

## Modular GIA Permitted Investments List

### What is this document about?

- This document sets out the types of investments you may and may not hold in your Modular GIA. Please note that the inclusion of any type of investments does not mean that we endorse or recommend them, and returns on your investments are not guaranteed.
- As we are not regulated to provide advice, you should read and discuss this information with your Financial Conduct Authority (FCA) regulated financial adviser so they can help you choose the right investments to suit your circumstances.
- All investment transactions must be carried out on a commercial basis. Please note that we reserve the right to decline making an investment if the provider will not provide us with suitable monthly reconciliation data, or for any other reason we deem appropriate.
- The information in this document is based on our current policies, which may be subject to change in the future.

You should also read:

- **The Modular iPlan Technical Guide:** A guide which explains how the investment modules mentioned in this document work and how investments can be purchased.
- **How your Money and Investments are held within James Hay Products:** This document provides details of how your assets are held, as well as the protections provided under UK regulations .

Please ensure that you always access our documents from our website [www.jameshay.co.uk](http://www.jameshay.co.uk) in order to access the most up-to-date information.

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## What investments can I make in the Modular GIA?

Any investment types detailed in this document that are traded on a stock exchange must be purchased and held by an investment manager/stockbroker on behalf of your product. If you are unsure which investment types this applies to, please contact us.

The Modular GIA is split into three investment modules:

### Core investments

- Unit trusts and OEICs held in the Investment Centre
- Investments traded via a panel stockbroker
- Any cash held in the GIA bank account

### Specialist investments module

- Specialist Investments

Please note that **new** Specialist Investments purchases are not allowed, only top-ups. Please see the 'Investments allowed under certain circumstances' section for details.

### Whole of Market module

- Investments held by an investment manager/stockbroker not on our panel
- Deposit accounts held with an investment manager
- Investment grade gold bullion
- Insurance company managed funds and unit linked funds
- Venture Capital Trusts (VCTs)

Please note that these types of investments may require you to be following financial advice in order to purchase them. Please see the Complex Investments section below for more information.


- OEICs, unit trusts and units/shares in Collective Investment Schemes not held on the Investment Centre
- Structured products
- Managed portfolios of collective investments



Please check the investment definitions section of this document to help you and your adviser to consider which of these investment types would be suitable for you.

## Non-permitted investments

Please note that this list is not exhaustive and does not cover all non-permissible investment types for the Modular GIA. If you are unsure about the permissibility of a certain investment, please contact us.

- Direct purchase of residential property (UK or overseas) or overseas commercial property
  - Direct purchase of tangible, moveable property (such as art or antiques)
  - Indirect investment in tangible or residential property with a majority shareholding/control
  - Property limited liability partnerships
  - Residential ground rents
  - Intellectual property
  - Premium bonds
  - Loans
  - US mutual funds
  - Land banking (as defined by the FCA)
  - Direct holdings in commodities
  - Wasting assets
  - Direct investment in cryptocurrency or cryptoasset derivatives and cryptoasset exchange traded notes
  - Crowdfunding
  - New investments into Contracts for Difference (CFD) or Futures and Options (as defined by the FCA)
  - New investments into second hand/traded endowment policies
  - Cash panel deposit accounts
  - Direct holdings in commodities (such as precious metals, other than investment grade gold bullion)
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## Investments allowed under certain circumstances

If you already hold one of these types of investments in your Modular GIA you may be able to make additional investments (top ups) into the same investment. This would be allowed subject to our review and requirements in place at the time the top up investment is requested.

**New investments (other than top ups) are no longer permitted into these types of specialist investments.**

- Non-Mainstream Pooled Investments (NMPs) including Unregulated Collective Investment Schemes (including Overseas UCIS) and similar vehicles
- Shares in unquoted private companies (both UK and overseas)



If you wish to top up an existing specialist investment, please read our Specialist Investments (Non-Standard Investments) Guide, available from our website at [www.jameshay.co.uk](http://www.jameshay.co.uk).

## Complex Products

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

Under regulations, there is no definition of Complex Products. However, the regulations 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 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.

