

# **RULES OF THE STATE INVESTMENT COUNCIL**

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Emerging Market Countries and Exchange-Traded, Global, Regional, or Country Funds Which Invest In Emerging Markets, Subchapter 47, Equity Futures Contracts, Subchapter 62, Common Pension Fund A, Subchapter 63, Common Pension Fund B, and Subchapter 67, Common Pension Fund D, were repealed; and Subchapter 43, Covered Call Options, was recodified to Subchapter 84 and Subchapter 45, Put Options, was recodified to Subchapter 85, effective March 3, 2014. See: Source and Effective Date. See, also, section annotations.

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Recodified from N.J.A.C. 17:16-12.2 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Pension and annuity group; static group; trust group". Rewrote the section. Former N.J.A.C. 17:16-12.3, Legal papers, repealed.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Deleted former (a)2 and (a)4; recodified former (a)3 as (a)2 and former (a)5 as (a)4; and added new (a)3.

**17:16-12.4 Limitations**

(a) At the time of initial purchase, the following conditions shall be met:

1. The total amount of debt issues directly purchased or acquired for each eligible fund under this subchapter of any one issuer shall not exceed 10 percent of the outstanding long term debt of the issuer, except that this requirement may be waived by the Council;

2. Not more than five percent of the market value of the assets of the State of New Jersey Cash Management Fund shall be directly invested in the fixed income obligations of any one issuer and affiliated entities;

3. Not more than 10 percent of the market value of the assets of the New Jersey State Employees Deferred Compensation Fixed Income Fund or the New Jersey Better Educational Savings Trust shall be directly invested in the equity and fixed income obligations of any one issuer and affiliated entities;

4. The total amount directly invested in the equity and fixed income obligations of any one issuer and affiliated entities by the Pension and Annuity Funds and the Common Pension Funds, in the aggregate, shall not exceed five percent of the combined assets of all the Pension and Annuity Funds;

5. Not more than five percent of the market value of the assets of any eligible fund (other than a Pension and Annuity Fund or Common Pension Fund) shall be directly invested in debt issued through a private placement; and

6. The total amount directly invested in debt issued through a private placement by the Pension and Annuity Funds and the Common Pension Funds, in the aggregate, shall not exceed seven percent of the combined assets of all the Pension and Annuity Funds.

(b) If, subsequent to initial purchase, the limitations in (a) above are exceeded, then the Council shall be notified at the next regularly scheduled meeting of the Council. The Division may be granted a six-month period of grace to reduce the level of participation below the maximum levels, except that the period of grace may be extended for additional four-month periods with the approval of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Amended by R.2008 d.237, effective August 18, 2008.

See: 40 N.J.R. 2092(a), 40 N.J.R. 4824(a).

In (a)2, inserted "and the New Jersey Better Educational Savings Trust"; and in (a)3, inserted "or the New Jersey Better Educational Savings Trust".

Amended by R.2008 d.382, effective December 15, 2008.

See: 40 N.J.R. 4683(a), 40 N.J.R. 6993(a).

In (a)1, substituted the first occurrence of "issuer" for "corporation", "issuer, and shall not be" for "company, and not", and "except that these requirements may be waived by the Council," for a period at the end; in (a)2, inserted "and non-convertible preferred stock", and substituted "issuer;" for "corporation."; in (a)3, substituted "issuer; and" for "corporation."; and added (a)4.

Amended by R.2013 d.023, effective February 19, 2013.

See: 44 N.J.R. 2277(a), 45 N.J.R. 346(a).

In (a)1, deleted "and shall not be more than 25 percent of the issue at the time of issue," following "issuer,".

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (a).

**17:16-12.5 Reports to Council**

The Director shall report all purchases of corporate obligations under this subchapter at the next regularly scheduled meeting of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

SUBCHAPTERS 13 THROUGH 16. (RESERVED)

SUBCHAPTER 17. STATE, MUNICIPAL, AND PUBLIC AUTHORITY OBLIGATIONS

**17:16-17.1 Definitions**

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Public authority" means any state or any political subdivision thereof, any authority, department, district, or commission, or any agency or instrumentality of any of the foregoing, or any agency or instrumentality of the Federal government, or a commission or other public body created by an Act of Congress or pursuant to a compact between any two or more states.

"Public authority revenue obligations" means any bonds or other interest-bearing obligations of a public authority, the principal and interest of which are by their terms payable from a specified revenue source.

"State and municipal general obligations" shall mean debt obligations of any state or any municipal or political subdivision thereof that are backed by the full faith and credit of the obligor.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Former N.J.A.C. 17:16-17.1, Applicable funds, recodified to N.J.A.C. 17:16-17.2.

Amended by R.2009 d.316, effective October 19, 2009.

See: 41 N.J.R. 2635(a), 41 N.J.R. 3959(a).

Substituted definition "State and municipal general obligations" for definition "New Jersey State and municipal general obligations"; and in definition "State and municipal general obligations", substituted "any state" for "the State of New Jersey".

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Added definitions "Public authority" and "Public authority revenue obligations".

