators for Prudence**

  - Net borrowing and the capital financing requirement

  - Confirmation that treasury management is carried out in accordance with good professional practice

  - External debt within prudential and sustainable limits

- **Prudential indicators for capital expenditure, external debt and treasury management**

  Capital Expenditure
  - Estimates of Capital expenditure
  - Capital financing requirement

  External Debt
  - Authorised limit
  - Operational boundary

  Treasury Management
  - Interest rate exposures
  - Maturity structure of borrowing
  - Total principal sums invested for periods in excess of 364 days

The prudential indicators are not designed to be comparative performance indicators, and to use them in this way would be misleading. It is only intended that they be used to measure performance within the authority over time. It also needs to be borne in mind that the indicators need to be considered collectively, rather than individually.

NOTES

1. Ratio of financing costs to net revenue stream is the total of capital financing costs divided by the Councils total income from Council Taxpayers and Government Grants as contained in its Consolidated Revenue account

2. The Capital Financing Requirement (CFR) was introduced by the Prudential Code, and represents the amount of capital spending which has yet to be financed.

3. The operational boundary for external debt represents the maximum level of borrowing that the Council is planning to have outstanding from its spending plans. The authorised limit on borrowing is set at a higher level in order to cover any unavoidable and unforeseen borrowing that may become necessary due to adverse cash flow movements.

The following sets out, for approval, the mandatory indicators recommended by the Prudential Code –

Capital Programme, Prudential Borrowing, Treasury Management

<table>
<tr><th>Indicator</th><th>Basis</th><th>Period</th><th>Definition</th><th>SCC Methodology</th><th>Unit</th><th>2007/08</th><th>2008/09</th><th>2009/10</th></tr>
<tr><td colspan="9">Affordability</td></tr>
<tr><td>Estimates of ratio of financing costs to net revenue stream</td><td>Estimate</td><td>Years 1, 2 and 3</td><td>Estimate of financing costs / estimate of net revenue stream x 100%</td><td>Interest payable re. borrowing + interest payable re. finance leases + gains/losses on early settlement of borrowing - interest on investments + MRP</td><td>%</td><td>7.97%</td><td>8.57%</td><td>8.87%</td></tr>
<tr><td rowspan="3">Estimates of the incremental impact of capital investment decisions on Council Tax</td><td rowspan="3">Estimate</td><td rowspan="3">Years 1, 2 and 3 (and longer as necessary)</td><td>(i) forecast the total budgetary requirements for the authority based on no changes to the existing capital programme</td><td>(i) Council Tax requirement under existing plans</td><td>£ per Band D Equivalent</td><td>10.99</td><td>43.32</td><td>72.15</td></tr>
<tr><td>(ii) forecast the total budgetary requirements for the authority with the changes proposed to the capital programme</td><td>(ii) Council tax requirement including proposed capital scheme</td><td rowspan="2">%</td><td rowspan="2">0.96%</td><td rowspan="2">3.77%</td><td rowspan="2">6.28</td></tr>
<tr><td>(iii) addition or reduction to Council Tax as a result of the difference between (i) and (ii)</td><td>(ii) - (i)</td></tr>
<tr><td colspan="9">Capital Expenditure</td></tr>
<tr><td>Estimates of capital expenditure</td><td>Estimate</td><td>Years 1, 2 and 3 (and longer as necessary)</td><td>Estimate of total capital expenditure to be incurred</td><td>Capital budgets</td><td>£000</td><td>50,656</td><td>48,668</td><td>42,475</td></tr>
<tr><td>Estimates of capital financing</td><td>Estimate</td><td>Years 1, 2 and 3</td><td>Estimate of underlying need for credit as at the end of</td><td>Fixed assets + deferred charges + FARR +</td><td>£000</td><td>185,313</td><td>193,609</td><td>203,281</td></tr>
</table>