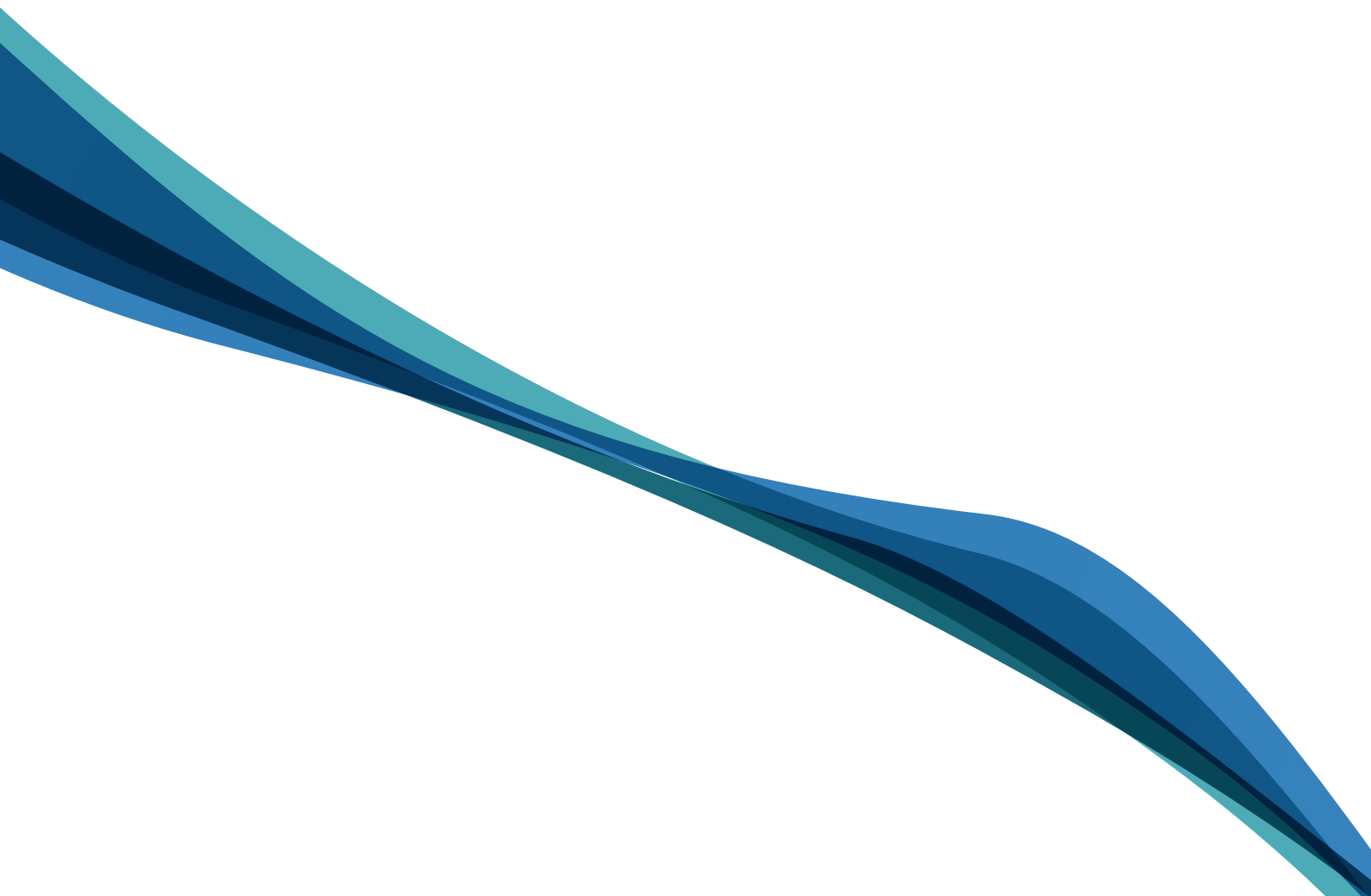
Complex Products are therefore anything that is outside of this definition of Non-Complex products. Broadly speaking, Complex Products are investments involving derivatives or where the opportunity to sell is infrequent.

