

# COPIA Guernsey

Retirement Plan



The COPIA Guernsey Retirement Plan operates under the COPIA 2 Retirement Plan Deed.

This handbook describes the features of the COPIA Guernsey Retirement Plan (the Plan), of which you are a Member. The handbook is divided into the following sections:

- 1. The Plan:**
  - a. Description**
  - b. Regulation**
  - c. Administration**
  - d. Investments**
- 2. Operation of your plan**
- 3. Contact details**
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#### **Using this handbook**

This handbook is designed to provide you with a basic overview of your retirement plan. Please read it carefully so that you can take full advantage of your Membership of the COPIA Guernsey Retirement Plan.

To make it easier to use the handbook, you will find the following throughout:

Terms in **bold** are defined in the glossary.

This handbook provides general information only.

The Plan and this handbook are subject to and interpreted in accordance with the Laws of the Island of Guernsey. If there is any conflict or inconsistency between this handbook and the **Trust Deed**, the terms of the Trust Deed will prevail.

Overseas Trust and Pension Limited is licensed by the Guernsey Financial Services Commission under the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000. Overseas Trust and Pension Limited is registered in Guernsey Number: 55506

**Investment Notices:** Front-end charges may apply. Any mention of equities and bonds should not be taken as a recommendation to invest in them. 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.

**Data Protection Statement:** Overseas Trust and Pension Limited is the data controller in relation to any personal data supplied by you in accordance with the Data Protection (Bailiwick of Guernsey) Law, 2001.

# 1. The Plan

## a. Description

The COPIA Guernsey Retirement Plan (the Plan) is a Retirement Annuity Trust Scheme (RATS), written under the Trusts (Guernsey) Law 2007.

The Trust Deed is administered by Overseas Trust and Pension (OTAP) to meet the approvals afforded by Section 157A subsection (4) of the Income Tax (Guernsey) Law 1975, as amended.

The Plan is a **Money Purchase Plan** providing Members with benefits linked to (i) the value of contributions made to the Plan during his/her Membership and (ii) returns generated by these contributions invested in the investment funds of the Member's choice. It is not possible for the Member's contributions to be invested in investment funds (or other assets) other than the range of funds or strategies managed by Kleinwort Benson (Channel Islands) Investment Management Limited (KBCIIML).

To be eligible to join, a Member must be over the age of 18 but under the age of 75.

The Plan is open to Guernsey residents.

The Plan is not open to Jersey, UK, US or Canadian residents.

Contributions made by a Member will be held for that Member and will be kept separate from other Member's assets.

## b. Administration

The Plan is administered by Overseas Trust and Pension (OTAP).

The assets held in the Plan are identified on a per Member basis, and are not available to OTAP nor to any **Named Beneficiaries** (nor any creditor) nor any other Member's plan within the Plan.

As a Member of the COPIA Guernsey Retirement Plan, you are entitled to information on your plan performance, your account activity and your options as a Plan Member.

Any questions in this regard should be directed to the Trustee and Plan Administrator at OTAP. Please have your Membership Number ready when you call. Your Membership Number can be found on your Certificate of Membership and Annual Valuation.

### Important Note

A Professional Adviser must be appointed by you to advise you on the suitability of the establishment of your plan, and the on-going suitability of the plan for your requirements. In addition, appropriate professional advice must be obtained by you on the initial investment choices that are made.

The on-going suitability of the investments for your circumstances must be confirmed in writing, at least on an annual basis, by your appointed Professional Adviser to the Trustee and Plan Administrator.

## c. Investments

The investment selection options available for the Plan are limited to investments managed by Kleinwort Benson (Channel Islands) Investment Management Limited which has its registered office at:

Kleinwort Benson House  
West Centre, St Helier  
Jersey JE4 8PQ

A maximum of 5 funds can be held by any one Member at any one time.

Minimum contributions into each fund are £100 per fund or as defined in the fund prospectus.