Indicator	Basis	Period	Definition	SCC Methodology	Unit	2007/08	2008/09	2009/10
requirement (CFR)			years 1, 2, 3	Capital Financing Reserve + government grants deferred + credit arrangements				
External Debt								
Authorised limit (for borrowing)	Estimate	Years 1, 2 and 3	Authorised limit for borrowing.	Estimates of borrowing + other long term liabilities (3rd party balances, provisions, amounts outstanding on leases, government grants deferred and other contributions deferred)	£000	204,600	213,400	224,400
Authorised limit (for other long term liabilities)	Estimate	Years 1, 2 and 3	Authorised limit for other long term liabilities	Estimates of borrowing + other long term liabilities (3rd party balances, provisions, amounts outstanding on leases, government grants deferred and other contributions deferred)	£000	6,000	8,000	10,000
Authorised limit (for total external debt)	Estimate	Years 1, 2 and 3	Authorised limit for borrowing + authorised limit for other long term liabilities	Estimates of borrowing + other long term liabilities (3rd party balances, provisions, amounts outstanding on leases, government grants deferred and other contributions deferred)	£000	210,600	221,400	234,400

Indicator	Basis	Period	Definition	SCC Methodology	Unit	2007/08	2008/09	2009/10
Operational boundary (for borrowing)	Estimate	Years 1, 2 and 3	Operational boundary for external debt	As above less contingency provision.	£000	186,000	194,000	204,000
Operational boundary (for other long term liabilities)	Estimate	Years 1, 2 and 3	Operational boundary for external debt	As above	£000	6,000	8,000	10,000
Operational boundary (for total external debt)	Estimate	Years 1, 2 and 3	Operational boundary for external debt + operational boundary for other long term liabilities	As above	£000	192,000	202,000	214,000
Treasury Management								
Adoption of the CIPFA Code of Practice for Treasury Management in the Public Services			The Local Authority has adopted CIPFA's Code of Practice		ADOPTED FEBRUARY 2003	✓	✓	✓
Fixed interest rate exposure - upper limit	Estimate	Years 1, 2 and 3	Interest payable on borrowing at fixed rates - interest receivable on fixed rate investments ***or*** principal sums outstanding in respect of borrowing at fixed rates - principal sums outstanding in respect of investments at fixed rates	Upper limit	%	100%	100%	100%
Variable interest rate exposure -	Estimate	Years 1, 2 and 3	Interest payable on borrowing at variable rates -	Upper limit	%	20%	20%	20%

Indicator	Basis	Period	Definition	SCC Methodology	Unit	2007/08	2008/09	2009/10
upper limit			interest receivable on variable rate investments or principal sums outstanding in respect of borrowing at variable rates - principal sums outstanding in respect of investments at variable rates					
Maturity structure of borrowing (upper and lower limits)	Estimate	All years	Amount of projected borrowing that is fixed rate maturing in each period / total projected borrowing that is fixed rate x 100%	Ranges for each period		See below	See below	See below
Total principal sums invested for periods longer than 364 days	Estimate	All years	Total principal sum invested to final maturities beyond the period end		£000	10,000	10,000	10,000

Maturity Structure of Borrowing	2007-08		Future Years	
Period	Upper Limit	Lower Limit	Upper Limit	Lower Limit
Under 12 months	10%	0%	10%	0%
12 months and within 24 months	10%	0%	10%	0%
24 months and within 5 years	20%	0%	20%	10%
5 years and within 10 years	50%	25%	50%	25%
10 years and above	95%	50%	95%	50%

TREASURY STRATEGY 2007-2008

1. TREASURY POLICY

This Strategy is pursuant to the Treasury Policy and in accordance with CIPFA's revised Code of Practice for Treasury Management in Local Authorities, and Treasury Management Practices (TMP) as adopted by the Council in February 2003.

2. TREASURY MANAGEMENT

The Council's Treasury Management activities include the following:-

- Cash Flow (daily balances and longer term forecasting)
- Investing surplus funds
- Borrowing to finance day to day cash fluctuations
- Funding of capital investment through borrowing, capital receipts, grants or leasing
- Management of debt (including restructuring and monitoring an even maturity profile)
- Interest rate exposure management
- Dealing procedures with brokers, banks and the Public Works Loan Board (PWLB).