### 17:16-17.2 Permissible investments

(a) Subject to the limitations contained in this subchapter, the Director may invest and reinvest moneys of any eligible fund in state and municipal general obligations and public authority revenue obligations, except that moneys of the Trustees for the Support of Public Schools shall only be invested and reinvested in obligations issued by the State of New Jersey or its counties, municipalities, and school districts as required by N.J.S.A. 18A:56-8, provided that:

1. The obligor is not in default as to the payment of principal or interest upon any of its outstanding obligations; and

2. The obligations have a credit rating of A3 or higher by Moody's Investors Service, Inc., A- or higher by Standard & Poor's Corporation, and A- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available. If a rating for the obligations has not been obtained from the above services, the obligations may be purchased if the issuer rating meets the minimum rating criteria. Subsequent to purchase, if ratings fall below the minimum rating for such obligations, they do not have to be sold, and they may be exchanged with obligations with a credit rating lower than the minimum rating if the obligations received in exchange are, on balance, similarly rated.

(b) Investments made pursuant to this subchapter shall comply with Federal arbitrage regulations, if applicable.

(c) Notwithstanding (a) above, the Director may only invest and reinvest the moneys of a fund classified as a Temporary Reserve Fund, a Demand Fund or a Static Fund in state and municipal general obligations provided that such investment in tax exempt securities is required in order to comply with Federal arbitrage regulations and further provided that such investment qualifies under this subchapter and that the obligations were issued with an unqualified approving opinion of a recognized bond counsel to the effect that the obligations have been duly authorized and issued and are legal, valid and binding obligations of the issuer. If the obligations are guaranteed by the Federal government, the above requirement may be waived.

(d) Notwithstanding the restrictions in this subchapter, the Council may approve the purchase of state and municipal

general obligations and public authority revenue obligations on a case-by-case basis.

As amended, R.1975 d.363, effective December 11, 1975.

See: 7 N.J.R. 51(b).

Recodified by R.1991 d.274, effective June 3, 1991.

See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).

Provisions amended to include all funds.

Amended by R.2001 d.119, effective April 2, 2001.

See: 32 N.J.R. 372(b), 33 N.J.R. 1115(a).

Recodified from N.J.A.C. 17:16-17.1 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Applicable funds". Rewrote the section.

Amended by R.2009 d.316, effective October 19, 2009.

See: 41 N.J.R. 2635(a), 41 N.J.R. 3959(a).

In the introductory paragraph of (a) and in (c), substituted "state" for "New Jersey State"; and in (d), deleted "New Jersey" preceding "state".

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote the introductory paragraph of (a); in (b), inserted "if applicable"; and in (d), inserted "and public authority revenue obligations".

### 17:16-17.3 Eligible funds

(a) For purposes of this subchapter, eligible funds shall include:

1. Any fund classified as a Pension and Annuity Fund;
2. Any fund classified as a Static Fund;
3. Any fund classified as a Demand Fund;
4. Any fund classified as a Temporary Reserve Fund;
5. Any funds classified as a Trust Fund; and
6. Any fund classified as a Common Pension Fund and permitted to invest in state and municipal general obligations and public authority revenue obligations.

Repeal and New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Legal papers".

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (a)6.

### 17:16-17.4 Limitations

(a) At the time of initial purchase, the following conditions should be met:

1. The total amount of debt issues directly purchased or acquired of any one obligor shall not exceed 10 percent of the outstanding debt of the entity, and not more than 10 percent of any one issue, serial note, or maturity may directly be purchased in the aggregate by all eligible funds;
2. Not more than five percent of the assets of any eligible fund (other than a Pension and Annuity Fund or Common Pension Fund) shall be directly invested in the debt of any one obligor;
3. The total amount directly invested in the debt of any one obligor by the Pension and Annuity Funds and Com-

mon Pension Funds, in the aggregate, shall not exceed two percent of the combined assets of all the Pension and Annuity Funds;

4. In accordance with N.J.S.A. 18A:56-8, investments for the Trustees for the Support of Public Schools shall not be made in the obligations of any municipality, the total indebtedness of which, including the school debt, exceeds 30 percent of the assessed valuation of all the real and personal property therein; in ascertaining the total indebtedness, credit shall be allowed only for such moneys or property as shall be in the sinking funds; and

5. In accordance with N.J.S.A. 18A:56-8, investments for the Trustees for the Support of Public Schools shall not be made in the obligations of any county, the total indebtedness of which exceeds in the aggregate 15 percent of the total assessable valuation of all taxable property therein.

(b) If, subsequent to initial purchase, the limitations in (a) above are exceeded, then the Council shall be notified at the next regularly scheduled meeting of the Council. The Division may be granted a six-month period of grace to reduce the level of participation below the maximum levels, except that the period of grace may be extended for additional four-month periods with the approval of the Council.

New Rule, R.1982 d.192, effective June 4, 1982.  
 See: 13 N.J.R. 526(b), 14 N.J.R. 663(b).  
 Recodified by R.1991 d.274, effective June 3, 1991.  
 See: 23 N.J.R. 983(a), 23 N.J.R. 1800(b).  
 Eligible funds broadened; tax-exempt bond purchase specified; minimum quality standard and maximum level of purchases set.  
 Amended by R.2001 d.119, effective April 2, 2001.  
 See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).  
 Repeal and New Rule, R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 Section was "Purchases for Temporary Reserve Group, Demand and Static Funds".  
 Amended by R.2014 d.038, effective March 3, 2014.  
 See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).  
 Rewrote (a)1 and (a)2; and added (a)3 through (a)5.

**17:16-17.5 Reports to Council**

The Director shall report all purchases of state and municipal general obligations under this subchapter at the next regularly scheduled meeting of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 Amended by R.2009 d.316, effective October 19, 2009.  
 See: 41 N.J.R. 2635(a), 41 N.J.R. 3959(a).  
 Deleted "New Jersey" preceding "state".

