THE ARDAN SIPP INVESTMENT GUIDELINES.

The Ardan SIPP is the generic name of the product purchased by the applicant established under the MW SIPP 2 Trust Deed. MW SIPP 2 is the personal pension scheme registered with HMRC. This means that the Member has responsibility for choosing how the funds within their pension are invested. This allows a Member to choose which investment specialists they appoint to assist them with such investments, including investment advisers, investment managers and custodians.

IFGL Pensions does not accept any liability for any decisions relating to the purchase, retention and sale of the investments within a Member's pension. The Member agrees to hold IFGL Pensions fully indemnified against any claim in respect of such investment decisions or instructions.

However, IFGL Pensions is involved with the investment process and plays a role in the administration of a Member's SIPP investments, and investments are always made by the Trustee of the Ardan SIPP in the name of a Member's SIPP.

All investment instructions received from Members, or their appointed specialist advisers, are considered by the Trustee and Scheme Administrator in light of the Member's risk profile, as detailed by the Member in the Ardan SIPP Application Form.

Members should be aware that the value of investments can fall as well as rise and is not guaranteed. Past performance is no guide to future performance.

To assist a Member in ensuring that investments are appropriate for their SIPP, IFGL Pensions has produced the following guidelines.

STANDARD INVESTMENTS

The Ardan SIPP allows a Member to invest in 'Standard Investments', available via the Ardan Platform.

The FCA standard asset list was last updated in December 2015 and IFGL Pensions will accept the following investments into the Ardan SIPP:

- Cash
- Cash funds
- Exchange traded commodities
- Government and local authority bonds and fixed interest stock
- Investment notes (structured products) that are suitable for sale or promotion in the UK and where there is a ready and clear secondary market – IFGL Pensions will only accept a maximum of 20% within the fund. Shares in investment trusts
- Managed pension funds
- Real estate investment trusts (REITS)
- Securities admitted to trading on a regulated venue Units in Regulated collective investment schemes

- Investments in funds that contain exit charges are not permitted Broker funds are not permitted
- Fair value cap of 3.5% in year one and 3.3% in subsequent years must not be exceeded. This includes the sum of the TER, other core investment charges (for example wrap or platform fees), adviser charges and IFGL Pensions standard product charges
- Please note that a minimum cash balance of 2.75% of the pension fund shall be held within the SIPP for customers with <£1.49m overall plan value. For customers with >£1.5m overall plan value a minimum cash balance of 2.25% of the pension fund shall be held within the SIPP.

IFGL Pensions expects that investments will be held on the Ardan platform. Investments held on the platform could also invest in a managed portfolio service, or via a discretionary fund manager. The key is that an investment held on the Ardan Platform must be capable of being sold within 30 days, and be on the FCA standard asset list.

The FCA describes Standard Investments as:

'Standard assets must be capable of being accurately and fairly valued on an ongoing basis, readily realised whenever required (up to a maximum of 30 days), and for an amount that can be reconciled with the previous valuation.'

NON-STANDARD INVESTMENTS

IFGL Pensions will not accept non-standard investments into the Ardan SIPP.

The FCA in a policy statement PS14/12 in 2014 stated:

'Non-standard investments are typically higher risk or speculative propositions, and the entire amount invested is at risk. These investments tend to be illiquid and difficult to value, and there may be little or no recourse to the Financial Ombudsman Service and Financial Services Compensation Scheme, for example if the arrangement is mismanaged. Some may be outright scams. Most non-standard investments, such as UCIS, unlisted shares and speculative overseas property schemes, are unlikely to be suitable for those retail investors of ordinary sophistication and means who make up the vast majority of the retail market in the UK. However, more sophisticated investors may consider them to be appropriate investment opportunities.'

IFGL Pensions also, whether they are captured by the non-standard definition or not, excludes from the Ardan SIPP investments in:

- Commercial property
- Residential property
- Land
- Art
- Antiques
- Wine
- Cars
- Unregulated collectives
- Expert, professional, and sophisticated (investment funds)
- Crypto assets
- Other investments that one may call into question forming part of a retail investor's portfolio.

Any initial fee or commission is capped at 4% up to a maximum of £28,000 and must be reasonable for the work undertaken.

IFG Pensions Limited is registered in England and Wales (No. 4826217) at Third Floor, Cotton House, Old Hall Street, Liverpool, L3 9TP, UK, and is authorised and regulated by the Financial Conduct Authority (FCA No. 458576) for the purposes of setting up, administering and winding up personal pension schemes; Ardan International is incorporated in the Isle of Man (Company No. 007984V) at International House, Cooil Road, Douglas, IM2 2SP, and is licensed by the Isle of Man Financial Services Authority.

IFGL PENSIONS