3. ANNUAL INVESTMENT STRATEGY

3.1 Under the powers of the Local Government Act 2003 the Secretary of State has now issued guidance on local authority investments. Local Authorities are required under the Act to have regard to this guidance, which recommends that an Annual Investment Strategy should be approved each year by Council. The guidance does not apply to pension and trust funds, which are covered by a completely separate regulatory regime. A copy of the guidance from the Office of the Deputy Prime Minister (ODPM) is attached to this paper.

3.2. The general policy objective of the guidance is that local authorities should invest prudently the surplus funds held on behalf of their communities. Priority is given to the security and liquidity of funds, but this should not mean that yield is ignored. It is necessary as under previous regulations to seek the highest rate of return consistent with proper levels of risk and security.

3.3. The guidance provides for a concept of specified and non-specified investments. A Specified Investment is one with a term no longer than 364 days which is made with a body or scheme which has been awarded a high credit rating by an approved credit rating agency. The two such agencies used by the Isle of Wight Council are included in those recommended by the Secretary of State. It is proposed that as part of this Council's Investment Strategy that the approved organizations for specified investments are as set out in Schedule One to this Appendix and that the associated credit ratings are monitored on an ongoing basis.

3.4. With regard to Non Specified Investments for 2007/08, these could be used to add wider flexibility and improved returns on the current investment portfolio, without the addition of any significant risk. In order to determine approved bodies for unspecified investments, this could be achieved by limiting it to those bodies approved for specified investments who also satisfy the top credit ratings for longer term investments (those classified Aa or above). It is proposed that such investments should be limited to a maximum of £5 million with any one organisation for a period of up to three years. In addition specified investments should not exceed 25% of the investment portfolio at the time of the investment.

3.5. Credit ratings are monitored on an ongoing basis with any changes reported to the Director of Finance. The Director of Finance is responsible for the implementation of the Investment Strategy and it is proposed that the authority to enact any changes, consistent with approved credit ratings be delegated to the Director of Finance.

3.6. The current policy is that the investment of surplus funds is limited to:

Major British Clearing Banks and Subsidiaries
Larger Merchant Banks
Top Building Societies
Other Local Authorities
Approved Money Market Funds

3.7. The Council will also use pooled money resources that may become available through the auspices of approved organisations for Investment, as contained above and to include H M Treasury. The limit of such investment to be placed at £8 million per each approved source and varied at the discretion of the Director of Finance. The exercise of such discretion to be reported to the Cabinet as part of the Annual Reporting requirement as contained under TMP6.

4. BORROWING STRATEGY

4.1. The objectives of the strategy will be:

a) To minimise the revenue costs of debt

b) To manage the Council’s debt maturity profile, i.e. to leave no one future year with a high level of repayments that could cause problems in re-borrowing

c) To affect funding in any one year at the cheapest cost commensurate with future risk

d) To forecast average future interest rates and borrow accordingly (i.e. short term and/or variable when rates are “high”, long term and fixed when rates are “low”). Similarly maturity loans can be taken when rates are relatively low, to lock in the principal for the maximum period, and possibly annuity loans or equal installments of principal loans when rates are considered higher.

e) To monitor and review the level of variable interest rate loans in order to take advantage of interest rate movements.

f) To restructure debt in order to take advantage of potential savings as interest rates change.

4.2. FORECAST OF INTEREST RATES FOR 2007-2008

Bank base rate has been increased by a quarter on three occasions since August 2006 and is currently 5.25%.There is a consensus among forecasters that rates are likely to increase again in March by a quarter, with a further quarter by the summer and that this may not represent the peak.

1) The Prudential Code requires the Council to fix each year the maximum proportion of interest on borrowing which is subject to variable rate interest.

