

Permitted Investments List

This document details the permitted investments and non-permitted investments for the following self-invested personal pensions:

- IPS SIPP
- IPS (2008) SIPP
- IPS Pension Builder SIPP
- IPS Family SIPP

Permitted Investments

Shares in London Stock Exchange listed companies	Building Society permanent interest bearing shares (PIBS)
Shares in Alternative Investment Market (AIM) listed companies	Insurance company managed funds and unit linked funds
Fixed term and fixed rate deposits with UK authorised deposit takers	Direct purchase of commercial property in the UK (including agricultural land, hotels, nursing homes and public houses)
Regulated Unit Trusts and regulated OEICs ¹	Exchange Traded Funds
Government Securities	Real Estate Investments Trusts (REITs)
Debentures, loan stocks traded on a recognised stock exchange	Investment grade gold bullion
Traded futures and options (relating to stocks and shares on a recognised futures exchange) ¹	
Shares in companies quoted on an HM Revenue & Customs (HMRC) recognised overseas stock exchange	

¹ These investment types could be 'Complex Products' and where they are, we will only allow members to invest in them if they have received financial advice. Please see the section on Complex Products.

Further information

- Pooled investment vehicles such as Unit Trusts, OEICs, Managed Funds and Genuinely Diverse Commercial Vehicles are permitted to invest in residential property and ‘tangible moveable property’ (e.g. art, antiques, stamps, wine, classic cars, jewellery etc) provided they do not permit pension scheme members or connected parties to influence or control the investment strategy – normally defined as having more than a 10% interest in the fund. There are additional criteria for these vehicles and they should be referred to us for prior approval.
- Equities, investment trusts, fixed interest securities, warrants, PIBS, futures and options must be purchased via an investment manager or stockbroker. You can choose which investment manager or stockbroker the SIPP will open an account with, as long as the relevant firm is appropriately regulated by the Financial Conduct Authority (FCA) in the UK to undertake that type of investment business.

Non-Permitted Investments

Direct purchase of residential property	Indirect investment in residential property and tangible moveable property (i.e. where the pension fund purchases shares or units in a company or fund that enables the member or connected parties to control or influence the investment strategy of that company or fund). For example, the SIPP purchases 50% of the shareholding in a company that invests in residential property	
Direct purchase of tangible moveable property		
Commodities		
Loans to individuals, sole traders, partnerships of three or less partners, another registered pension scheme, the SIPP member or connected persons as defined by relevant legislation		
Wasting assets (defined as having an expected life span of 50 years or less)		
Property partnerships, limited partnerships and limited liability partnerships		
Premium bonds		
Residential group rents		
		Direct purchase of commercial property overseas (including agricultural land, hotels, nursing homes and public houses)
		US mutual funds
	Intellectual property	
	Contracts for Differences (CFDs) and CFD-like products ²	

² With effect from December 2018 in light of the FCA’s restrictions on CFDs and similar products being sold to retail consumers.

Permitted Investments (under certain circumstances)

<p>If you already hold one of these types of investments in your SIPP, you may be able to make additional investments (top ups) into the same investment, subject to our due diligence review and requirements in place at the time the investment is requested. If you wish to top up an existing investment, please read our Specialist Investments (also known as Non-Standard Investments) Guide for Clients and Advisers which is available from our website at www.jameshay.co.uk.</p> <p>New investments (other than top ups) are not permitted into these types of investments.</p>	<p>Non-Mainstream Pooled Investments (NMPs) - this includes Unregulated Collective Investment Schemes (including Offshore funds) and similar vehicles</p> <p>Pooled investment vehicles and syndicates where the member cannot influence or control the investment (known as 'Genuinely Diverse Commercial Vehicles')</p> <p>Shares in unquoted private companies</p> <p>Loans to unconnected third parties</p> <p>Hedge funds</p> <p>Second hand/traded endowment policies</p>
<p>If you already hold an investment in an external bank account with no fixed term or fixed rate, you can make an additional investment (top up) into it.</p> <p>No new investments (other than top ups) are permitted into these types of bank accounts.</p>	<p>External bank accounts with no fixed term or fixed rate, such as current accounts or access accounts</p>

Complex Products

We will only allow members to invest in Complex Products if they have received advice from a financial adviser in respect of the proposed investment.

