

Secured loan to a UK trading company.

A SIPP or SSAS with Dentons Pension Management Limited (Dentons) can make a secured loan to a UK trading company subject to satisfying our due diligence requirements and that it will not constitute indirect investment in 'taxable property' (i.e. residential property and or tangible moveable property) at any time while the SIPP or SSAS holds the investment.

Please read our separate Guidance notes before completing this form.

Details of how to establish that a proposed investment will not constitute indirect investment in 'taxable property' is set out in the separate 'Guidance for a non-standard investment' form. If you believe that the proposed investment(s) is (are) permitted, please complete all relevant sections of this questionnaire, sign and date the declaration and return the questionnaire to us. We will review the completed questionnaire and will let you know the outcome.

Dentons allow a wide range of investments to be held in the Scheme and we would strongly encourage you to seek regulated financial advice before making any decisions. Dentons will not provide any advice on the suitability of investments but reserves the right to refuse to hold any proposed investment in the Scheme. Dentons also reserves the right to ask for further information if we need it to enable us to make a decision.

Name of SIPP or SSAS (if applicable)	<input type="text"/>
Name of enquirer	<input type="text"/>
Contact telephone number	<input type="text"/>
Enquirer email address	<input type="text"/>
Name of company	<input type="text"/>
Company's registration number	<input type="text"/>
Company's registered address	<input type="text"/>
Postcode	<input type="text"/>
Name of company's business	<input type="text"/>
Date of company incorporation (DD/MM/YYYY)	<input type="text"/>
Total estimated value of the SIPP/SSAS (£)	<input type="text"/>

Please note:

Loans cannot be made to collective investment schemes, trusts, partnerships or individuals.

Please note:

The company receiving the loan must be financially sound with a minimum of three years' positive trading accounts.

Warning: Before answering the following question please read the Guidance notes or contact your Financial Adviser for clarification.

Is the loan to a company which is a Genuinely Diverse Commercial Vehicle (GDCV)?

Yes ☐ No ☐

If **No**, the loan cannot be made.

It is important that Dentons is aware of the percentage holdings and position held within the borrowing company of any connected parties to the member. Please refer to the definitions of connected person in the Guidance Notes.

If you are able to make the loan as outlined, please provide a full list of any connected parties and their relation to you below, including any proposed changes.

Name of connected party, if any	Position of connected party eg Director, employee, non-employee etc	Shareholding %, if any	Relationship with SIPP/SSAS member

Amount to be loaned (£)

How will the loan be funded?

Reason for the loan

How did you become aware of this proposed investment?

Is the loan a syndicated loan?
If Yes, we will require a draft copy of the loan agreement before we will review the loan investment.

Yes ☐ No ☐

Is the loan on a recognised exchange?

Yes ☐ No ☐

If Yes, please state the exchange

Will the loan be secured on a first charge?

Yes ☐ No ☐

If **No**, the loan cannot be made.

If **Yes**, what type of property will be used to secure the loan?

Commercial ☐ Bare land ☐ Residential ☐
Mixed (commercial & residential) ☐ Other ☐

If Other, please provide details

Property address

Property postcode

Current valuation of the property (£)

Please note:

If there is insufficient space for FULL details, please provide details on a separate sheet and submit with this document.

Please note:

HMRC expect the loan to be prudent, secure and on a commercial basis.

Please note:

Dentons does not permit unsecured loan investments.

Please note:

The loan must not exceed 70% of the market value of the security.

Please note:

For secured loans, 95% of the net market value of the SIPP or SSAS fund can be used provided it is secured by a first charge on property.

Details of solicitor who will be producing appropriate documentation e.g. legal charge for security and loan agreement

The main acceptable form of security is commercial property and must be secured by a first charge of at least the equivalent value of the loan plus interest. The asset used as security need not be owned by the borrower. Dentons' position is that security must take the form of land or property and we will review each transaction individually.

Please provide a cash flow forecast with the completed questionnaire.

Term of loan

Interest rate

Fixed

☐

Variable

☐

%

Capital and interest repayment terms

Quarterly

☐

Monthly

☐

Are you receiving advice for this investment from an FCA regulated financial adviser?

Yes

☐

No

☐

Please note:

Dentons will need to assess if the borrower has the capacity to repay the loan with interest to the SIPP/SSAS throughout the duration of the loan.

Please note:

If the interest rate is variable this will be a variable to the Bank of England (BOE) base rate.

Risk warning: this section must be completed

If you do not already have a SIPP or SSAS with us, how did you hear about the Dentons SIPP/SSAS?

Why do you think the investment is a good investment for your pension scheme?

What are the reasons/objectives for the investment to be made?

