

SIPPCHOICE BESPOKE SIPP

INVESTMENT REQUEST FORM (from 21 May 2012)

If you would like to make a new investment in your SIPP then please read the notes at the end of this form carefully. Then complete this form and return it to Sippchoice together with the investment application form (please complete all details in the investment application form relating to investment options and preferences but please do not sign the form since we will need to do this).

Please do not use this form for direct property investments. There is a separate Investment Request form for direct property investments, which can be downloaded from the Literature page of our website.

SECTION A – MEMBER DETAILS

1.	Name	
2.	Date of birth	
3.	SIPP membership number	
4.	I am a 'sophisticated investor'	Yes/No
	<p>A 'sophisticated investor' is someone to whom at least one of the following applies</p> <p>(a) <i>I am a member of a network or syndicate of business angels and have been for at least the last six months</i></p> <p>(b) <i>I have made more than one investment in an unlisted company in the last two years</i></p> <p>(c) <i>I am working, or have worked in the last two years, in a professional capacity in the private equity sector, or in the provision of finance for small and medium enterprises</i></p> <p><i>I am currently, or have been in the last two years, a director of a company with an annual turnover of at least £1 million.</i></p>	
5.	I am a 'high net worth individual'	Yes/No
	<p>A 'high net worth individual' is someone to whom at least one of the following applies:</p> <p>(a) <i>I had during the last tax year an annual income of £100,000 or more</i></p> <p>(b) <i>I held, throughout the last tax year, net assets to the value of £250,000 or more, excluding for this purpose</i></p> <ul style="list-style-type: none"> - <i>the property which is my primary residence or any loan secured on that residence</i> - <i>any rights of mine under a qualifying contract of insurance within the meaning of the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001</i> - <i>any benefits (in the form of pensions or otherwise) which are payable on the termination of my service or on my death or retirement and to which I am (or my dependants are), or may be, entitled.</i> 	

SECTION B – INVESTMENT DETAILS

1	Amount to be invested	£
2	Name/description of the proposed investment	
3	Investment type	<p>.... Bank account</p> <p>.... Investment dealing account <i>for members who wish to manage their pension fund themselves using quoted investments and/or regulated collective investment schemes</i></p> <p>.... Discretionary fund manager</p> <p>.... Third party loan</p> <p>.... Unquoted trading company</p> <p>.... Unregulated collective investment scheme ('UCIS')</p> <p>.... Other investment (i.e. none of the above)</p>

SECTION C – VENDOR DETAILS

1	Vendor of the investment	
2	What is the connection between you and the vendor of the investment	

SECTION D – THIRD PARTY LOAN DETAILS

Borrower's details		
1	Full name of the company	
2	Registered number	
3	Registered office	
4	Date registered	
5	Business structure	
6	Business address	
7	Website address	
8	Nature of the company's business	
9	Details of all the company's directors - name, position, whether non-executive and relationship to you	
10	Details of all the company's shareholders - name, shareholding, and relationship to you	
11	Is the company in the process of being dissolved, struck off, wound up or terminated?	Yes/No
12	What is the connection between you and the borrower (see note 20 of the attached notes)?	
Loan details		
13	Purpose of the loan (in detail)	
14	Term of the loan	
15	Interest rate	
16	Frequency of loan repayments	
17	Frequency of interest repayments	
18	Security for the loan	
19	Do you consider the loan to be prudent, secure and commercial?	Yes/No

SECTION E – UNQUOTED TRADING COMPANY DETAILS

Company's details		
1	Full name of the company	
2	Registered number	
3	Registered office	
4	Date registered	
5	Business structure	
6	Business address	
7	Website address	
8	Nature of the company's business	
9	Details of all the company's directors - name, position, whether non-executive and relationship to you	
10	Details of all the company's shareholders - name, shareholding, and relationship to you	
11	Is the company in the process of being dissolved, struck off, wound up or terminated?	Yes/No
12	What is the connection between you and the company?	
Transaction details		
13	Number of shares to be acquired	
14	How will the share price be determined Independent valuation Recent third party share transactions Other (please specify)
15	Is the company's main activity the carrying out of a trade, profession or vocation?	Yes/No
16	Will your SIPP, together with any associated persons, have control of the company?	Yes/No
17	Are you, or a person connected to you, a 20% director of the company, i.e. a director to whom paragraph (b) of Section 417(5) Income and Corporation Taxes Act 1988 applies?	Yes/No

