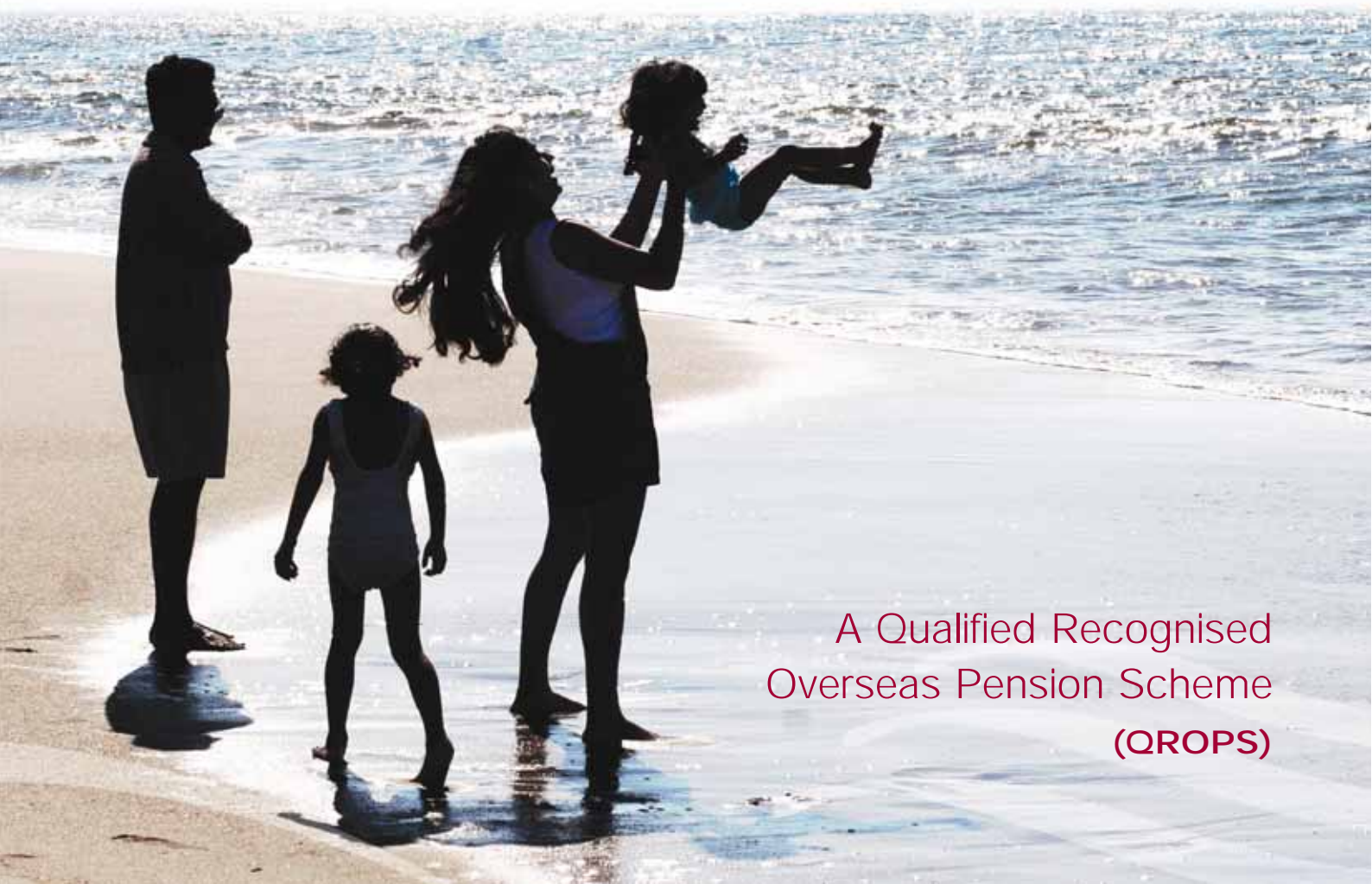




The   
**Rainbow Overseas**  
Retirement Plan

starting a new life overseas?  
*take your pension on the journey too...*



A Qualified Recognised  
Overseas Pension Scheme  
**(QROPS)**



## Introduction

After years of careful planning for an income in retirement many Britons seek to enjoy their retirement with a life overseas and justifiably reap the rewards of years of hard work. Whether they plan to retire immediately or in the coming years an income in retirement remains a high priority. However, many find that their pension falls short of their expectations.

With UK pensions offering the investor little control over their investment, unpredictable annuity rates, and complicated pension tax rules, UK pensions sometimes do not reach the expectations of the investor, an issue weighing heavily on the minds of expatriates with retirement in mind.

Since 2006 a refreshing alternative has been available to expatriates in the form of 'QROPS' (Qualified Recognised Overseas Pension Scheme).

'QROPS' offer a flexible tax efficient vehicle for their pension benefits. Expatriates can transfer their UK Pension benefits into a 'QROPS' benefiting from many advantages and gaining a new pension arrangement that is more responsive to their needs.

'QROPS' can be an ideal retirement planning vehicle for many expatriates, it will suit many, but not all. This is why it is essential you receive professional Independent Financial Advice from a 'QROPS' expert.