**SUBCHAPTER 18. (RESERVED)**

**SUBCHAPTER 19. COLLATERALIZED NOTES AND MORTGAGES**

**17:16-19.1 Definitions**

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Collateralized notes and mortgages" mean securities fully collateralized by mortgage-backed securities, credit card receivables, automobile loans, home equity loans, bank loans, or other forms of receivables originated in the United States.

New Rule, R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 Former N.J.A.C. 17:16-19.1, Permissible investments, recodified to N.J.A.C. 17:16-19.2.  
 Amended by R.2014 d.038, effective March 3, 2014.  
 See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).  
 In definition "Collateralized notes and mortgages", deleted "shall" preceding "mean", and inserted a comma following the third occurrence of "loans".

**17:16-19.2 Permissible investments**

(a) Subject to the limitations contained in this subchapter, the Director may invest or reinvest the moneys of any eligible fund in collateralized notes and mortgages provided that:

1. The obligor is not in default as to the payment of principal or interest upon any of its outstanding obligations. Subsequent to purchase, if the obligor defaults, the obligations do not have to be sold;

2. The collateral must be fully maintained and not under the direct control of the originator of the collateral underlying the obligation, but under the control of a trustee, special purpose vehicle or other independent entity incorporated in the United States; and

3. The issue must be rated Baa3 or higher by Moody's Investor Service, Inc., BBB- or higher by Standard & Poor's Corporation, and BBB- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available. Subsequent to purchase, if the rating falls below the minimum rating for such issue, it does not have to be sold, and it may be exchanged with issues with credit ratings lower than the minimum rating if the issues received in exchange are, on balance, similarly rated.

(b) Notwithstanding the restrictions in (a) above, the Director may invest and reinvest the moneys of any eligible Common Pension Fund in global debt obligations, collateralized notes and mortgages, global diversified credit investments, non-convertible preferred stock, and mortgage-backed passthrough securities that do not meet the minimum credit ratings set forth in N.J.A.C. 17:16-12.2, this section, and N.J.A.C. 17:16-23.2, 40.2, and 58.2, respectively; provided, however, the aggregate market value of such investments shall not exceed eight percent of the combined assets of all of the Pension and Annuity Funds.

(c) Notwithstanding the restrictions in this subchapter, the Council may approve the purchase of collateralized notes and mortgages on a case-by-case basis.

As amended, R.1982 d.191, eff. June 21, 1982.

See: 13 N.J.R. 528(a), 14 N.J.R. 663(c).

(a) "debt" added; (a)2i: deleted "be of . . . regulations" and replaced with "consist outstanding".

Amended by R.2001 d.119, effective April 2, 2001.

See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).

In (a)4, substituted "of" for "or".

Amended by R.2003 d.329, effective August 4, 2003.

See: 35 N.J.R. 1869(a), 35 N.J.R. 3605(a).

Rewrote the section.

Amended by R.2004 d.32, effective January 20, 2004.

See: 35 N.J.R. 4832(a), 36 N.J.R. 441(a).

In (a), inserted "and the Cash Management Fund" in the introductory paragraph.

Recodified from N.J.A.C. 17:16-19.1 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Rewrote the section. Former N.J.A.C. 17:16-19.2, Legal papers, repealed.

Amended by R.2007 d.254, effective August 20, 2007.

See: 39 N.J.R. 1462(a), 39 N.J.R. 3547(c).

In (b), deleted "up to five percent of" following "reinvest" and inserted "; provided, however, the market value of such investments shall not exceed five percent of the combined assets of all of the Pension and Annuity Funds".

Amended by R.2008 d.387, effective December 15, 2008.

See: 40 N.J.R. 4686(b), 40 N.J.R. 6995(b).

In (a)1, inserted ". Subsequent to purchase, if the obligor defaults, the obligations do not have to be sold"; and in (b), deleted "finance company debt, bank debentures," preceding "international", and "14.2, 15.2" following "N.J.A.C. 17:16-12.2", and inserted ", bank loans, non-convertible preferred stock", and "23.2, 40.2 and".

Amended by R.2013 d.025, effective February 19, 2013.

See: 44 N.J.R. 2280(a), 45 N.J.R. 348(a).

In (b), inserted "of U.S. based corporations", substituted "global diversified credit investments" for "bank loans" and "eight" for "five", and inserted a comma following "stock" and "40.2".

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (b).

### 17:16-19.3 Eligible funds

(a) For purposes of this subchapter, eligible funds shall include:

1. Any fund classified as a Pension and Annuity Fund;
2. The State of New Jersey Cash Management Fund; and
3. Any fund classified as a Common Pension Fund and permitted to invest in collateralized notes and mortgages.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (a)3.

### 17:16-19.4 Limitations

(a) At the time of initial purchase, the following conditions shall be met:

1. No amount in excess of 25 percent of any one issue may be purchased directly. For the purpose of this limitation, the issue size shall be considered as the principal amount issued pursuant to all classes of securities payable from the returns generated by the underlying collateral;
2. Not more than five percent of the assets of any one fund shall be directly invested in the obligations of any one issue. This limitation shall not apply to any fund classified as a Common Pension Fund;
3. Not more than five percent of the market value of the State of New Jersey Cash Management Fund shall be directly invested in the fixed income obligations of any one issuer and affiliated entities;
4. The total amount directly invested in the equity and fixed income obligations of any one issuer and affiliated entities by the Pension and Annuity Funds and the Common Pension Funds, in the aggregate, shall not exceed five percent of the combined assets of all the Pension and Annuity Funds; and
5. Not more than 10 percent of the assets of any eligible fund other than a Pension and Annuity Fund or Common Pension Fund (or five percent of the combined assets of all the Pension and Annuity Funds) shall consist of collateralized notes and mortgages directly purchased pursuant to this subchapter.