SECTION F – HOW WILL THE INVESTMENT BE FUNDED

1.	From cash in the SIPP bank account <i>It is your responsibility to ensure that there are sufficient funds in your SIPP bank account to cover the full cost of the investment, including all charges. The investment cannot be made if there are insufficient funds available for this purpose.</i>	Yes/No
2.	By a contribution <i>Please give details of the contribution(s) that will fund the investment:</i>	
3.	By a transfer value <i>Please give details of the transfer value(s) that will fund the investment:</i>	

SECTION G – PAYMENT DETAILS

1.	By a cheque (there is no charge for payment by cheque and it normally takes 3 or 4 working days for the payment to clear) <i>Please give details of who the cheque should be made payable to:</i>	Yes/No
2.	By BACS transfer (there is no charge for payment by BACS transfer and it normally takes 3 or 4 working days for the payment to clear) <i>Please give details of the account to which the payment should be made:</i> Account name: Account number: Sort code:	Yes/No
3.	By CHAPS transfer (there is a charge of £25 for a CHAPS transfer and the payment will be cleared on the same day if we give the CHAPS instruction before 11:30 am) <i>Please give details of the account to which the payment should be made:</i> Account name: Account number: Sort code:	Yes/No
4.	By an overseas transfer (details of the timing and charges for overseas transfers will be provided) <i>Please give details of the account to which the payment should be made:</i> Account name: Account number: SWIFT code: IBAN code:	Yes/No

SECTION H – CLOSING DATE

Please complete this section only if there is a closing date for the proposed investment

<i>If the proposed investment has a closing date then please show the details below:</i> Whilst we will use our best endeavours to meet any closing date, we cannot guarantee that we will be able to do this
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SECTION I – FINANCIAL ADVISER'S CONFIRMATION

Please complete this section only if a financial adviser has recommended the proposed investment

I confirm that I have advised the member to make the proposed investment	
Financial adviser's signature	
Financial adviser's name (in capitals)	
Date	

SECTION J – MEMBER’S DECLARATION AND REQUEST TO SIPPCHOICE

1.	I confirm that I have read, understood and agreed all the explanatory information in respect of the proposed investment and request Sippchoice Trustees Limited to proceed with this investment request.	Yes/No
2.	I confirm that: <ul style="list-style-type: none"> - neither I nor anyone connected to me will receive a payment or benefit under, or in connection with, the proposed investment; and - the proposed investment will be a genuine investment of my SIPP and is not being made in order to facilitate early access to my pension fund; and - my SIPP is not making the investment to enable me, or a person connected to me, to occupy or use any ‘taxable property’ held (directly or indirectly) within the investment. 	Yes/No
3.	I understand that if the proposed investment is not regulated by the FSA then: <ul style="list-style-type: none"> - I may have no right to complain about the investment to the FSA or to the Financial Ombudsman Service; and - I may have no right to seek compensation about the investment from the Financial Services Compensation Scheme. 	Yes/No
4.	I understand that if a scheme sanction charge is levied on Sippchoice as a consequence of making this investment then Sippchoice will have the right to deduct this charge from my SIPP. I accept full liability personally for any scheme sanction charge that Sippchoice is unable, for any reason, to deduct from my SIPP.	Yes/No
5.	I confirm that, to the best of my knowledge and belief, all the information and declarations in this form are complete and correct and will apply to any future requests that I may make to top-up the proposed investment. I will advise you immediately if the answers to any of the above statements change.	Yes/No
6.	I have noted the following extract from the Sippchoice Bespoke SIPP Terms and Conditions: Extract from Section 5 of the Sippchoice Bespoke SIPP Terms and Conditions <i>(e) We will not be liable for the consequences of any decisions that you, the Investment Manager or your Agent make relating to the purchase, retention, dealing with or sale of any investments in Your Fund.</i> <i>(f) If you, the Investment Manager or your Agent request us to make an investment, or to make available funds from Your Fund to make an investment, then we will be entitled to assume that:</i> <ul style="list-style-type: none"> <i>(i) you are fully aware of the nature of the investment, any obligations attaching to it and its liquidity;</i> <i>(ii) you fully understand the risks attaching to the investment; and</i> <i>(iii) you have taken such professional advice in relation to the investment as you consider appropriate in the circumstances;</i> <i>and we will not be responsible in any way for the performance or liquidity of the investment, or for any tax consequences arising from the investment or for any loss relating to the period between the date that the investment request is received and the date that it is completed, irrespective of the closing date for the investment.</i>	Yes/No

Member’s signature	
Member’s name (in capitals)	
Date	

The Sippchoice Bespoke SIPP has been registered with HM Revenue & Customs under the Pension Scheme Tax Reference 00738995RG. Sippchoice Limited is the Provider and Scheme Administrator of the Sippchoice Bespoke SIPP and it is authorised and regulated by the Financial Services Authority under reference number 496250. Sippchoice Trustees Limited is the Trustee of the Sippchoice Bespoke SIPP.

