

COPIA Retirement Plan – Member Guide for International Members

This guide describes the features of the COPIA Retirement Plan

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This guide provides general information only.

The Plan and this handbook are subject to, and interpreted in accordance with, the Laws of the Island of Guernsey and the Trust Deed.

1. The Plan

a. Description

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

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

Non-Guernsey resident members of the COPIA Retirement Plan are afforded exemptions allowed under Section 40(ee) of the Income Tax (Guernsey) Law 1975, as amended.

HM Revenue and Customs (HMRC) recognised the COPIA Retirement Plan as a Qualifying Recognised Overseas Pension Scheme (QROPS), until April 2012.

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.

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

b. Regulation

Pension services are offered by OTAP as Trustee and Plan Administrator.

Overseas Trust & Pension Limited
2nd Floor, Elizabeth House, Les Ruettes Brayes,
St Peter Port, Guernsey, GY1 1EW.

E-mail: enquiries@trustandpension.com

c. Administration

The Plan is administered by OTAP who acquired the COPIA plan in November 2012 from Kleinwort Benson (Channel Islands) merged with Close Brothers Offshore operation.

The assets held in the Plan are held on an individual Member basis, and are not available to OTAP or any other Member.

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

Any questions in this regard should be directed to your Professional Adviser or the Trustee and Plan Administrator. Please have your Membership Number ready when you call or email. Your Membership Number can be found on your Certificate of Membership and correspondence.

Important Note

As a member directed plan a Professional Adviser ("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 advice must be obtained by you on the investment choices. The suitability of the investments for your circumstances must be confirmed to you, at least annually by your appointed Adviser.

d. Investments

The investments available will depend on the type of COPIA retirement plan you hold:

COPIA (Direct/Bond B)
COPIA Advanced (Bond A)
COPIA Advanced Plus

COPIA is limited to a range of Kleinwort Benson investment funds.

COPIA Advanced is limited to investments held within an offshore investment bond.

COPIA Advanced Plus offer the widest range of investments.

It is possible to 'upgrade' your COPIA retirement plan to obtain greater investment choice.

Fees

1. The COPIA Retirement Plan Fee Schedule is available on request.
2. Annual and activity fees are usually paid from the plan's investments.
3. 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 Retirement Annuity Trust Deed.

OTAP invest contributions made by you into your chosen investment.

You are able to monitor the value of these as you wish via an online facility (we are unable to offer this facility for all investments). An individual username and 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.

Membership Number – a number allocated to your plan at commencement. You should quote this number in all correspondence with OTAP.

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

Date of Membership – This is the date that OTAP or before them Close or Kleinwort Benson 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. You can start taking benefits from your pension fund at any time between the ages of 55 and 75.

Contribution – this is the amount of the payment or transfer into your plan.

Plan Value – this is the net value of your plan after charges.

Investment Selection – this is the investment strategy you have chosen.

How do I make contributions?

Initial Contribution

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

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

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, we will allocate 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, an Additional Contribution form must be completed and returned to OTAP. Information about the source of funds and your source of wealth will be required.

Currency

When you join the Plan, you will need to nominate a valuation currency. The choice of valuation currency must be the same as the currency in which you wish to take benefit.

Who manages the investments?

Your chosen Adviser will recommend the investments and monitor their performance and suitability at regular intervals.

As a member directed Plan OTAP is not responsible for your direction to appoint a manager, investment manager or adviser to act on your and the Plan's behalf. OTAP is not responsible for the selection, suitability and/ or performance of the investments held in the Plan at any time.

What investment selections can I make?

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

Can I transfer my existing pension?

Transfers from other pension schemes into your plan may be accepted by the Trustee and Plan Administrator. Since April 2012 UK registered pension transfers are not permitted.

There is no maximum transfer value.

Can I borrow against my plan?

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

What happens if I become ill?

You may be able to commence benefits before the minimum retirement age on the grounds of ill health or incapacity. There is a strict definition in the Plan Rules of what constitutes incapacity. It will be necessary to supply medical evidence to OTAP to support any claim. OTAP may, on your written notice, and with the agreement of the Guernsey Administrator of Income Tax, provide you with a lump sum payable immediately and/or an income for life, provided that you are not already in receipt of benefits.