(b) If, subsequent to initial purchase, the limitations in (a) above are exceeded, then the Council shall be notified at the next regularly scheduled meeting of the Council. The Division may be granted a six-month period of grace to reduce the level of participation below the maximum levels, except that the period of grace may be extended for additional four-month periods with the approval of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In (a)1, inserted "directly"; rewrote (a)2; added new (a)3 and (a)4; recodified former (a)3 as (a)5; and rewrote (a)5.

### 17:16-19.5 Reports to Council

The Director shall report all purchases of collateralized notes and mortgages under this subchapter at the next regularly scheduled meeting of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

SUBCHAPTER 20. INTERNATIONAL GOVERNMENT AND AGENCY OBLIGATIONS

17:16-20.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

“International government and agency obligations” mean direct debt obligations of a sovereign government or its political subdivisions, debt obligations of agencies of a sovereign government which are unconditionally guaranteed as to principal and interest by the sovereign government’s full faith and credit, and debt obligations of international agencies or financial institutions that are backed, but not necessarily guaranteed, by the collective credit of multiple sovereign governments.

New Rule, R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 Former N.J.A.C. 17:16-20.1, Permissible investments, recodified to N.J.A.C. 17:16-20.2.  
 Amended by R.2013 d.026, effective February 19, 2013.  
 See: 44 N.J.R. 2281(a), 45 N.J.R. 348(b).  
 Deleted definition “Emerging market country”.  
 Amended by R.2014 d.038, effective March 3, 2014.  
 See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).  
 In definition “International government and agency obligations”, deleted “shall” preceding “mean”, inserted “or financial institutions” and “, but not necessarily guaranteed,”, and deleted “directly” preceding “backed”.

17:16-20.2 Permissible investments

(a) Subject to the limitations contained in this subchapter, the Director may invest and reinvest the moneys of any eligible fund in international government and agency obligations.

(b) Notwithstanding (a) above, the Director may only invest and reinvest the moneys of the State of New Jersey Cash Management Fund in direct obligations of the Canadian government or a province thereof that are:

1. Denominated in United States dollars; and
2. Have a credit rating of Aa3 or higher by Moody’s Investor Service, Inc., AA- or higher by Standard & Poor’s Corporation, and AA- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available.

(c) Notwithstanding (a) above, the Director may only invest and reinvest the moneys of a Common Pension Fund in international government and agency obligations that have a credit rating of Baa3 or higher by Moody’s Investor Service, Inc., BBB- or higher by Standard & Poor’s Corporation, and BBB- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available.

(d) Notwithstanding the restrictions contained in (a) through (c) above, the Council may approve the purchase of international government and agency obligations on a case-by-case basis.

Amended by R.1991 d.386, effective August 5, 1991.  
 See: 23 N.J.R. 1775(b), 23 N.J.R. 2344(a).  
 In (a)2, added Common Pension Fund D.  
 Amended by R.1992 d.274, effective July 6, 1992.  
 See: 24 N.J.R. 1690(a), 24 N.J.R. 2464(a).  
 Revised text.  
 Amended by R.2004 d.249, effective July 6, 2004.  
 See: 36 N.J.R. 1739(a), 36 N.J.R. 3269(b).  
 In (b), deleted “, their subdivisions and their agencies, and international agencies” in the first sentence and deleted “and Agencies” in the second sentence; deleted (c).  
 Amended by R.2005 d.322, effective September 19, 2005.  
 See: 37 N.J.R. 2149(a), 37 N.J.R. 3720(a).  
 In (a), rewrote the introductory paragraph, 1, 3, and 4.  
 Amended by R.2006 d.257, effective July 17, 2006.  
 See: 38 N.J.R. 1407(a), 38 N.J.R. 3063(a).  
 Rewrote the section.  
 Recodified from N.J.A.C. 17:16-20.1 and amended by R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 In introductory paragraph of (b), inserted “State of New Jersey” preceding “Cash”; in introductory paragraph of (c), substituted “(a)” for “subsection”. Former N.J.A.C. 17:16-20.2, Eligible Funds, recodified to N.J.A.C. 17:16-20.3.  
 Amended by R.2013 d.026, effective February 19, 2013.  
 See: 44 N.J.R. 2281(a), 45 N.J.R. 348(b).  
 Rewrote (c).  
 Amended by R.2014 d.038, effective March 3, 2014.  
 See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).  
 In (a), substituted “international government and agency obligations” for a colon at the end; deleted (a)1 through (a)4; and in (c), inserted “a” preceding “Common”, and deleted “B” following “Fund”.

17:16-20.3 Eligible funds

(a) For purposes of this subchapter, eligible funds shall include:

1. Any fund classified as a Common Pension Fund and permitted to invest in international government and agency obligations; and
2. The State of New Jersey Cash Management Fund.