SIPPCHOICE BESPOKE SIPP

INVESTMENT REQUEST NOTES

Procedure for making investments

1. The procedure for making an investment in your SIPP is to complete the attached Investment Request form and then send it to Sippchoice. Details of the investments that can (and cannot) be made in your SIPP, and the associated conditions, are set out below.

Note: There is a separate Investment Request form for direct property investments, which can be downloaded from the Literature page of our website.

Investments that cannot be made in the Sippchoice Bespoke SIPP

2. There are no HMRC restrictions on the investments that can be made in a SIPP. However, if a SIPP makes certain investments (see 3. below) then these will be treated as unauthorised payments and will be subject to the following tax charges.

Sipp member (personally)	<p><u>Unauthorised payments charge</u> 40% of the unauthorised payment</p> <p><u>Unauthorised payments surcharge</u> A further 15% of the unauthorised payment if the unauthorised payment exceeds 25% of the member's pension fund</p>
Sippchoice (as scheme administrator)	<p><u>Scheme sanction charge</u> 15% of the unauthorised payment (increased to 40% if the member does not pay the unauthorised payments charge)</p>

Additional tax charges will apply on an annual basis and when the investment is sold.

3. Because of the tax implications set out in 2. above, the Sippchoice Bespoke SIPP does not permit the following investments:
 - direct investment in 'taxable property' (see below)
 - indirect investment in 'taxable property' (unless this is done using a vehicle that meets certain conditions)
 - loans to members and/or connected persons (but loans to third party companies are permitted if they meet certain conditions)
 - any investment that is made in order to facilitate early access to your pension fund (so-called 'pension busting') or any direct or indirect payments or other benefits to members and/or connected persons.

'Taxable property' is:

- residential property (whether in the UK or elsewhere); or
- tangible moveable property (i.e. anything that you can touch and can be moved, e.g. antiques, boats, cars, jewellery, wine and works of art, etc.).

4. As explained below, Sippchoice will carry out due diligence on investments that are not regulated by the Financial Services Authority ('FSA') before making a decision on whether they can be held in your SIPP. Furthermore, before your SIPP can make such an investment we must be satisfied that you are fully aware of the risks involved.

Note: Sippchoice reserves the right not to proceed with investments that do not satisfy its due diligence procedures. Furthermore, Sippchoice will not accept any responsibility for any investments that you have asked us to make for your SIPP, including those that satisfy our due diligence requirements.

Investments that can be made in the Sippchoice Bespoke SIPP

Bank account

5. There is no requirement to retain cash in your SIPP's bank account with Bank of Scotland and cash can be transferred from that account to another bank or building society account of your choice (note: there is normally a charge for this). However, the Bank of Scotland account must be used for all your SIPP transactions and the following conditions will apply if you wish to open another bank or building society account for your SIPP:
- (a) The bank or building society must be incorporated in the UK and authorised by the FSA.
 - (b) We will open the account and we will need to authorise all payments out of the account.

Investment dealing account

6. The following conditions will apply if you wish to manage your SIPP personally and to invest your SIPP in quoted investments and/or regulated collective investment schemes:
- (a) The investment must be made through an investment dealing account with a UK stockbroker or fund supermarket, etc., that is authorised and regulated by the FSA.
 - (b) We will open the investment dealing account and authorise you to operate the account directly and without reference to us.
 - (c) The account can be used only to make the following investments:
 - quoted investments that are listed on the London Stock Exchange or the Alternative Investment Market (AIM), an overseas exchange recognised by HMRC, an exchange that is recognised and supervised by the FSA or is included on the FSA's list of designated investment exchanges (see www.fsa.gov.uk/register/exchanges.do)
 - collective investment schemes that are regulated by the FSA (see www.fsa.gov.uk/Pages/Register/search/cis_search/index.shtml).

Note: Regulated collective investment schemes include open ended investment companies (OIECS) and authorised unit trusts. Collective investment schemes that are not regulated are subject to tight restrictions on marketing - see 16. below.