### Fees

1. The COPIA Guernsey Retirement Plan Contribution and Fee Schedule is available on request.
2. Annual and activity fees will be collected by **redemption** of shares of the investments held within each Member's plan.
3. Annual fees will be debited on the anniversary of the establishment of each Member's plan.
4. Please refer to the Application Form for details of the initial and annual commission that will be paid to each Member's **Professional Adviser** in respect of the investments held within the plan.
5. OTAP reserve the right to change the fees relating to the Plan at their discretion, and will give the Member at least one month's notice of any change.

## 2. Operation of your plan

### How does your plan operate?

The benefits of the Plan are provided under a Trust Deed.

The Trustee and Plan Administrator invests contributions made by you into collective investment funds. Contributions are used to buy "shares" in these funds, which are identified by your name and reference number.

You are able to monitor the value of your plan via an online facility. An individual username and LOGIN password will be issued to you on joining the Plan.

On reaching your **Selected Benefit Date**, you may use the value of your plan to provide your retirement benefits.

### What happens when I join?

On joining the Plan, in addition to this booklet, you will also receive Certificate(s) which set out the information relating to your plan. The Certificate(s) detail the following information:

**Membership Number** – a number allocated to your plan on receipt of approval from the Guernsey Administrator of Income Tax. You should quote this number in all correspondence with OTAP.

**Investment Number** – this is the investment reference number utilised by KBCIIML International Asset Management Limited. You will need to include this number, together with your Membership Number, when making additional ad hoc contributions or when amending your standing order. This number will also be quoted on your investment valuations.

**Main Beneficiary** – this is you as a Member of the Plan.

**Date of Membership** – This is the date that OTAP accepted your initial contribution and your plan was established.

**Selected Benefit Date** – This is the date that you indicated you would require a retirement income from your plan. This means an age not less than 50 or greater than age 75.

**Initial Contribution** – this is the amount of the initial payment or transfer, from which all fees for establishment, the first annual responsibility fee and other activity fees will be deducted, including those of KBCIIML.

**Initial Plan Value** – this is the net value invested in your plan after initial fees have been deducted. Initial investment selection – these are the selected investment funds you chose from the available fund range showing the amount of contribution allocated to each fund selected.

Any and all subsequent changes to your plan will be evidenced by separate documentation.

### How do I make contributions?

#### Initial Contribution

Contributions can be made by way of cash or the transfer of the value of an existing pension scheme.

There are official limits set by the Guernsey Director of Income Tax on the value of contributions that you are able to make to your plan on an annual basis.

For further information in this regard, please contact your Professional Adviser.

Your contributions are allowable for income tax relief as long as they do not exceed the limits referred to above.

#### Regular Contributions

Regular contributions can be made subject to the minimum amounts detailed in the Contribution and Fee Schedule.

#### Ad hoc Contributions

Ad hoc contributions can be made at any time subject to the minimum amounts detailed in the Contribution and Fee Schedule. Unless advised to the contrary in writing, the Trustee and Plan Administrator will allocate ad hoc contributions in line with your current chosen investment selection. You must state your Membership and Investment numbers when making ad hoc contributions.

To make an ad hoc contribution, a top up form must be completed and returned to the Trustee and Plan Administrator.

### Who manages the investments?

KBCIIML has been appointed as Investment Manager to the Plan.

Contributions paid into your plan are invested by KBCIIML.

### What investment selections can I make?

Details of the investment choices may be found in the Application Form.

Your Professional Adviser will provide you with the relevant information and literature in respect of the investment choices available to you.

You may invest in a maximum of 5 funds at any one time and the minimum contribution per fund is detailed in the Contribution and Fee Schedule.

You are entitled to make two fund switches in any one year free of charge.

### Can I transfer my existing pension?

Transfers from other approved pension schemes into your plan may be accepted by the Trustee and Plan Administrator.

## 2. Operation of your plan (continued)

### Can I claim tax relief against my contributions?

Tax relief is allowable on contributions to your plan subject to levels set annually by the Guernsey Administrator of Income Tax. Please contact your Professional Adviser if you need further information on the annual limits.

### Can I borrow against my plan?

The Rules of the Plan do not allow you to borrow from third parties secured against the value of your plan.

### What retirement benefits will I be entitled to?

There are various ways in which benefit can be taken:

**Lump Sum:** A single, one-off withdrawal of up to 30% of the total value of the Member's plan at the selected benefit date or the normal retirement date. This is known as the Pension Commencement Lump Sum.

