SCHEDULE 1 Regulation 2(2)(*b*)

Kinds of Unit Trust Scheme that may be an Appropriate Scheme

Part I

Kinds of Unit Trust Scheme

1. An authorised securities scheme.

2. A feeder fund, but only if the scheme which is the object of its investment is an authorised securities scheme, an investment company with variable capital, a money market fund, or a fund of funds of a kind mentioned in this Part.

3. A fund of funds, but only if the schemes which are the object of its investment are authorised securities schemes, investment companies with variable capital, or money market funds.

4. A money market fund.

Part II

Definitions

In this Schedule—

"authorised securities scheme" means an authorised unit trust scheme the sole object of which is investment in transferable securities and which is not a feeder fund or a fund of funds;

"authorised unit trust scheme" has the same meaning as in the Financial Services Act 1986(**1**);

"feeder fund" means an authorised unit trust scheme the sole object of which is investment in units of a single authorised unit trust scheme or shares in a single investment company with variable capital;

"fund of funds" means an authorised unit trust scheme the sole object of which is investment in units of other authorised unit trust schemes or shares in investment companies with a variable capital;

"investment company with variable capital" means an investment company with variable capital within the meaning of the Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations 1996(**2**);

"money market fund" means an authorised unit trust scheme the sole object of which is investment in transferable securities, deposits and instruments creating or evidencing indebtedness which are not transferable securities; and

"transferable security" means any investment falling within paragraphs 1 to 6 of Schedule 1 to the Financial Services Act 1986 other than an investment title to which either cannot be transferred or can be transferred only with the consent of a third party.

(**1**) 1986 c. 60
(**2**) S.I. 1996/2827