Under regulations, there is no definition of Complex Products. However, the regulations do define Non-Complex Products as follows:

- Units/shares in a UCITS qualifying Collective Investment Scheme;
- Shares, Bonds and other forms of securitised debt admitted to trading on a trading venue;
- Structured deposits;
- Money market instruments; and
- Other Non-Complex Products that meet certain criteria, including having frequent opportunities to trade at publicly available prices, do not involve potential liability that exceeds the original investment, do not include exit charges that have the effect of making the investment illiquid and where adequate comprehensive information on the investment is publicly available and likely to be readily understood by the average retail client.

Complex Products are therefore anything that is outside of the above definition of Non-Complex. Specifically, Complex Products are anything involving derivatives or where the opportunity to sell is infrequent. This will include:

- Structured Products;
- Units/shares in some Non-UCITS Retail Schemes (NURS) (this will depend on the individual fund); and
- Futures and Options.

If you are investing without having received financial advice and are unsure if your proposed investment is a Complex Product, please ask the provider of your investment.

If you are investing in a Non-Complex Product without having received financial advice, please note that we will not assess whether the proposed investment is appropriate for you.

Important notes

- It is your responsibility in conjunction with your financial adviser and/or investment manager (if applicable) to ensure any investments purchased are permissible. In particular, if any investment/asset purchased is deemed to be taxable property under pension legislation and/or HMRC rules, any subsequent tax liability incurred will be your responsibility.
- The pension scheme documents (which include trust deeds and rules and contractual terms and conditions) indemnify James Hay Partnership and limit the liability of the scheme providers, trustees and administrators.
- We are not regulated to provide investment advice and we will not assess whether any investment is appropriate for you.
- You are responsible in conjunction with your financial adviser and/or investment manager (if applicable) for choosing investments that are suitable for your individual circumstances.
- All investment transactions must be carried out on a commercial basis.
- We will only appoint UK based stockbrokers/ investment managers who are regulated by the FCA and who agree to our operational requirements.
- We reserve the right to decline making an investment for any reason deemed appropriate.
- Borrowing by the SIPP is only permitted in connection with a commercial property purchase.

If you need help or information, please visit our website at www.jameshay.co.uk, call us on 03455 212 414, or write to us at James Hay Partnership, Dunn's House, St. Paul's Road, Salisbury, SP2 7BF.

We are able to provide literature in alternative formats. For a Braille, large print, audio or E-text version of this document call us on 03455 212 414 (or via the Typetalk service on 18001 03455 212 414).

James Hay Partnership is the trading name of James Hay Services Limited (JHS) (registered in Jersey number 77318); IPS Pensions Limited (IPS) (registered in England number 2601833); James Hay Administration Company Limited (JHAC) (registered in England number 4068398); James Hay Pension Trustees Limited (JHPT) (registered in England number 1435887); James Hay Wrap Managers Limited (JHWM) (registered in England number 4773695); James Hay Wrap Nominee Company Limited (JHWNC) (registered in England number 7259308); PAL Trustees Limited (PAL) (registered in England number 1666419); Santhouse Pensioner Trustee Company Limited (SPTCL) (registered in England number 1670940); Sarum Trustees Limited (SarumTL) (registered in England number 1003681); Sealgrove Trustees Limited (STL) (registered in England number 1444964); The IPS Partnership Plc (IPS Plc) (registered in England number 1458445); Union Pension Trustees Limited (UPT) (registered in England number 2634371) and Union Pensions Trustees (London) Limited (UPTL) (registered in England number 1739546). JHS has its registered office at 2nd Floor, Gaspé House, 66-72 Esplanade, St Helier, Jersey, JE1 1GH. IPS, JHAC, JHPT, JHWM, JHWNC, SPTCL, SarumTL, IPS Plc, PAL, STL, UPT and UPTL have their registered office at Dunn's House, St Paul's Road, Salisbury, SP2 7BF. JHAC, JHWM, IPS and IPS Plc are authorised and regulated by the Financial Conduct Authority. The provision of Small Self Administered Schemes (SSAS) and trustee and/or administration services for SSAS are not regulated by the FCA. Therefore, IPS and IPS Plc are not regulated by the FCA in relation to these schemes or services. (04/19)