The Rainbow Overseas Retirement Plan plays a key part in ensuring expatriates aspirations and goals for retirement travel successfully with them to their new country of residence, maximizing their lifestyle in retirement.

## About Us

The Rainbow Overseas Retirement Plan ("TRORP") is provided by Fiduciary Wealth Management Ltd the specialist private wealth division of the Fiduciary Group of companies which has been operating in Gibraltar since 1982.

The Fiduciary Group is affiliated to Gibraltar's oldest legal practice, ISOLAS 1892, which as the name suggests, can trace its roots back over 117 years.

'TRORP' offers a one-stop complete pension solution to internationally mobile employees and to individuals who have left or plan to leave the UK.

Technical experts from a number of specialist firms across various jurisdictions have been brought together to offer you a complete pension package.

'TRORP' is the retirement plan of choice for the investor who is looking for a safe and tax efficient home for their pension.



## What is a QROPS?

On the 6th of April 2006, otherwise known as "A Day", Her Majesty's Revenue and Customs ("HMRC") announced that individuals with UK pension rights who have or intend to become non-UK tax residents could move their pension benefits out of the UK into a QROPS with prior HMRC approval.

The transferable pension benefit is subject to a lifetime allowance which currently stands at £1.65M but which will rise to £1.8 million by 2010/11. Transfers in excess of an individual's lifetime allowance may be subject to UK taxation.

## Who qualifies for QROPS?

- UK residents who are planning to leave the UK.
- UK ex-residents who are already living overseas.
- Internationally mobile employees who plan to live and work overseas.

## What are the key benefits of a QROPS?

- Tax free transfer subject to a lifetime allowance cap of £1.65m in 2009/10 and £1.8M in 2010/11.
- Tax free growth for non-Guernsey residents.
- Freedom of investment choice. A wide range of investment opportunities are available within a QROPS.
- Currency choice. QROPS can be established in Sterling or Euros thereby removing the currency issue from your pension at the point of transfer.
- No need to purchase an annuity. Therefore, unlike an annuity the remaining scheme assets can be bequeathed to the surviving spouse on death.
- Estate planning simplification as remaining scheme assets can be passed on to heirs without the need for probate.
- It is Inheritance Tax (IHT) free as once transferred into a QROPS it escapes the UK inheritance tax net provided that you remain non-UK domiciled.



## Other things you need to know about QROPS.

- Possibility to consolidate various pensions into one pot.
- After 5 years of non-UK residency a loan facility may be available of up to 25% of trust assets on commercial terms (secured, interest bearing and repayable before drawdown).
- No tax deducted on withdrawals from the Guernsey based pension scheme (as the QROPS falls outside of the UK tax net), however applicants should note that tax may be payable on the receipts of benefits in their country of residence and should take appropriate tax advice.
- Normal Retirement Age (NRA) for scheme members who join before 5th April 2010 is 50 years and 55 years for those joining after this date.
- At retirement and on commencement of drawdown 25% of assets can be withdrawn as a lump sum free from tax at source (subject to HMRC lifetime allowance limits) and the balance can be used to provide a regular income. The Trustees would provide an actuarial calculation of the benefit payable. (Note that you may be subject to personal taxation on lump sum or pension payments in your country of residence).
- UK pensions already in drawdown may be transferred into a QROPS (Note that the Trustees will continue to apply HMRC GAD benefit rates for the first 5 years of non-residency).
- You cannot transfer a UK state pension into a QROPS.
- It is not open to UK resident individuals and there may be restrictions on participation for certain countries (e.g. the U.S.A.)



## What are the main benefits of the Rainbow Overseas Retirement Plan?

- Approved by and compliant with UK and Guernsey tax authorities.
- Established under a Guernsey based trust arrangement in a "tax neutral," stable and reputable jurisdiction which may appeal if you are unsure where you will finally settle when you take your retirement benefits.
- Access to independent UK qualified and specialist tax advisers to ensure pension transfer is suitable.
- Liaison with former UK pension provider to liquidate the UK pension and transfer into the scheme.
- Provision of on-going pension administration and trustee services.
- Arrangement of banking facilities for custodian and execution services.
- Access to a dedicated IT platform via the website to allow you to monitor the performance of your investments, download statements and forms.
- Your pension assets are managed on a non-discretionary basis by independent financial advisers.

## Why is Guernsey the jurisdiction of choice for your pension arrangements?

Guernsey is a reputable, well regulated and politically stable jurisdiction with good communications, excellent infrastructure and access to professional services firms that specialise in pension administration and trustee services.

It also has pension legislation in place and a very favourable tax regime. For non-Guernsey residents the pension may grow free from income tax, capital gains tax and inheritance tax (members who are resident in Guernsey may be subject to Guernsey income tax.)

The Rainbow Overseas Retirement Plan brings together the necessary Independent experts in tax, investments, trust, pensions, and law all under one roof to guide you through the complex journey of retirement planning and 'QROPS'.

"Trusted Advisers in the long term management of your wealth"

## How do you find out if QROPS is right for you?

If you would like further information or to arrange an initial meeting with one of our financial advisers please contact us on:

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**Important Information:**

The Rainbow Overseas Retirement Plan is only available through professional advisers and we recommend that independent financial and tax advice is obtained before transferring your pension. Additionally, tax advice should be taken in your country of residence or intended country of residence.