New Rule, R.2006 d.257, effective July 17, 2006.  
 See: 38 N.J.R. 1407(a), 38 N.J.R. 3063(a).  
 Former N.J.A.C. 17:16-20.2, Limitations, recodified to N.J.A.C. 17:16-20.3.  
 Recodified from N.J.A.C. 17:16-20.2 and amended by R.2006 d.317, effective September 5, 2006.  
 See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).  
 In (a)8, inserted “State of New Jersey” preceding “Cash”. Former N.J.A.C. 17:16-20.3, Limitations, recodified to N.J.A.C. 17:16-20.4.  
 Amended by R.2013 d.026, effective February 19, 2013.  
 See: 44 N.J.R. 2281(a), 45 N.J.R. 348(b).  
 Deleted former (a)1 through (a)5; recodified former (a)6 as (a)1; in (a)1, inserted “and” at the end; deleted (a)7; and recodified former (a)8 as (a)2.  
 Amended by R.2014 d.038, effective March 3, 2014.  
 See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).  
 Rewrote (a)1.

**17:16-20.4 Limitations**

(a) At time of initial purchase, the following conditions shall be met:

1. Not more than five percent of the market value of the assets of the State of New Jersey Cash Management Fund shall be directly invested in international government and agency obligations, whether direct or guaranteed, of any one issuer.

2. The total amount of international government and agency debt issues directly purchased or acquired of any one issuer shall not exceed 25 percent of the outstanding debt of the issuer, and not more than 25 percent of any one issue may be purchased at the time of issue, except that these requirements may be waived by the Council.

3. Not more than five percent of the combined assets of all of the Pension and Annuity Funds shall be directly invested in international government and agency obligations.

(b) If, subsequent to initial purchase, the limitations in (a) above are exceeded, then the Council shall be notified at the next regularly scheduled meeting of the Council. The Division may be granted a six-month period of grace to reduce the level of participation of the fund below the maximum levels, except that the period of grace may be extended for additional four-month periods with the approval of the Council.

Amended by R.1991 d.386, effective August 5, 1991.

See: 23 N.J.R. 1775(b), 23 N.J.R. 2344(a).

Deleted prior (a); recodified (b)-(d) as (a)-(c). In (a), added "any one issuer of". In (b), changed rating from "Aaa/AAA" to "Aa/AA".

Amended by R.1994 d.445, effective September 6, 1994.

See: 26 N.J.R. 2751(a), 26 N.J.R. 3742(a).

Amended by R.2001 d.119, effective April 2, 2001.

See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).

Amended by R.2004 d.249, effective July 6, 2004.

See: 36 N.J.R. 1739(a), 36 N.J.R. 3269(b).

In (a), substituted "any one issuer of obligations under this subchapter, whether" for "any one issuer of international government and agency obligations, whether"; rewrote (b); in (c), deleted "on the Approved List".

Amended by R.2005 d.322, effective September 19, 2005.

See: 37 N.J.R. 2149(a), 37 N.J.R. 3720(a).

In (a), added the last sentence, "The one percent limitation shall not apply to Common Pension Funds B and D."

Recodified from N.J.A.C. 17:16-20.2 and amended by R.2006 d.257, effective July 17, 2006.

See: 38 N.J.R. 1407(a), 38 N.J.R. 3063(a).

Rewrote the section. Former N.J.A.C. 17:16-20.3, Legal papers, repealed.

Recodified from N.J.A.C. 17:16-20.3 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

In (a)3, substitute "international corporate" for "Canadian", and added (a)4.

Amended by R.2007 d.255, effective August 20, 2007.

See: 39 N.J.R. 1463(a), 39 N.J.R. 3548(a).

In (a)3, substituted "30 percent" for "22 percent".

Amended by R.2013 d.026, effective February 19, 2013.

See: 44 N.J.R. 2281(a), 45 N.J.R. 348(b).

Rewrote (a)1 and (a)3; and deleted (a)4.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (a)1 and (a)2; and in (a)3, inserted "directly".

**17:16-20.5 Reports to Council**

The Director shall report all purchases of international government and agency obligations under this subchapter at the next regularly scheduled meeting of the Council.

New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

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**SUBCHAPTERS 21 THROUGH 22. (RESERVED)**


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**SUBCHAPTER 23. GLOBAL DIVERSIFIED CREDIT INVESTMENTS**
**17:16-23.1 Definitions**

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Bank loans" means loans that are originated by commercial and/or investment banks or other lending syndicates. Bank loans are typically comprised of loans to corporations and tend to be the most senior debt in the corporate debt structure.

"Co-investment" means two parties (usually the limited partner and the general partner of a fund) invest alongside each other. If a limited partner in a fund has co-investment rights, it can invest directly in a company that is also backed by a fund. The institution therefore ends up with two separate stakes in the company — one indirectly through the fund; one directly in the company. Co-investment may also include multiple like-minded institutional investors investing in a specific company or portfolio.

"Commingled fund" means all open-end and closed-end pooled investment vehicles formed for the purpose of investing. A commingled fund may be organized as a group trust, partnership, limited liability company, corporation, insurance company separate account, or other multiple ownership entity. An investment in a commingled fund may take the form of an investment in the fund or in the trustee, general partner, or other managing member of such fund.

"Credit structured products" means securities whose cash flow characteristics depend upon one or more indices or that have embedded forwards or options or securities where the investment return and the issuer's payment obligations are contingent on, or highly sensitive to, changes in the value of underlying assets, indices, interest rates, or cash flows.

“Funds-of-funds” means funds set up to distribute investments among a selection of fund managers, who in turn invest the capital directly.

“Global diversified credit investments” means investments in bank loans, mezzanine debt, credit structured products, commercial and residential mortgage-backed securities, commercial and residential whole loans, and other similar strategies.

“Joint venture” means a contractual agreement joining two or more parties for the purpose of executing a particular undertaking. All parties agree to share in the profits and losses of the enterprise. Joint ventures are usually private.