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

## Permitted investment definitions

### Core investments

<b>Unit trusts and OEICs held in the Investment Centre</b>	The Investment Centre range of funds for the Modular GIA are a mixture of authorised unit trusts and Open Ended Investment Companies (OEICs), which qualify as Collective Investment Schemes.
<b>Investments traded via a panel stockbroker</b>	<p>Stocks and shares can be purchased and held with a stockbroker from our panel, including those traded on the London Stock Exchange, Alternative Investment Market (AIM), an HMRC recognised stock exchange or FCA recognised investment exchange.</p> <p>This covers most transferable securities, including investment trusts, Closed Ended Investment Funds, UK REITs (Real Estate Investment Trusts), government securities, debenture and loan stocks, depositary interests and depositary receipts, shares in companies (equities), fixed interest securities issued by government or other bodies, warrants (for equities), Permanent Interest Bearing Shares (PIBS), convertible securities and Exchange Traded Funds (ETFs).</p>



## Permitted investment definitions (continued)

### Whole of Market module

<p><b>OEICs, unit trusts and units/shares in Collective Investment Schemes not held on the Investment Centre</b></p>	<p>Where they are not available within the Investment Centre, the following may be permitted to be held within the Whole of Market module:</p> <ul style="list-style-type: none"> <li>• Open Ended Investment Companies (OEICs) that are: <ul style="list-style-type: none"> <li>- within the meaning of section 236 of the Financial Services and Markets Act 2000 (FSMA 2000) and are UK incorporated and FCA regulated, or</li> <li>- constituted outside the UK and are recognised schemes for the purposes of Part 17 of FSMA 2000.</li> </ul> </li> <li>• Authorised unit trusts which are based in the UK and FCA regulated.</li> </ul>
<p><b>Managed portfolios of collective investments</b></p>	<p>Managed portfolio arrangements provided by an FCA regulated company which invests in Collective Investment Schemes that qualify as permissible investments, in accordance with the 'Units/shares in Collective Investment Schemes' section above.</p>
<p><b>Investments held by an investment manager/ stockbroker not on our panel</b></p>	<p>The investment manager/stockbroker must be UK based and FCA regulated, and agree to our operational requirements. This also applies to third party platforms. Please visit our website for a list of the third parties with whom we currently have agreements, and refer to your chosen investment manager/stockbroker for further information.</p>
<p><b>Deposit accounts</b></p>	<p>Other than the product bank account held with our banking provider(s), any deposit account must be held by an investment manager in their nominee's name.</p>
<p><b>Insurance company managed funds and unit linked funds</b></p>	<p>The insurance company must be based and regulated by home financial services regulatory authority within the UK, European Union or Isle of Man.</p>
<p><b>Structured products</b></p>	<p>The structured product must either be:</p> <ul style="list-style-type: none"> <li>• 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 with partial withdrawals not allowed; or</li> <li>• 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 or a combination of indices or a 'basket' of listed shares. The underlying equity investment must itself be listed on a recognised stock exchange.</li> </ul>
<p><b>Investment grade gold bullion</b></p>	<p>Gold of a purity not less than 995 thousandths that is in a form of a bar or a wafer, of a weight accepted by the bullion markets, and purchased via a gold bullion provider which has met our requirements and holds the gold bullion in a safe storage facility.</p>
<p><b>Venture Capital Trusts (VCTs)</b></p>	<p>Venture Capital Trusts (VCTs) that are listed, or dealt, on an HMRC or FCA recognised stock exchange. These must be purchased and held by a UK based stockbroker/investment manager who is FCA regulated.</p> <p>The Modular GIA can only buy shares in a VCT through the stock exchange and not directly through a new issue.</p>

## What do I do next?

**Please note:** We do not provide financial advice. Any questions about investment selection should be directed to your financial adviser.

If you are unsure whether a particular investment is permitted, or you have questions about your James Hay product, please contact us via secure message or write to us at:



**James Hay Partnership, Dunn's House**  
St Paul's Road, Salisbury, SP2 7BF

You can call us on the number below:



**03455 212 414**

Lines are open from 8.30am to 5.30pm  
Monday to Friday. To help us improve our  
service, we may record or monitor calls.

When you have decided on your investment options, you can tell us how you would like to invest by completing the relevant form(s), which can be found on:



**[www.jameshay.co.uk](http://www.jameshay.co.uk)**

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).

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