

OPES International Pension Plan Spain



OPES Advanced
OPES Advanced Plus

 **OVERSEAS**
TRUST & PENSION
SERVICE SECURITY SUPPORT

OPES International Pension Plan Spain

The OPES International Pension Plan has been specifically tailored for Spanish tax residents and is ideal for expatriates. OPES allows you to consolidate wealth in a secure and flexible environment. You can draw pension benefits and pass your wealth to future generations in a tax efficient manner.

OPES is a very competitive and its flexible structure allows high levels of income, tax, retirement and succession planning opportunities.

OPES allows you to take retirement benefits in a way that suits you. This means that you can choose when you wish to retire (between age 50 - 80 years) and what level of income you need to meet your requirements.

OPES is provided by Overseas Trust and Pension which is regulated by the Guernsey Financial Services Commission.

The information contained in this document is based on our understanding of the current laws and practices, both of which are subject to change. Whilst every effort has been made to ensure that the information is correct we cannot accept responsibility for its interpretation, or any future changes to the laws or practices relating to Retirement Annuity Trusts in Guernsey, or their application in Spain or other territory.

Your Guide to OPES International Pension Plan Spain

Why OPES?

- OPES provides you with a flexible, tax efficient, retirement and succession planning vehicle
- No restriction on contributions (ad hoc contributions are permitted)
- A secure environment to consolidate and protect your assets
- Suitable for individuals resident in Spain wishing to make additional contributions to their retirement plan with non-UK taxed relieved funds
- Domiciled in Guernsey, your plan will not become obsolete should you move between different countries of tax residence
- Your plan may be denominated in £, US\$ or €
- Ideal vehicle for the assignment of Life Company Bonds
- Income provision - both regular annuity and/or lump sum payments are available

Key Advantages

- OPES is a highly flexible plan
- Designed to qualify for an exemption from Income Tax in Guernsey, thus tax neutral for non-Guernsey residents
- You may elect to receive a cash lump sum(s) once you have reached your Normal Retirement Age. Minimum age 50, latest age by which benefits must commence is 80
- Lifetime Benefits enable you to structure an income using a variety of options which include:
 - an annuity
 - an annuity certain (temporary annuity)
 - lump sum
 - combination of the above
- There is no need to purchase an insurance company annuity
- The annuity is linked to the assets of your plan which means that upon death any remaining assets can pass to your Named Beneficiaries
- You have freedom to choose from a wide range of investments. These include investments that comply with the Undertakings for Collective Investment in Transferable Securities Directive (UCITS funds), whether held directly or through a Spanish Compliant Life Company Bond or on an Investment Platform. Additionally, cash deposits with regulated financial institutions are permitted
- You will have your own separate “sub fund” within the Plan which means your assets are ring-fenced from other Members
- Competitive and cost effective pricing structure
- Your plan is not subject to the EU Savings Directive and therefore the plan typically falls out of your estate. On your death your plan’s assets may pass to your Named Beneficiaries without going through probate
- Can be transferred to a QNUPS

Why Overseas Trust & Pension?

- We provide a safe haven to protect and preserve your family’s wealth
- Our award winning products are innovative and relevant
- We work alongside your financial adviser to ensure that your long term outlook is secure
- Overseas Trust and Pension is regulated by the Guernsey Financial Services Commission
- We are a specialist provider of International Pensions, Savings and Trust Solutions
- We are one of the largest independent trust and pension providers in the Channel Islands and audited by Deloitte

Key Features and Benefits

Flexibility of Contributions

Low entry level

OPES makes it easy for you to save with a minimum £50,000 single contribution and ad hoc contributions from £1,000.

NOTE: Any life company bond or fund platform minimum investment levels and minimum term will need to be considered where used in conjunction with OPES.

Transfers from existing international pensions, bank deposits, unit trusts and life products such as life company bonds are welcome and easily facilitated. The plan is specially designed to take transfers or assignments from other providers allowing you to consolidate your retirement saving funds in one efficient structure.

Tailored Investments

Investment Choice

You have the freedom to choose from a wide range of investments. This includes:

- **OPES Advanced:** Investments in a wide range of UCITS funds via a Spanish compliant life company bond
- **OPES Advanced Plus:** Investment flexibility, including: deposit/term accounts; discretionary investment management, investment platforms, Spanish compliant life company bonds. Investments should be UCITS compliant

Consolidating assets

A Spanish compliant Life Company Bond allows you access to a wide range of UCITS funds offered by third party fund managers.

Cash to compliment investment strategies

OPES gives you the ability to deposit part of your contributions in cash.

Convenient switching of strategies and funds within your plan

A plan that adapts to your changing life circumstances is key. OPES is designed to accommodate any changes in investor profile enabling you to implement the advice received from your Professional Adviser by switching between investments and thereby ensuring that your plan's investments always remain appropriate.