2) In order to take advantage where appropriate of low short-term interest rates it is proposed that for the financial year 2007-2008.

the limit on the proportion of interest payable by the Council which is at a rate or rates which can be varied by the person to whom it is payable or by reference to any external factors be 20%.

4.3. STRATEGY

The strategy will in general be:

i to borrow long term when interest rates are relatively low and to borrow short term when interest rates are judged to be high.

ii to keep a reasonable balance between short term and long term loans so that

- o there is not an unreasonable exposure to short term loans with corresponding risk of increased interest charges; or
- o over reliance on long term loans which could restrict flexibility in renewing debt at advantageous interest rates.

iii to aim generally to be in a net day to day borrowing position so that the need for investment of temporary excess funds is avoided as far as possible.

This will be subject to variation in order to take advantage where appropriate of prevailing market conditions.

For 2007-2008 the strategy will be to continue to borrow medium to long term at fixed interest rates, having regard to the still relatively low interest rates that are available.

4.4. **DEBT RESTRUCTURING**

To use available PWLB quota to take advantage of opportunities to redeem PWLB debt or convert from fixed to variable rates or vice versa and replace debt so as to smooth the pattern of debt repayment and/or minimise overall long term capital financing costs. Consideration will be given to the availability and attractiveness of loans other than PWLB for debt restructuring purposes.

4.5. **APPROVED BORROWING INSTRUMENTS**

The following list specifies which borrowing instruments, on and off-balance sheet, can be adopted. Only those marked ✔ are currently used by the Council.

	Fixed	Variable
PWLB	✔	✔
Market Long-term	✔	✔
Market Pooled Funds	✔	✔
Market Temporary	✔	✔
Local Bonds		
Overdraft	✔	
Negotiable Bonds		
Stock Issues		
Internal (capital receipts and revenue balances)	✔	✔
Leasing	✔	✔
Bills		

5. SOURCES OF FINANCING

The following specifies which borrowing instruments the Council may adopt.

5.1 **PUBLIC WORKS LOAN BOARD (PWLB)**

The main source of longer term borrowing for the Council for many years has been from the Government through the Public Works Loan Board.

It is still likely that the PWLB will remain the major source of the Council's long term borrowing requirements. The 2007-2008 quota for the Council is estimated to be £16.9 million which reflects the total of its Supported Capital Expenditure (SCE) for the year.

5.2. **MONEY MARKET LOANS - LONG TERM AND POOLED FUNDS**

The availability of PWLB loans has become easier and their rates of interest are expected to remain competitive. Loans are also available through the London money market in particular longer term loans (40 years) which carry a low initial period of interest, but where the lender has the option to raise the rate after this period. If that option is taken, the Council is free to repay if it so chooses without penalty. These Lenders Option: Borrowers Option (LOBO) loans carry the necessary security ratings and can be an effective complement to PWLB borrowing in structuring the loan portfolio and debt rescheduling.

5.3. **OVERDRAFT & TEMPORARY LOANS**

An overdraft limit of £3m is available with the Council's bankers. This facility will be used on occasions when temporary borrowing is difficult, or for amounts of under £250,000 wherever the transaction costs outweigh any benefits from using the money market.

6. **MINIMUM REVENUE PROVISION**

Internal funds include Minimum Revenue Provision (MRP) which is a statutory provision in respect of capital borrowing .There is no provision in legislation to compel authorities to use MRP to repay external debt, and those funds could be externalised as Investments if conditions merit such an approach.

7. POLICY ON EXTERNAL ADVISERS

7.1. Treasury Advisers have been employed by the Council to:

- forecast movements in long term and short term interest rates
- advise on long term borrowing and debt maturity profiles
- advise on leasing and capital finance legislation
- restructuring of PWLB debt
- advise on future interest rate movements (including PWLB) and other market developments

The Director of Finance has responsibility for the review of future provision of such advice, and to amend the conditions or appoint different advisers as appropriate.