And/or one of the following:

**Annuity:** A regular payment, quarterly, six monthly or annually, for the Member's lifetime or until the plan's assets are exhausted, payable at the current Annuity rate calculated using the UK GAD tables (Government Actuarial Department). The GAD table rates will be reviewed every 3 years and payments adjusted accordingly.

One year's payments will be redeemed annually and placed in an interest bearing deposit account. The remainder will be left invested in the chosen strategy.

A Member who is receiving an Annuity cannot stop or amend their benefit type.

Once receiving an Annuity a client may not elect to change their benefit type.

Annuity payments will be reviewed in conjunction with the UK GAD tables every 3 years (or every year after age 75). Members may also request a review during the 3 year period. Members requesting a review before the end of the 3 year period may do so in writing 3 months in advance of the anniversary of the benefit start date. OTAP will review the request, accept/decline as appropriate and, if accepted, the revised benefit amount will commence on the anniversary of the benefit date.

**An Equivalent Annuity:** As an alternative to a scheme annuity detailed above an equivalent annuity quotation can be obtained whereby the Trustees would ask the Members Professional Adviser to provide the Trustees with an annuity quotation from a recognised insurance company. The Trustees would then use this quotation as a basis for paying an annuity income to the Member. There are certain additional rules attached to the provision of such quotations which are detailed within the Guernsey RATS Code of Practice.

Any annuity payment will be required to be reviewed at intervals of not less than 3 years.

Equivalent Annuity payments will be reviewed by reference to fresh equivalent annuity quotations provided by a recognised insurance company every 3 years (or every year after age 75). Members may also request a review during the 3 year period. Members requesting a review before the end of the 3 year period may do so in writing 3 months in advance of the anniversary of the benefit start date. OTAP will review the request, accept/decline as appropriate and, if accepted, the revised benefit amount will commence on the anniversary of the benefit date.

### Are any benefits or annuity payments guaranteed?

The lifespan of a member of a RATS such as the COPIA Guernsey Retirement Plan, and the investment performance of the assets held within the scheme, are impossible to predict. As a result, once a Member has started to drawdown benefits from the scheme and depending on the level of benefits paid, the assets may be exhausted before the death of the Member.

Therefore whilst annuity payments may be fixed in nature for a set period of time, no guarantees can apply that these payments will be able to continue for life, or that annuity payments may have to be reduced or stopped at a later date. A RATS annuity is therefore not the same as an annuity from an insurance company that would continue paying a fixed amount until death of the Member.

## 2. Operation of your plan (continued)

### III Health and Impaired Lives Annuities

Where a Member suffers from a medical condition or illness that can shorten their expected life span the trustees can obtain a bespoke impaired life annuity quotation from an actuary or obtain an equivalent annuity quote from an impaired life specialist life company. These may cater for accelerated benefits to be issued to the Member.

### What happens to my plan if I die prior to receiving full benefit?

During the lifetime of a Member they have sole entitlement to the benefits available from their plan. However, after the Member's death the residual value is available to the Named Beneficiaries.

Beneficiaries means the Member, his surviving spouse, his dependents and relations.

Payments to beneficiaries may be made in any of the following ways:

- Payment of an annuity to the Member's spouse or named beneficiary(ies).
- Payment of the residual value of the Member's plan as a lump sum to the member's spouse or named Beneficiary(ies).
- Retention of the proceeds of a Member's plan in trust for distribution at a predefined date or future event (within 2 years of the Member's death).
- Winding up of the Member's plan and payment into their estate.

In order to cater for changing circumstances, the Member can easily amend their succession instructions.

Payment to one or more Named Beneficiaries.

Although you are not entitled to give specific instructions as to who should receive the lump sum benefit, you may make written nominations to indicate the person(s) you wish to be considered. Beneficiaries nominated on your initial application form can be changed or cancelled by you at any time by submitting a **Letter of Wishes**.

Nominations must total 100% allocation at all times.