Investment Risk

Care must be taken when selecting any investment as past performance is not a reliable indicator of future returns. Investment values and the income from them can go down as well as up, and may be affected by changes in rates of exchange. Investment volatility may mean that you may not receive back the amount initially invested.

We advise you to seek professional investment advice before making any investment decision.

Charges

It is important for you to understand the impact of any charges on your investment which may include up front charges and ongoing management and administration fees. The actual level of fees payable will be determined by the investment option you select within your plan. There will be additional charges from your insurance bond provider, platform or discretionary manager.

Tax Advantages

Your savings are tax efficient

Income and capital gains arising from the investments held within the plan, or benefits paid by the plan, are not subject to Guernsey Income Tax. This means that your plan provides a very efficient environment in which your contributions can grow.

Another benefit is that assets in the plan are outside the scope of the EU Savings Directive.

In addition, tax authorities internationally may treat retirement schemes, and annuity income derived from them, favourably with typically only the income element of annuity payment attracting income tax. This can provide further benefit and may allow wider scope for financial planning.

It may mitigate tax exposure but the actual treatment will depend on your country of tax residence and/or domicile on death and that of your beneficiaries.

Overseas Trust & Pension do not provide tax advice and you will require the advice of a Professional Adviser in this regard.

Flexibility at Retirement

You have the ability to set the level and frequency of income benefit payments.

Select a date from which to receive benefit

Your plan offers you considerable flexibility as you can select a date to commence receiving benefit. This means that you can choose when you start to receive income from your plan, and at a rate that suits you. Benefits can start from age 50 and no later than age 80.

Prior to the normal retirement date, you can opt to defer all or part of the benefits by giving **written notice to the trustees**. You can nominate an alternative date and bring forward the retirement date, subject to the minimum age 50 and the maximum age 80. Reaching your retirement date may have tax implications regardless of whether or not benefits are paid, this may also be true in other jurisdictions.

You should consult your professional adviser before reaching your retirement date.

Annuity income and lump sum payments

The plan provides a regular income option by way of an annuity. Annuities are calculated actuarially and can be for your lifetime or for a specific period (between 3 and 10 years). You have the ability to set the level and frequency of income benefit payments.

No need to purchase an Insurance Company Annuity

On your death the residual value of your plan passes to your Beneficiaries. Unlike a traditional insurance annuity where any benefits are normally lost.

Alternatively, lump sum payments are a way for you to access cash and can assist in a myriad of scenarios from paying off a mortgage to purchasing a major asset.

The way in which you access your fund may have tax implications, so professional advice should be sought.

Future Planning

Advice obtained indicates that OPES should provide substantial tax planning benefits. This advice has stated that assets whilst in the Plan are free of additional income tax, capital gains tax, gift tax and can be passed onto successors. The actual benefits to you will always depend on your personal circumstances.

Flexibility for future generations

On your death, OPES gives the following options:

- Start providing an income to your spouse or dependants;
- The pension fund can provide different types of benefit for your chosen Beneficiaries;
- To transfer the proceeds into a new OPES plan(s) for the benefit of a Named Beneficiary(ies) or to another pension or trust structure of choice;
- To retain the plan (hold in trust) for distribution at a pre-defined date or future event;
- To wind up and pass the proceeds of the plan directly into your estate for distribution from there; and/or
- To wind up and pass the proceeds of the plan directly to your chosen Beneficiaries.

The Plan does not form part of your personal assets

Assets held in an OPES Plan are held in trust and are not owned directly by you. This may give your assets protection from claims against your wealth including creditors.

Probate

A key advantage of OPES is that we can distribute the assets in line with your wishes upon notification of your death without the need for probate. This makes distribution upon a member's death quick and cost effective.

Convenient Reporting

You can access online information about your OPES in a secure environment.

An International Portable Plan

Adaptable Plan

The plan is portable and can be used for many different jurisdictions. OPES can be transferred to a QNUPS.

A neutral location

The Plan is domiciled in Guernsey, which means your plan is held in an established and favourable jurisdiction both from a political and tax perspective. This status protects the assets of your plan should you live in or move to a country that imposes restrictions on the flow of assets across its borders, is politically unstable or has unattractive social or fiscal policies.

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Investment Notices: Front-end charges may apply. Any mention of investments is not a recommendation to invest. We advise you to seek professional investment advice before taking any investment decision.

Past performance is not a reliable indicator of future results. Investment values and the income from them can go down as well as up, and may be affected by changes in rates of exchange. An investor may not receive back the amount initially invested.

FX rates shown within your Valuation are as at the date of the transaction.

For security purposes, telephone calls may be recorded.

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