

## SCHEDULE 2

### [SCHEDULE 6 TO THE 1994 REGULATIONS] PERMITTED LINKS

## PART I

### DESCRIPTIONS OF PROPERTY BY REFERENCE TO WHICH BENEFITS MAY BE DETERMINED

1. Listed securities which are readily realisable, not being securities which are—
  - (a) approved securities;
  - (b) loans or deposits of the kinds mentioned in paragraph 4 or 7 below;
  - (c) units or other beneficial interests in a collective investment fund; or
  - (d) derivative contracts.
2. Unlisted securities which are readily realisable, not being securities which are—
  - (a) approved securities;
  - (b) loans or deposits of the kinds mentioned in paragraph 4 or 7 below;
  - (c) units or other beneficial interests in a collective investment fund; or
  - (d) derivative contracts.
3. Land (including any interest in land) in an EEA State, Australia, Canada, the Channel Islands, Gibraltar, Hong Kong, the Isle of Man, New Zealand, the Republic of South Africa, Singapore or the United States of America.
4. Loans—
  - (a) which are fully secured by mortgage (or in Scotland, by standard security) or charge on land (or any interest in land) which—
    - (i) is situated in any of the countries specified in paragraph 3 above, and
    - (ii) in the case of a loan made to a person other than a body corporate, is not used wholly or mainly for domestic purposes, and
  - (b) in relation to which the rate of interest and the due dates for the payment of interest and the repayment of principal can be fully ascertained from the terms of any agreement relating to the loan.
5. Units or other beneficial interests in—
  - (a) a scheme falling within Council Directive [85/611/EEC](#) of 20th December 1985 on the co-ordination of laws, regulations and administrative provisions relating to undertakings for collective investments in transferable securities;
  - (b) a collective investment fund which satisfies the following conditions—
    - (i) the property of the fund comprises property of any of the descriptions in paragraphs 1 to 10 of this Schedule;
    - (ii) the units are readily realisable at a price which represents the net value per unit of the assets and liabilities of the fund; and
    - (iii) the price at which the units may be bought and sold is published regularly.
6. Approved securities.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

7. Loans to or deposits with an approved credit institution, an approved financial institution or an approved investment firm.

8. Income due, or to become due, in respect of property of any of the descriptions specified in the foregoing paragraphs of this Schedule.

9. Permitted derivative contracts.

10. Cash.

11. Units, by whatever name called, in a real or notional fund (not being a scheme or undertaking of a kind mentioned in paragraph 5 above) which is limited to the descriptions of property mentioned above, not being property falling within sub-paragraphs (a) to (d) of paragraph 17 below, and which under the contract is to be managed either—

- (a) wholly by the society; or
- (b) wholly or to any extent by another person being a person for whose acts and omissions in managing the fund the society assumes responsibility towards the policyholder as if they were the acts or omissions of the society, and otherwise (if at all) by the society.