GUIDANCE ON LOCAL GOVERNMENT INVESTMENTS

Issued by the Secretary of State under section 15(1)(a) of the Local Government Act 2003

DEFINITIONS

1. In this guidance, 2003 *Act* means the *Local Government Act 2003*

2. *Local authority* (except in paragraph 12(d) below) has the meaning given in section *23 of* the *2003* Act (and in regulations made under that section). To the extent that this guidance applies to parish councils and charter trustees (see paragraph 6 below), a reference to a "local authority" includes those councils and trustees.

3. An *investment is* a transaction which relies upon the power in section *12 of* the 2003 Act and is recorded in the balance sheet under the heading of investments within current assets or long-term investments. The term does not include *pension fund and trust fund investments,* which are subject to separate regulatory regimes and are therefore not covered by this guidance.

4. A *long*-term *investment is* any investment other than (a) one which is due to be repaid within 12 months of the date on which the investment was made or (b) one which the local authority may require to be repaid within that period.

5. A *credit rating agency is* one of the following three companies: *Standard and Poor's; Moody's Investors Service Ltd, Fitch Ratings Ltd.*

APPLICATION

6. This guidance applies in relation to the financial year 2004-05 and subsequent financial years. It applies only in England. It applies to all local authorities. It also applies to parish councils and charter trustees, subject to the following conditions:

   (a) Where the parish council or charter trustee expects its investments at any time during a financial year to exceed £500,000, the guidance should apply in relation to that year.

   (b) Where the parish council or charter trustee expects its investments at any time during a financial year to exceed £10,000 but not £500,000, it should decide on the extent, if any, to which it would be reasonable to have regard to the guidance in relation to that year.

   (c) Where the parish council or charter trustee expects its investments at any time during a financial year not to exceed £10,000, no part of this guidance need be treated as applying in relation to that year.

ANNUAL INVESTMENT STRATEGY

7. The Secretary of State recommends that a local authority produces an Annual Investment Strategy, approved by the full council, that sets out the local authority's policies for managing its investments and for giving priority to the security and liquidity of those investments, as indicated in this guidance.

8. The Secretary of State considers that where the local authority is operating executive arrangements, it would be preferable for the local authority (ie the full council), rather than its executive, to approve the Strategy. Under Schedule 4 to the *Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (S.l. 2000/2853, as amended),* the authority has discretion to determine that the decision should be taken by them on whether the Strategy should be approved. The Secretary of State therefore recommends that they make such a determination.

9. For *authorities* without a full council, approval of the Strategy should be at the closest equivalent level.

10. Variations to the Strategy may be made at any time, subject to the same process of approval.

11. The Secretary of State recommends that the Strategy for any financial year should normally be approved before the start of that year. For the year 2004-05 only, it should be approved either before the start of the year or as soon as possible after the start. The Strategy and any variations should be made available to the public.

SECURITY OF INVESTMENTS

Specified Investments

12. An investment is a specified investment if:

    (a) the investment is denominated in sterling and any payments or repayments in respect of the investment are payable only in sterling;

    (b) the investment is not a long-term investment (as defined in paragraph 4);

    (c) the making of the investment is not defined as capital expenditure by virtue of regulation 25(1)(d) of the *Local Authorities (Capital Finance and Accounting) (England) Regulations 2003 BSI 3146 as amended];* and

    (d) the investment is made with a body or in an investment scheme which has been awarded a high credit rating (see paragraph 13) by a credit rating agency (as defined in paragraph 5) or is made with any of the following:

        (i) the United Kingdom Government

        (ii) a local authority in England or Wales (as defined in section 23 of the 2003 Act) or a similar body in Scotland or Northern Ireland

        (iii) a parish council or community council.

13. For the purposes of paragraph 12(d) above, the Secretary of State recommends that the Annual Investment Strategy states:

(a) how *high* credit rating is to be defined for the categories of investments which the local authority intends to use in the financial year

(b) how and how frequently credit ratings are to be monitored and what action is to be taken when ratings change.