When can I take benefits?

You can take benefits from your Plan on reaching your Selected Benefit Date which must be between the ages of 55 and 75. By the age of 75, you must commence benefit payments from your plan.

A deferral of your Selected Benefit Date must be notified to the Trustee and Plan Administrator not less than 2 months prior to the existing Selected Benefit Date.

What retirement benefits will I be entitled to?

A single lump sum of up to 30% of the value of your plan, paid on your Selected Benefit Date.

Regular Drawdown - A regular payment for your lifetime or until your plan's assets are exhausted of a maximum of 150% of the annuity rate applicable at the date of drawdown, calculated using the UK GAD tables. The GAD table rates will be reviewed periodically and payments adjusted accordingly.

One year's payments will be redeemed annually and placed in a deposit account. The remainder will be left invested in your chosen strategy.

Drawdown payments can be changed within the minimum and maximum limits. Please provide a written request with three months notice.

OTAP will review the request, accept/decline as appropriate and, if accepted, the revised benefit amount will commence on the next available benefit date.

Annuity Certain - A regular payment from your plan for a defined period, of not less than three and not more than ten years, and for a defined amount. The Annuity Certain is calculated at your Selected Benefit Date using the UK GAD tables.

The full value of the payments to be made over the term of the Annuity Certain will be redeemed and placed in a deposit account immediately prior to the first payment.

You may, at the end of an Annuity Certain period elect for another Annuity Certain, or either an Annuity or a Regular Drawdown. A Member cannot cease taking benefits once they have commenced.

Please complete the Benefit Application Form to request your benefit payment. Confirmation of identity and address will be required.

Important OTAP as trustee of your pension scheme is required to ensure that you understand that your pension fund may be exhausted before you die. The lifespan of a pension plan, and the performance of the assets held, are impossible to predict. As a result once you commence benefits from your Plan, and in part depending on the level of the benefits paid, the assets held within your Plan may be exhausted before your death.

What happens at age 75?

By the age of 75, you must commence benefit payments.

The minimum and maximum pension income that may be drawn will be reviewed periodically.

Independent actuarial valuations may be obtained if appropriate at the Member's cost.

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

Upon your death, OTAP will pay a lump sum equal to the value of your plan or an income from your plan as follows:

Payment to one or more Beneficiaries,

or

Payment to your estate, within 2 years

or

Payment to a new plan or plans for the provision of retirement benefits to Named Beneficiaries. This option will be subject to minimum value restrictions, and the relevant tax allowances applicable to the Named Beneficiaries.

Although you are not entitled to give specific instructions as to who should receive the death 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.

Details of the information to be included in any Letter of Wishes are included in the Appendix to this guide.

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

If you die leaving no surviving Named Beneficiaries, the balance of your plan will be paid to your estate.

Any Named Beneficiary who becomes eligible to receive a benefit from your plan will be required to provide suitable confirmation of their identity and address. Payment will be conditional on the production of such identification.

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

You have the right to ask OTAP to transfer your plan into another suitable Pension Plan administered by qualified Trustees and Administrators. Alternatively a transfer to a UK registered pension may be possible.

Can I return to the UK?

Yes. If you return before you commence taking a lifetime benefit, you should take professional advice to ensure that any tax implications are considered.

Can I encash my pension plan in full?

With the Director of Guernsey Income Tax Office's approval it is possible to cash in a pension valued at no more than £30,000.

3. Contact Details

You can find out more information from either:

Your Adviser

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

Or

The Trustee and Plan Administrator:

Overseas Trust and Pension Limited
2nd Floor, Elizabeth House, Les Ruettes Brayes,
St Peter Port, Guernsey, GY1 1EW

Telephone: +44 (0) 1481 723030

E-mail: enquiries@trustandpension.com

4. Appendix

Information that should be included in a Letter of Wishes:

Address to:

Overseas Trust and Pension Limited
2nd Floor, Elizabeth House, Les Ruettes Brayes,
St Peter Port, Guernsey, GY1 1EW

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)
- Residential address(es)
- Date(s) of Birth
- Contact numbers
- Relationship(s) to you
- Percentage of the value of the 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

October 2016

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