Declaration

- > Do you understand the full nature of the investments you are entering into? Yes ☐ No ☐
- > Are you comfortable with the potentially high level of risk associated with this investment? Yes ☐ No ☐
- > Have you read in full, understood and agreed the terms of all the relevant documentation published by the promoter, provider, broker or adviser (as appropriate)? Yes ☐ No ☐
- > Do you realise that you may get back less than the amount you have invested, or if the investment fails, you may get back nothing at all? Yes ☐ No ☐
- > Do you have sufficient capacity for loss in the event of catastrophic failure of this investment? Yes ☐ No ☐
- > Are you in a position of being able to accept this risk? Yes ☐ No ☐
- > Do you understand that the investment, or the organisation offering the investment, may not be authorised or regulated by the Financial Conduct Authority (FCA), the UK's regulator? Yes ☐ No ☐
- > Do you understand if this is the case, that you may not be able to complain to the Financial Ombudsman Service or Pensions Ombudsman? Yes ☐ No ☐
- > Do you understand if the investment is not authorised or regulated by the FCA, you may not be able to be protected by the Financial Services Compensation Scheme? Yes ☐ No ☐
- > Do you understand the level and nature of the charges payable in relation to the holding and future sale of this investment? Yes ☐ No ☐
- > Do you understand that this may be an 'illiquid' investment and that it may not be possible to encash it in a timely manner? Yes ☐ No ☐
- > Do you understand that there may not be a secondary market for this investment and therefore it may not be possible to sell this investment? Yes ☐ No ☐
- > Do you understand it may also be difficult for Dentons to obtain a valuation for reporting or pension benefit calculation purposes and we may be forced to value the investment as 'nil'? Yes ☐ No ☐
- > Do you understand that this investment could result in significant delays or restrictions in paying pension benefits or, in the event of your death, death benefits to your beneficiaries? Yes ☐ No ☐
- > Do you understand that the marketing material may claim to provide high rates of return on your investment, but there is no guarantee of this? Yes ☐ No ☐
- > I have provided all relevant information and to the best of my knowledge it is true and correct.
- > I have read in full, understood and agree the terms of all documentation published by the promoter, provider, broker or adviser (as appropriate) that is relevant to the proposed investment and taken such advice (if any) as I believe appropriate to my circumstances.
- > I confirm that neither Dentons nor any subsidiary company has given me any investment advice or other advice or exercised its judgment on the merits, suitability or otherwise of the proposed investment(s).
- > I acknowledge that Dentons has recommended that I take financial advice before undertaking the proposed investment and, if I do not, that making the investment is entirely at my own risk.

- I understand that Dentons has the discretion to restrict the amount that can be invested or not to proceed with the investment at all and shall have no liability if it exercises this discretion.
- I shall be held responsible for all or any cost, loss, expense, tax (or other) charge or liability, made, incurred or suffered by me personally or by my SIPP or SSAS (as the case may be) as a result of making the investment(s) and I hereby undertake to indemnify and keep indemnified Dentons and any of its subsidiary companies from and against any such cost, loss, expense, tax (or other) charge or liability, made, incurred or suffered by it or them (including any associated legal or other fees and costs incurred by them) as a result of the investment(s) being made.
- I understand that any property offered as security for a loan will be subject to individual acceptance by Dentons.
- While the investment is held, I confirm that I will obtain and provide you with a copy of a current market valuation at any date whenever it is required to enable Dentons to carry out its duties as scheme administrator of my SIPP or SSAS. For example, when I wish to make future investments in unquoted companies or collective investment schemes or when it needs to calculate the level of retirement benefits I can receive.
- I am aware that if a loan is made to a connected person or the proposed investment at any time constitutes indirect investment in taxable property, there will be one or more of the following tax charges:
 - An unauthorised member payment tax charge of 40% of the amount of the unauthorised payment - for which the member(s) is/are personally liable
 - If the unauthorised member payment, together with any other unauthorised member payments in a 12 month period, is 25% or more of the SIPP or SSAS fund value, an unauthorised member payment tax surcharge of 15% of the amount of the unauthorised payment - for which the member is personally liable
 - A scheme sanction charge of between 15% and 40% depending on how much of the unauthorised member payment tax charge is paid - for which the SIPP or SSAS is liable (via the scheme administrator).
- I confirm that I understand the risks associated with making this investment and that although higher risk could mean higher returns, there is no guarantee of this and I may get back less than I invested.
- I understand that these investments may not be easily sold and that this could affect my ability to take pension benefits from my SIPP or SSAS or, in the event of my death, to pay death benefits to my beneficiaries.

For a SIPP, please sign as the Member/Prospective Member below and for a SSAS, all trustees must sign on the next page.

I confirm that all the details provided on this form are, to the best of my knowledge and belief, true and complete.

**Member/Prospective
Member Signature**

Name (in capitals)

Date (DD/MM/YYYY)

If a financial adviser has been involved in giving advice for the stated investment, they must provide their details and sign below.

Declaration (continued)

Financial Adviser

I confirm that I have provided advice on the investment stated and that all the details provided on this form and other accompanying documents, where appropriate, are, to the best of my knowledge and belief, true and complete.

Adviser signature

Name of Adviser

Name of Adviser firm

Firm's FCA Reference
number (FRN)

Date (DD/MM/YYYY)

Please note:

If the investment is acceptable but the Member has not signed this form, their signature will be required before the investment can be held.

For a SSAS, all trustees must sign below.

Trustee name 1

Date (DD/MM/YYYY)

Trustee signature

Trustee name 2

Date (DD/MM/YYYY)

Trustee signature

Trustee name 3

Date (DD/MM/YYYY)

Trustee signature

Trustee name 4

Date (DD/MM/YYYY)

Trustee signature

Trustee name 5

Date (DD/MM/YYYY)

Trustee signature

Trustee name 6

Date (DD/MM/YYYY)

Trustee signature



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Dentons Pension Management Limited, Denton & Co. Trustees Limited, NTS Trustees Limited, TP Trustees Limited, Sippchoice Trustees Limited, Fairmount Trustee Services Limited and M.A.B. Trustee Company Limited are registered in England & Wales under numbers 02352951, 01939029, 01407848, 02604059, 06869793, 01909678 and 01604556 respectively. Registered office at Sutton House, Weyside Park, Catteshall Lane, Godalming, Surrey, GU7 1XE.

Dentons Pension Management Limited is authorised and regulated by the Financial Conduct Authority, register number 461094.

VAT number for Dentons Pension Management Limited is 863 1639 14.

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