OTAP recommends that you consult your Professional Adviser prior to drafting and submitting any Letter of Wishes. It should be noted that the Trustee and Plan Administrator retains total discretion over the payment of any benefit to any Named Beneficiary/(ies) at all times.

### Can I transfer my pension out of the COPIA Guernsey Retirement Plan?

You retain the right at all times to ask OTAP to transfer your plan into another approved scheme either with OTAP or with other suitably qualified Trustees or Pension Administrators.

### To whom does OTAP make reports in respect of my plan?

OTAP reports to the Guernsey Director of Income Tax on an annual basis.

### 3. Contact Details

You and your Named Beneficiaries can find out more information from either:

#### **The Member's Professional Adviser**

Your appointed Professional Adviser should be the first point of contact for the Member and Named Beneficiaries.

Or

#### **The Trustee and Plan Administrator:**

##### **Overseas Trust & Pension**

PO Box 285, Elizabeth House, Les Ruettes Brayes,  
St Peter Port, Guernsey, GY1 4LX

**Telephone:** +44 (0) 1481 723030

**E-mail:** enquiries@trustandpension.com

**Visit:** www.trustandpension.com

### 4. Glossary

**Annuity** means a regular payment from the Member's plan for the Member's lifetime, or until the plan's assets are exhausted.

**Incapacitated** means that as a result of: Injury, sickness, disease, or disability, the Member has already ceased to carry out his/her current occupation and is (and will continue to be) medically incapable (either physically or mentally) of resuming his/her current occupation.

**Investment funds** means the assets into which the Member's plan is invested.

**Letter of wishes** means a formal letter submitted by the Member to the Trustee and Plan Administrator detailing his/her wishes upon death in respect of any remaining proceeds within the plan.

**Member** means those individuals admitted to the Plan.

**Money Purchase Plan** means a pension plan providing benefits on a money purchase basis (i.e. the determination of the individual Member's benefits by reference to contributions paid into the scheme in respect of that Member, usually increased by an amount based on the investment return on those contributions).

**Named Beneficiaries** means individuals nominated by the Member to receive benefit upon the Member's death.

**Professional Adviser** means an individual nominated and appointed by the Member, and approved by OTAP, to provide professional (which may include pension, investment and/or legal advice) to the Member.

**Prospectus** means the prospectus relating to the Kleinwort Benson fund issued by Kleinwort Benson (Channel Islands) Investment Management Limited, as amended from time to time.

**Redemption** means the sale of shares of stock held within the Plan.

**Scheme Manager** means Overseas Trust & Pension Limited as Trustee and Plan Administrator of the COPIA 2 Guernsey Retirement Plan.

**Selected Benefit Date** means an age not less than 50 or greater than age 75, on which the Trustee and Plan Administrator agrees with the Member that benefits become payable from the Member's plan.

**Trust Deed** means the Deed under which the Plan is established.

## 5. Appendix

### Information that should be included in a Letter of Wishes:

#### Address to:

Overseas Trust & Pension  
PO Box 285, Elizabeth House, Les Ruettes Brayes,  
St Peter Port, Guernsey, GY1 4LX

#### Include:

- Your full name
- Your plan number

#### Suggested opening text:

*"Upon my death, I would be grateful if you would give favourable consideration to my wishes regarding the payment of benefit under the above pension plan to the Named Beneficiary (ies) detailed below"*

#### List of your Named Beneficiary (ies):

- Full name(s)
- Date(s) of Birth
- Relationship(s) to you
- Percentage of the value of plan assigned (Total nominations must add up to 100%)
- Confirmation of how you would wish the benefit to be distributed.

#### Suggested closing text:

*"I confirm that these are my wishes and I understand that they have no legal effect on the Trustee and Plan Administrator. I do not wish in any way to fetter the discretion of the Trustee and Plan Administrator."*

Signature

Date

**Overseas Trust & Pension**

PO Box 285, Elizabeth House, Les Ruettes Brayes,  
St Peter Port, Guernsey, GY1 4LX

**Telephone:** +44 (0) 1481 723030

**E-mail:** [enquiries@trustandpension.com](mailto:enquiries@trustandpension.com)

**Visit:** [www.trustandpension.com](http://www.trustandpension.com)

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