

## Appropriateness Test

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Client Name

.....  
Investment  
test which applies to  
*Unregulated Investments*  
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The appropriateness test is a requirement where Trustees select investments that are not regulated by the Financial Conduct Authority and are considered to be non-mainstream investments.

If you answer 'No' to some of the questions or fail to answer any question this will most likely suggest the investment being considered may not be appropriate and you should consider an alternative product or reduce the amount you wish to invest in that product.

Pension Practitioner does not provide financial advice and will not assess whether the investment meets your financial requirements. If you are in any doubt about the suitability of the investment you should consult an independent financial adviser or an investment manager that is regulated by the FCA (or equivalent body).

A '**Complex**' Investment Product can be anything that is not defined as a non-complex investment product.

Non-complex investment products are;

<ul style="list-style-type: none"><li>• Shares listed on a recognised stock exchange</li><li>• Bonds</li></ul>	<ul style="list-style-type: none"><li>• Money Market instruments</li><li>• Units / shares in a UCIS qualifying investment scheme</li></ul>
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'Complex investment products include anything involving derivatives or where the opportunity to sell is infrequent and include;

<ul style="list-style-type: none"><li>• Futures, Options and Contracts For Differences</li><li>• Units in a tax exempt unauthorised unit trust</li><li>• Esoteric investments – carbon credit, storage pods, income schemes in respect of timber or agricultural land</li></ul>	<ul style="list-style-type: none"><li>• Shares in Collective Investment Schemes that are not FSA recognised</li><li>• Structured Products</li><li>• Non-regulated investments such as overseas property schemes, hotels rooms, land development in the UK or Overseas</li></ul>
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If you have instructed a stockbroker or regulated investment manager to carry out a trade in a 'complex' investment product it will **not be necessary** for you to complete this form.

It will be the responsibility of the appointed stockbroker or investment manager to assess the appropriateness of the investment.

## Questions:

Please answer all questions by ticking either the 'Yes' or 'No' boxes. If you fail to answer any of the questions the form will be returned to you.

1. Do you understand no advice has been given to you from Pension Practitioner and your decision to invest is based on the information provided by the investment provider?

Yes ☐ No ☐

2. Do you understand the charges applicable to the investment?

Yes ☐ No ☐

3. Have you read and understood the Terms and Conditions of the investment?

Yes ☐ No ☐

4. Do you understand the risks involved and that it is possible you could lose all of your money?

Yes ☐ No ☐

5. Do you understand that past performance is not a guide to future performance?

Yes ☐ No ☐

6. Do you understand you may not be able to sell the investment easily and this might impact on your ability to take pension benefits from your plan if there are not sufficient other liquid assets held by your plan?

Yes ☐ No ☐

7. Do you understand that in the event of your death the Trustees may need to sell the investment to pay death benefits and that the price received may not reflect the full value of the plan's share of the underlying investment?

Yes ☐ No ☐

8. Do you understand if the investment invests in taxable property e.g. residential property and HMRC does not consider it a genuinely diverse commercial vehicle there may be a tax charge which you will be liable for?

Yes

☐

No

☐

9. Do you understand given the nature of the investment it may not be valued as regularly as some other investments and on occasions when Pension Practitioner provide a valuation of the plan it might have to make an estimate of the value which may be out of date?

Yes

☐

No

☐

10. Are you satisfied that this investment does not represent a significant percentage of your overall savings and investments?

Yes

☐

No

☐

11. If you lost most or all of your capital invested would you still be able to maintain your lifestyle?

Yes

☐

No

☐

12. Do you understand Investments that are not regulated by the Financial Services Authority (FSA) are not covered by the Financial Services Compensation Scheme (FSCS)?

Yes

☐

No

☐

**If you have not been able to answer all the questions or have answered 'No' to any of these questions do you still wish to proceed with this investment even though it may not be appropriate for you?**

Yes

☐

No

☐

You or any party connected to you cannot receive any financial incentive now or in the future connected with this investment. Such a payment associated with an investment is treated as an unauthorised payment by HM Revenue & Customs and can lead to significant financial penalties on you and the pension scheme. By signing this form, you confirm that no unauthorised payment will be made.

Signed by member .....

Date (dd/mm/yyyy) ...../...../.....