“Mezzanine debt” means subordinated debt which may include embedded equity instruments.

“Mortgage-backed securities” mean asset-backed securities that represent a right to receive a portion of the cash flows from mortgage loans. Residential mortgage-backed securities are typically secured by single-family or two- to four-family real estate. Commercial mortgage-backed securities are typically secured by commercial and multi-family properties such as apartment buildings, hotels, schools, retail or office properties, industrial properties, and other commercial sites.

“Separate account” means an investment vehicle with a single investor that is unaffiliated with its sponsor or manager.

“Whole loans” mean mortgage loans obtained through the secondary mortgage market with administration of the loan(s) handled through a third party. Residential whole loans are typically secured by single-family or two- to four-family real estate. Commercial whole loans are typically secured by commercial and multi-family properties such as apartment buildings, hotels, schools, retail or office properties, industrial properties, and other commercial sites.

Amended by R.2013 d.027, effective February 19, 2013.  
See: 44 N.J.R. 2282(a), 45 N.J.R. 348(c).

Added definitions “Credit structured products”, “Global diversified credit investments”, “Mezzanine debt”, “Mortgage-backed securities” and “Whole loans”.

Amended by R.2014 d.038, effective March 3, 2014.  
See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In definition “Commingled fund”, inserted “all open-end and closed-end”, “limited liability company,”, and “fund or in the”; and in definition “Separate account”, substituted “an investment vehicle with a single investor that is unaffiliated with its sponsor or manager” for “ownership is segregated and kept in the investor’s name”.

**17:16-23.2 Permissible investments**

(a) Subject to the limitations contained in this subchapter, the Director may invest and reinvest the moneys of any eligible fund in:

1. Direct bank loans provided that:
  - i. The borrower:

- (1) Is not in default as to the payment of principal or interest upon any of its outstanding obligations. Subsequent to purchase, if the borrower defaults, the loans do not have to be sold; and

- (2) Has shareholder’s equity of at least \$200 million. Subsequent to purchase, if shareholder’s equity falls below \$200 million, the investment does not have to be sold; and

- ii. The issue has a credit rating of Baa3 or higher by Moody’s Investors Service, Inc., BBB- or higher by Standard & Poor’s Corporation, and BBB- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available. If a rating for the issue has not been obtained from the above services, the issue may be purchased if the issuer rating meets the minimum rating criteria. Subsequent to purchase, if ratings fall below the minimum rating for such issues, they do not have to be sold, and they may be exchanged with issues with a credit rating lower than the minimum rating if the issues received in exchange are, on balance, similarly rated; and

2. Separate accounts, funds-of-funds, commingled funds, co-investments, and joint ventures that primarily invest in global diversified credit investments provided that:

- i. At the time of purchase or commitment by an eligible fund, the securities included or intended to be included in the investment vehicle shall consist primarily of those with a credit rating of Baa3 or higher by Moody’s Investors Service, Inc., BBB- or higher by Standard & Poor’s Corporation, and BBB- or higher by Fitch Ratings, except that two of the three ratings is sufficient and one of the three ratings is sufficient if only one rating is available. If a rating for the security has not been obtained from the above services, the issue may be purchased if the issuer rating meets the minimum rating criteria; and

- ii. The further provisos contained in N.J.A.C. 17:16-69.9 have been met.

(b) Notwithstanding the restrictions in (a) above, the Director may invest and reinvest the moneys of any eligible Common Pension Fund in global debt obligations, collateralized notes and mortgages, global diversified credit investments, non-convertible preferred stock, and mortgage-backed passthrough securities that do not meet the minimum credit ratings set forth in N.J.A.C. 17:16-12.2, 19.2, this section, and N.J.A.C. 17:16-40.2 and 58.2, respectively; provided, however, the aggregate market value of such investments shall not exceed eight percent of the combined assets of all of the Pension and Annuity Funds.

(c) In addition to (a) above, the Director may:

1. Exercise the rights or conversion privileges of any security acquired under this subchapter; and

2. Retain any distribution received as a result of a corporate action, even if such distribution does not meet the requirements of this subchapter.

(d) Notwithstanding the restrictions in this subchapter, the Council may approve the purchase of global diversified credit investments on a case-by-case basis.

(e) Nothing in this subchapter shall preclude the Director from investing the monies of any eligible fund directly in individual collateralized notes and mortgages pursuant to N.J.A.C. 17:16-19 and individual mortgage-backed senior debt securities pursuant to N.J.A.C. 17:16-58.

Amended by R.2013 d.027, effective February 19, 2013.  
See: 44 N.J.R. 2282(a), 45 N.J.R. 348(c).

Rewrote the section.

Amended by R.2014 d.038, effective March 3, 2014.  
See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In (a)2ii, updated the N.J.A.C. reference; rewrote (b); in the introductory paragraph of (c), substituted "In addition to" for "Notwithstanding the restrictions in"; and in (e), inserted "directly".

### 17:16-23.3 Eligible funds

For purposes of this subchapter, eligible funds shall include any fund classified as a Common Pension Fund and permitted to invest in global diversified credit investments.

Amended by R.2013 d.027, effective February 19, 2013.  
See: 44 N.J.R. 2282(a), 45 N.J.R. 348(c).

Rewrote the section.

Amended by R.2014 d.038, effective March 3, 2014.  
See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote the section.

