



Savings Schemes Office

ISA Bulletin

Number 20

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The ISA bulletin keeps ISA managers informed of any new developments relating to the ISA scheme. Please ensure the appropriate people in your organisation read it.

We suggest that you keep bulletins at the front of your copy of the Guidance Notes for ISA Managers.

What this Bulletin contains:

This Bulletin contains an article on:

- Qualifying investments - securities - 'kick-out plans'.

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Qualifying investments - securities - 'kick-out plans'

In ISA Bulletin 19 we asked managers offering stocks and shares ISAs to check whether they were holding 'kick-out' plans within the ISA wrapper, and if so, to contact us.

We have received a number of representations about our interpretation of the rule that qualifying securities must not be issued on terms that require the loan to be repaid or the security to be re-purchased or redeemed within the period of five years from the date of purchase. While we are considering these representations ISA managers need take no further action to identify any holdings of 'kick-out' plans. We will provide an update when we have concluded our review.

Future articles

Part of the purpose of the ISA Bulletins is to clarify areas of the Guidance Notes for ISA Managers. If you feel that any aspect of the guidance is unclear you should contact David Taylor on Tel 0151 472 6156.