Discretionary fund manager

7. The following conditions will apply if you wish to appoint a discretionary fund manager to manage your SIPP assets:
- (a) The discretionary fund manager must be a UK firm that is authorised and regulated by the FSA.
 - (b) We will open the discretionary fund management account and authorise the fund manager to accept investment instructions directly from you.
 - (c) The fund manager can make the following investments without reference to us:
 - quoted investments that are listed on the London Stock Exchange or the Alternative Investment Market (AIM), an overseas exchange recognized by HMRC, an exchange that is recognised and supervised by the FSA or is included on the FSA's list of designated investment exchanges (see www.fsa.gov.uk/register/exchanges.do)
 - collective investment schemes that are regulated by the FSA (see www.fsa.gov.uk/Pages/Register/search/cis_search/index.shtml).
 - (d) If the fund manager wishes to make investments that are not covered by (c) above then we must authorise these in each case.

Third party loans

8. The following conditions apply to loans from your SIPP:
- (a) The borrower must be an UK company (not an individual) that is not connected with you (see 20. below).
 - (b) The loan must be a genuine investment of your pension fund.
 - (c) The loan must be prudent, secure and on a commercial basis, i.e.
 - the borrower is expected to be able to repay the loan
 - the terms of the loan should be based on the terms that a third party lender would require for a comparable loan on an arm's length basis.
 - (d) The loan should be secured as a first charge on any asset which is at least equal in value to the amount of the loan on an ongoing basis.
 - (e) The purpose of the loan must be for the borrower's business and must be specified in detail.
 - (f) The loan should not be used to acquire any 'taxable property' (see 3. above).

- (g) The loan must not be made in order to facilitate early access to your pension fund (so-called 'pension busting') or any direct or indirect payments or other benefits to you and/or connected persons.
 - (h) A copy of the borrower's most recent audited accounts must be provided and, in order to satisfy ourselves that the loan meets our requirements, we will carry out due diligence investigations into the borrower, which may involve seeking external advice and credit checks.
 - (i) You must confirm to us that you are a 'sophisticated investor' or a 'high net worth individual'.
9. Sippchoice will arrange for a loan agreement to be prepared by its lawyers that incorporates the agreed terms and legal charge over any security provided for the loan.
10. Once the loan has been made, Sippchoice may require evidence that it has been used for the stated purpose and will be responsible for ensuring that its terms are fully met. As part of this process, Sippchoice will monitor interest and capital payments to ensure that they are being paid when due. If any payments are not made strictly in accordance with the terms of the loan agreement then Sippchoice will pursue these rigorously to obtain the recovery of any owed funds and may use a debt collection service for this purpose. This will result in additional fees and may also involve legal and other expenses, all of which will be debited to your SIPP.

Unquoted trading companies

11. The following conditions apply to investments by your SIPP in unquoted trading companies:
- (a) The company's main activity is the carrying out of a trade, profession or vocation.
 - (b) Your SIPP, either alone or together with 'associated persons' (see 20. below) does not have control of the company.
 - (c) Neither you, nor a person 'connected' to you (see 20. below), is a 20% director, i.e. a director to whom paragraph (b) of Section 417(5) Income and Corporation Taxes Act 1988 applies.
 - (d) Your SIPP does not directly or indirectly hold an interest in the company for the purposes of enabling you, or a person connected to you, to occupy or use any 'taxable property' (see 3. above) held by the company.
 - (e) The investment must not be made in order to facilitate early access to your pension fund (so-called 'pension busting') or any direct or indirect payments or other benefits to you and/or connected persons.
 - (f) A copy of the company's most recent audited accounts must be provided and, in order to satisfy ourselves that the investment meets our requirements, we will carry out due diligence investigations into the company, which may involve seeking external advice and credit checks.
 - (g) The total shares held by Sippchoice for its SIPP members, together with any shares held by persons connected with those SIPP members, must not exceed 50% of the total shares in the company.
 - (h) You must confirm to us that you are a 'sophisticated investor' or a 'high net worth individual'.
12. As part of our due diligence investigations, we will normally require the following information about an unquoted trading company:
- (a) full name of the company
 - (b) registered number
 - (c) registered office
 - (d) date registered
 - (e) business structure
 - (f) business address
 - (g) website address
 - (h) nature of the company's business
 - (i) evidence of incorporation
 - (j) names of all the directors
 - (k) names of all the beneficial owners holding over 25% of the company
 - (l) confirmation that the company is not in the process of being dissolved, struck off, wound-up or terminated
 - (m) credit assessment and copy of most recent accounts
 - (n) any other relevant information
13. Investment transactions must take place at their market value, which is defined in Section 272 Taxation of Chargeable Gains Act 1992 as the price which those assets would reasonably be expected to fetch on a sale in the open market. The purchase price for shares in unquoted trading companies should be based on either an independent valuation of the shares that reflects the size of the transaction or on a price that can be justified by recent third party transactions of a similar size.