### 17:16-23.4 Limitations

(a) At the time of initial purchase of global diversified credit investments, the following conditions shall be met:

1. Not more than seven percent of the market value of the combined assets of all of the Pension and Annuity Funds shall be invested in global diversified credit investments, whether directly or through separate accounts, funds-of-funds, commingled funds, co-investments, and joint ventures that primarily invest in global diversified credit investments;

2. The total amount of direct bank loans purchased or acquired under this subchapter shall not exceed 10 percent of the outstanding long-term debt of the borrower except that these requirements may be waived by the Council; and

3. The total amount directly invested in the equity and fixed income obligations of any one issuer and affiliated entities by the Pension and Annuity Funds and the Common Pension Funds, in the aggregate, shall not exceed five percent of the combined assets of all the Pension and Annuity Funds.

(b) If, subsequent to initial purchase, the limitations in (a) above are exceeded, then the Council shall be notified at the next regularly scheduled meeting of the Council. The Division may be granted a six-month period of grace to reduce the level of participation below the maximum levels, except that the period of grace may be extended for additional four-month periods with the approval of the Council.

Amended by R.2013 d.027, effective February 19, 2013.  
See: 44 N.J.R. 2282(a), 45 N.J.R. 348(c).

In the introductory paragraph of (a), substituted "global diversified credit investments" for "bank loans"; and rewrote (a)1.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In (a)1, deleted "and" from the end; in (a)2, substituted "; and" for a period at the end; and added (a)3.

### 17:16-23.5 Reports to Council

The Director shall report all purchases of bank loans under this subchapter at the next regularly scheduled meeting of the Council.

## SUBCHAPTERS 24 THROUGH 30. (RESERVED)

## SUBCHAPTER 31. COMMERCIAL PAPER

### 17:16-31.1 Definitions

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Commercial paper" means secured or unsecured short-term debt issued by a company.

Amended by R.1969 d.32, effective Dec. 19, 1969.

See: 1 N.J.R. 24(b), 2 N.J.R. 44(e).

Amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Definition". Rewrote the section.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote definition "Commercial paper".

### 17:16-31.2 Permissible investments

(a) Subject to the limitations contained in this subchapter, the Director may invest and reinvest the moneys of any eligible fund in commercial paper provided that:

1. The issuer is not in default as to the payment of principal or interest upon any of its outstanding obligations;

2. All such securities are payable as to both principal and interest in United States dollars;

binding upon all participants and beneficiaries thereof, the Plan Administrator and the Portfolio Manager.

Amended by R.2005 d.347, effective October 17, 2005.  
See: 37 N.J.R. 2150(a), 37 N.J.R. 4032(a).

Substituted "subchapter" for "rule"; deleted "regulation of" preceding "the State"; added ", the Plan Administrator and the Portfolio Manager".  
Recodified from N.J.A.C. 17:16-65.12 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Deleted "State Investment" preceding first occurrence of "Council" and substituted "the" for "such" following "adopted by". Former N.J.A.C. 17:16-65.7, Valuation, was recodified to N.J.A.C. 17:16-65.5.

**17:16-65.8 (Reserved)**

Amended by R.2001 d.119, effective April 2, 2001.

See: 33 N.J.R. 372(b), 33 N.J.R. 1115(a).

Repealed by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Guidelines for valuation of securities".

**17:16-65.9 Limitations**

(a) With respect to the New Jersey State Employees Deferred Compensation Equity Fund, not more than 10 percent of the market value of the Fund shall be invested in the common stocks and securities convertible into common stock of any one corporation.

(b) With respect to the New Jersey State Employees Deferred Compensation Fixed Income Fund, not more than 10 percent of the market value of the assets of the fund shall be invested in the debt of any one corporation, and not more than 25 percent of any one issue may be purchased at the time of issue.

(c) With respect to the New Jersey State Employees Deferred Compensation Small Capitalization Equity Fund, not more than 10 percent of the market value of the Fund shall be invested in the common stocks and securities convertible into common stock of any one corporation.

Amended by R.2005 d.347, effective October 17, 2005.

See: 37 N.J.R. 2150(a), 37 N.J.R. 4032(a).

Rewrote the section.

Repeal and New Rule, R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Reinvestment of income earned".

Amended by R.2012 d.194, effective December 3, 2012.

See: 44 N.J.R. 1966(a), 44 N.J.R. 2999(b).

In (a) and (c), deleted ", preferred stocks" following "common stocks"; and in (c), substituted "Fund" for "fund".

**17:16-65.10 (Reserved)**

Amended by R.2005 d.347, effective October 17, 2005.

See: 37 N.J.R. 2150(a), 37 N.J.R. 4032(a).

Substituted "Common Funds and/or holdings in one or more of the Outside Funds" for "common funds".

Recodified from N.J.A.C. 17:16-65.13 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Rewrote the section. Former N.J.A.C. 17:16-65.10, Admission and withdrawal of units of participation, was recodified to N.J.A.C. 17:16-65.6.

Repealed by R.2012 d.194, effective December 3, 2012.

See: 44 N.J.R. 1966(a), 44 N.J.R. 2999(b).

Section was "Liquidation".

**17:16-65.11 (Reserved)**

Amended by R.2005 d.347, effective October 17, 2005.

See: 37 N.J.R. 2150(a), 37 N.J.R. 4032(a).

Rewrote (a) and (b).

Repealed by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Errors and omissions".

**17:16-65.12 (Reserved)**

Recodified to N.J.A.C. 17:16-65.7 by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Amendments".

**17:16-65.13 (Reserved)**

Recodified to N.J.A.C. 17:16-65.10 by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Liquidation".