<u>Non-specified Investments</u>

14. With regard to non-specified investments (ie those not meeting the definition in paragraph 12), the Secretary of State recommends that the Annual Investment Strategy:

(a) sets out procedures for determining which categories of such investments may prudently be used;

(b) identifies which categories of such investments have so far been identified as prudent for use during the financial year; and

(c) states the upper limits for the amounts which, at any time during the financial year, may be held in each identified category and for the overall amount which may be held in non-specified investments (the limits being defined by reference to a sum of money or a percentage of the local authority's overall investments).

LIQUIDITY OF INVESTMENTS

15. The Secretary of State recommends that the Annual Investment Strategy sets out procedures for determining the maximum periods for which funds may prudently be committed.

APPROVED INVESTMENT LIST 2007-08

SCHEDULE 1

SPECIFIED INVESTMENTS	MAXIMUM AMOUNT	MAXIMUM PERIOD	CREDIT RATINGS SHORT	LONG TERM
BANKS & SUBSIDUARIES	**£,000**			
ABBEY NATIONAL B.R. Account	6,000	)	P - 1	Aa3
ALLIANCE & LEICESTER	6,000	)	P - 1	Aa3
HBOS Treasury Services	8,000	)	P - 1	No Record
BANK OF SCOTLAND CORPORATE DEP A/C	6,000	)	P - 1	Aa2
BARCLAYS	8,000	)	P - 1	Aa1
BRADFORD & BINGLEY	6,000	)	P - 1	A1
CLYDESDALE BANK	6,000	) UP TO	P - 1	A1
CO-OPERATIVE BANK	6,000	) **364**	P - 1	A3
HSBC	8,000	) DAYS	P - 1	Aa2
LLOYDS TSB	8,000	)	P - 1	Aaa
NATIONAL WESTMINSTER	8,000	)	P - 1	Aa1
NORTHERN ROCK	6,000	)	P - 1	A1
ROYAL BANK OF SCOTLAND	8,000	)	P - 1	Aa1
STANDARD CHARTERED	6,000	)	P - 1	A2
ULSTER BANK IRELAND LTD	3,000	) NO LOANS	P - 1	Aa1
BRISTOL & WEST	3,000	) OVER **ONE** MONTH	P - 1	Aa3
MERCHANT BANKS				
JP MORGAN & CHASE CO	4,000	) NO LOANS	P - 1	No Record
ROTHSCHILD (NM)	4,000	) OVER **ONE**	F 1	A
SCHRODER & CO	4,000	) MONTH	F 1	A +
BUILDING SOCIETIES				
BRITANNIA BS	6,000	)	P - 1	A2
CHELSEA BS	6,000	)	P - 1	A3
COVENTRY BS	6,000	)	P - 1	A2
DERBYSHIRE BS	6,000	) NO LOANS	P - 1	A3
LEEDS BS	6,000	OVER SIX	P - 1	A2
NATIONWIDE BS	6,000	) MONTHS	P - 1	Aa3

PORTMAN BS	6,000	)	P - 1	A2
PRINCIPALITY BS	6,000	)	P - 1	A2
SKIPTON BS	6,000	)	P - 1	A3
WEST BROMWICH BS	6,000	)	P - 1	A3
YORKSHIRE BS	6,000	)	P - 1	A2
LOCAL AUTHORITIES	£3M. maximum	364 DAYS		
MONEY MARKET FUNDS				
RBS GLOBAL TREASURY FUNDS	1,000		AAA	

<u>NON SPECIFIED INVESTMENTS:</u>

AS SPECIFIED ABOVE BUT ONLY WITH COUNTERPARTY'S RATED Aa & ABOVE

MAXIMUM INVESTMENT 5,000
PERIOD 1 to 3 YEARS
NB: NON SPECIFIED INVESTMENTS SHOULD NOT EXCEED 25% OF PORTFOLIO AT THE DATE OF INVESTMENT