14. Investments in unquoted companies can be illiquid and have a very limited market and, therefore, they may take some time to sell. This can create problems if the sales proceeds are required to provide benefits, particularly death benefits. You should, therefore, have regard to this before deciding to proceed with this type of investment. Furthermore, these investments may be high risk, so we strongly recommend that you also seek appropriate legal and financial advice before proceeding.
15. If your SIPP invests in an unquoted trading company then stamp duty will be payable when the shares are purchased. The shares will be held in the name of Sippchoice Trustees Limited and we will need to make appropriate arrangements for the registration and custody of the shareholding, for receiving any dividends and for voting on any shareholder issues.

Unregulated collective investment schemes ('UCIS') and any other investments

16. The following conditions apply to investments by your SIPP in unregulated collective investment schemes ('UCIS') or any other investments that do not fit into any of the above categories:
 - (a) Either:
 - the total value of the assets held directly by the vehicle is at least £1 million; or
 - the vehicle holds at least three residential properties and in either case no single asset held directly by the vehicle that is taxable property has a value that exceeds 40% of the total value of the assets held directly.
 - (b) If the vehicle is a UK company then it is not a close company (and, if it is not a UK company, it would not be a close company if it were resident in the UK).
 - (c) The vehicle does not have as its main purpose, or as one of its main purposes, the direct or indirect holding of an animal(s) used for sporting purposes.
 - (d) Your SIPP does not hold an interest in the vehicle for the purposes of enabling you, or a person connected with you (see 20. below), to occupy or use any 'taxable property' (see 3. above) held in the vehicle.
 - (e) Your SIPP, together with any associated persons (see 20. below), does not hold, directly or indirectly, 10% or more of the vehicle.
 - (f) The investment must not be made in order to facilitate early access to your pension fund (so-called 'pension busting') or any direct or indirect payments or other benefits to you and/or connected persons.
 - (g) In order to satisfy ourselves that the investment meets our requirements, we will carry out due diligence investigations into the investment, which may involve seeking external advice and credit checks.
 - (h) You must confirm to us that:
 - you are a 'sophisticated investor' or a 'high net worth individual'; or
 - you have taken advice on the proposed investment from someone suitably approved by the FSA.
17. If your SIPP uses a property investment LLP as a vehicle for property investment then the normal tax exemptions that apply to pension funds in respect of investment income or capital gains will be disapplied in respect of that investment. Any such income or capital gains will be assessable to income tax or to capital gains tax respectively.
18. These investments can be illiquid and have a very limited market and, therefore, they may take some time to sell. This can create problems if the sales proceeds are required to provide benefits, particularly death benefits. You should, therefore, have regard to this before deciding to proceed with this type of investment. Furthermore, these investments may be high risk, so we strongly recommend that you also seek appropriate legal and financial advice before proceeding.
19. The investment will be held in the name of Sippchoice Trustees Limited and we will need to make appropriate arrangements for the registration and custody of the investment, for receiving any income distributions and for voting on any shareholder issues.

Definitions

20. The terms 'associated person' and 'connected person' are defined below.

Associated person means you, any person connected with you or any other pension scheme of which you are, or a person connected with you is, a member.

Connected person is defined in Section 993 of the Income Tax Act 2007 and means:

- your spouse or civil partner

- your relative (note: relative means a brother, sister, ancestor or lineal descendant; it does not cover all family relationships and, in particular, does not include nephews, nieces, uncles and aunts) or the spouse or civil partner of such a relative
- a relative of your spouse or civil partner, or the spouse or civil partner of such a relative
- your partner, if you are in partnership together, or the spouse, civil partner or a relative of such a partner.

There are complex provisions that define whether a company is connected with a SIPP member and, in summary, a company is connected with a SIPP member if the SIPP member and any persons connected with the SIPP member (which includes co-directors and any other persons who, together with the SIPP member, control the company) together have control of the company. The term 'control' in this context essentially means owning, or controlling, more than 50% of the company's shares. **It is important that you seek professional advice on this point if you have any doubts on whether this applies in any particular case.**

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