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SUBCHAPTERS 66 THROUGH 67. (RESERVED)

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SUBCHAPTER 68. NEW JERSEY BETTER EDUCATIONAL SAVINGS TRUST (NJBEST) FUND

**17:16-68.1 General provisions**

Pursuant to N.J.S.A. 52:18A-91, there is hereby created in the Division a common trust fund to be known as the New Jersey Better Educational Savings Trust (NJBEST) Fund. The participation of New Jersey residents shall be subject to the NJBEST Plan as established by the New Jersey Higher Education Assistance Authority Board.

Amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Definition". Section combined with former N.J.A.C. 17:16-68.2, Participation in the NJBEST Plan, and substantially amended.

**17:16-68.2 Permissible investments**

The Director may invest the assets of the NJBEST Fund in fixed income securities and equity investments permitted under this chapter, and in the State of New Jersey Cash Management Fund.

Amended by R.2000 d.252, effective June 19, 2000.

See: 32 N.J.R. 1326(a), 32 N.J.R. 2258(b).

In (c), substituted a reference to 80 percent for a reference to 40 percent, and changed N.J.A.C. reference.

Recodified from N.J.A.C. 17:16-68.4 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Rewrote the section. Former N.J.A.C. 17:16-68.2, Participation in the NJBEST Plan, recodified in part to N.J.A.C. 17:16-68.1.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Substituted "equity" for "in common and preferred stocks and issues convertible into common stock, including any".

**17:16-68.3 Units of participation**

(a) The NJBEST Fund shall be composed of units of participation of unlimited quantity. Each unit of participation shall represent an equal beneficial interest in the Fund and no unit shall have priority or preference over any other. Each unit of participation shall be valued at the net asset value per unit as provided in N.J.A.C. 17:16-68.5.

(b) All units of participation in the NJBEST Fund, representing net capital contributions to the Fund together with any income thereon, shall be evidenced by proper entries setting forth ownership units in the records of the Office of Student Assistance, New Jersey Higher Education Assistance Authority, or an agent thereof.

(c) All units of participation shall be purchased by cash payments. All units shall be purchased by the participants for the unit valuation price determined by this subchapter.

Recodified from N.J.A.C. 17:16-68.5 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Rewrote the section. Former N.J.A.C. 17:16-68.3, Distribution of income, repealed.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In (c), substituted "participants" for "participating fund" and "unit" for "principal".

**17:16-68.4 Valuation of investments**

(a) Upon each valuation date, as provided in (b) below, there shall be a valuation for every investment in the NJBEST Fund in the method provided for in this section.

(b) The valuation shall be determined at the opening of business on each business day, and shall be based on the assets as of the close of the previous business day.

(c) The valuation of investments shall be made in accordance with applicable accounting standards, using recognized industry pricing sources.

(d) In the event of errors or omissions in the valuation of investments, the custodian bank shall correct such errors or omissions as is set forth in the custody agreement.

Recodified from N.J.A.C. 17:16-68.6 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Date of valuation". Rewrote the section. Former N.J.A.C. 17:16-68.4, Permissible investments, recodified to N.J.A.C. 17:16-68.2.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (b) through (d).

**17:16-68.5 Valuation of units**

(a) The net asset value per unit of participation of the fund shall be calculated as the net assets of the fund divided by the total outstanding units of participation in the fund. The valuation of net assets shall be calculated as total assets minus

total liabilities, in accordance with applicable accounting standards.

(b) The method of calculation of units of participation will be in accordance with an agreement between the State of New Jersey and the Plan Administrator.

(c) The aggregate income per unit of participation on total units attributed to each participant shall be reinvested automatically in additional units of participation. New units shall be credited to the respective accounts of all of the participants in proportion to their holdings of participating units immediately prior to the determination of the net income available for distribution. In the reinvestment of aggregate income as described above, fractional units may be issued representing fractions of one dollar.

(d) In the event of errors or omissions in the calculation of unit values or participants' accounts, the Plan Administrator shall correct such errors or omissions in accordance with its agreement with the State of New Jersey.

Recodified from N.J.A.C. 17:16-68.7 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Valuation". Rewrote the section. Former N.J.A.C. 17:16-68.5, Units of participation, recodified to N.J.A.C. 17:16-68.3.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

Rewrote (a).

**17:16-68.6 Admission and withdrawal**

(a) Admission to or withdrawal from the NJBEST Fund shall be permitted as of the end of each business day, subject to the requirements of N.J.A.C. 9A:10-7.

(b) All admissions and withdrawals will be made in cash.

Recodified from N.J.A.C. 17:16-68.10 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Admission and withdrawal of units of participation". Rewrote the section. Former N.J.A.C. 17:16-68.6, Date of valuation, recodified to N.J.A.C. 17:16-68.4.

Amended by R.2014 d.038, effective March 3, 2014.

See: 45 N.J.R. 1477(a), 46 N.J.R. 442(a).

In (a), updated the N.J.A.C. reference.

**17:16-68.7 Amendments**

This subchapter may be amended from time to time by the Council. Any amendment adopted by the Council shall be binding upon all participating funds, trusts and beneficiaries thereof.

Recodified from N.J.A.C. 17:16-68.12 and amended by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Rewrote the section. Former N.J.A.C. 17:16-68.7, Valuation, recodified to N.J.A.C. 17:16-68.5.

**17:16-68.8 (Reserved)**

Repealed by R.2006 d.317, effective September 5, 2006.

See: 38 N.J.R. 2039(a), 38 N.J.R. 3632(a).

Section was "Guidelines for valuation of securities".