M&G Platform

What investments can be held in the M&G Platform SIPP?

Stocks and Shares

You can hold stocks and shares that are listed, or traded, on a recognised stock exchange.

A recognised stock exchange for these purposes is either:

- The London Stock Exchange or the Alternative Investment Market (AIM)
- An overseas exchange recognised by HM Revenue & Customs (HMRC) or
- An exchange recognised by the Financial Conduct Authority (FCA) as either a recognised investment exchange, a recognised overseas investment exchange, a designated investment exchange, or a regulated market in the European Economic Area (EEA)

This covers most transferable securities, including:

- Shares in companies (equities)
- Fixed interest securities issued by government or other bodies
- Debenture stock (stock that makes fixed payments at scheduled intervals of time) and other loan stock
- Permanent Interest Bearing Shares (PIBS) (fixed-interest securities issued by building societies)
- Convertible securities (investments that can be changed from their initial form into another form)
- Exchange Traded Funds (ETFs) (a group of investments brought/sold by a brokerage firm and sold as a single investment product).

Investment Trusts

Investment Trusts allow you to combine your contributions with other investor's contributions to buy shares, which are managed by a fund manager.

You can hold Investment Trusts that are listed, or traded, on a recognised stock exchange in your SIPP.

Offshore Investment Trusts may be considered but further due diligence is required.

Real Estate Investment Trusts (REITs)

REITs are companies that own income-producing real estate and allow individuals to invest.

You can hold REITs that are resident in the UK for tax purposes and listed, or traded, on a recognised stock exchange, in your SIPP.

Venture Capital Trusts (VCTs)

VCTs are trusts which mostly invest in small early-stage companies.

You can hold VCTs that are listed, or traded, on a recognised stock exchange in your SIPP.

Shares in a VCT can only be brought through the stock exchange and not directly through a new issue.

Units/Shares in Collective Investment Schemes

Unit Trusts

Unit Trusts are a form of collective investment. It allows investors to pool their money into a single fund which is managed by a fund manager.

You can hold the below Unit Trusts in your SIPP:

- Authorised Unit Trusts, which are based in the UK and are FCA regulated
- Tax exempt unauthorised Unit Trusts whose gains are not chargeable by virtue of section 100(2) of the Taxation of Chargeable Gains Act 1992.

If Unit Trusts invest in residential property, they must be genuinely diverse commercial vehicles.

Open Ended Investment Companies (OEICs)

OEICs are investment funds which provide a managed portfolio of pooled investor funds.

You can hold the below OEICs in your SIPP:

- OEICs which are included within section 236 of the Financial Services and Market Act 2000 (FSMA 2000), and are UK incorporated and FCA regulated
- OEICs which are constituted in an EEA member State and are recognised schemes under section 264 FSMA 2000
- Collective Investment Schemes constituted outside the UK and EEA, but satisfying the authorisation requirements under section 270 of the FSMA 2000 as being managed and authorised in a designated country or territory
- OEICs which are listed on an HMRC or FCA recognised stock exchange

Insured Funds

Insured Funds means a fund which is provided by an insurance company.

Funds available within an Insurance Based Investment Product (IBIP) are Insured Funds.

The Insured Funds available are With Profits funds.

Structured Products

Structured products are pre-packaged investments that normally include assets linked to interest.

To hold a structured product in your SIPP it must either be:

- A deposit account with a licensed deposit taker based in the UK, on terms under which any interest or premium paid is according to a formula, which involves the performance of an index or combination of indices (other than money market indices)
- The term must be for a specified period with access being available during the term, albeit at possible penalties, but partial withdrawals are not allowed

  Or

- An equity based product which provides an agreed level of income or growth over a specified investment period, with the return of initial capital at the end of the investment period linked by a pre-set formula to the performance of an index, a combination of indices or a basket of listed shares
- The underlying equity investment must itself be listed on a recognised stock exchange

Deposits

Investments may be made into instant access, fixed term and notice accounts available on the Platform.

Restrictions

We apply the following restrictions:

- No commercial property or land can be purchased
- No taxable property can be purchased (e.g. residential property, art, antiques, jewellery, fine wine, classic cars and yachts)
- No joint investments with other persons or pension schemes are allowed
- No investments may be purchased from, or sold to, the member or anyone connected with the member
- No loans are permitted including to you, your relatives or a person connected to you, including your employer
- No borrowing is allowed to purchase investments
- Unregulated Collective Investment Schemes (UCIS) means not authorised by the FCA
- No suspended investments can be accepted or transferred into the SIPP; and
- Investments must be readily tradable

There is no facility for you to have an alternative to the Cash Account within your SIPP.

When we can change the contents of this list

We may add or remove assets from the list of permitted investments and change the investment restrictions at our sole discretion in the future.

Reasons for changes may include:

- Changes in HMRC rules
- Changes in pensions or other relevant legislation
- Changes in the regulatory regime governing pensions and investments or reporting requirements
- Changes in investment markets
- Changes in how our business operates

We can sell an asset if it is removed from the list of permitted investments

Important Information

- IFDL is not regulated to provide investment advice. The member is responsible for choosing investments that are suitable for their individual circumstances and for discussing the investment strategy with their Financial Adviser on a regular basis
- All investment transactions must be carried out on a commercial basis
- IFDL may decline making an investment for various reasons, including where it may deem the asset is not a readily tradable investment

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