

ELEMENTS APPROVED RETIREMENT PLAN

Member Guide for International Members

THIS GUIDE DESCRIBES THE FEATURES OF THE ELEMENTS APPROVED 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 ELEMENTS Approved Retirement Plan ("Plan") is a corporate occupational Pension Plan, registered under Section 150 of the Income Tax (Guernsey) Law 1975, as amended.

Non-Guernsey resident Members of the ELEMENTS Retirement Plan are afforded exemptions allowed under Section 150 of the Income Tax (Guernsey) Law 1975, as amended.

The Plan is a Money Purchase Plan providing Members with benefits linked to:

- 1) the value of contributions made to the Plan during his/her Membership and
- 2) 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 Overseas Trust and Pension ("OTAP") as the Trustee and Plan Administrator.

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

E-mail: enquiries@trustandpension.com

c. Administration

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

As a Member of the ELEMENTS 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 your Human Resources Department.



Important Note

As a Member directed Plan the Professional Adviser ("Adviser") appointed by the company will advise you on the suitability of your Membership of the Plan, and the on-going suitability of the Plan for your requirements.

In addition, they will advise you on the investment choices. The suitability of the investments for your circumstances must be confirmed to you, at least annually by the appointed Adviser.

d. Investments

The investments fees

1. The investment fees in respect of the ELEMENTS Retirement Plan is governed by the investment options selected by the company.
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 Company at least one month's notice of any change.

2. OPERATION OF YOUR PLAN

How does the Plan operate?

The benefits of the Plan are provided under an Occupational Pension Plan Master Deed and Special Rules.

OTAP invest contributions made by you into your chosen investments.

You will receive an annual statement reflecting your investment values from OTAP (we are unable to offer this facility for all investments). If you should require more frequent investment values, please contact your HR Department who will assist you in obtaining this information.

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 accepted your initial contribution and your Membership of your company's 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 age 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?

Regular Contributions

1. You may contribute, your company may also contribute for you.
2. Contributions are made by way of deductions from your salary/commission/bonus and transferred into the ELEMENTS bank account administered by OTAP.

For further information in this regard, please contact your Human Resources Department.

(For South African resident employees please see 4. Appendix).

Additional Voluntary Contributions ("AVC")

AVC's can be made at any time subject to the minimum amounts applicable from time to time. 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 AVC, 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 currency. The currency must be the same as the currency in which you wish to take benefit.

Who manages the investments?

The Adviser appointed by your company will recommend the investments and monitor their performance and suitability at regular intervals. You have the choice to select your investments from the portfolios on the platform or to select the default option recommended by your Company appointed Adviser.

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 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.

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 before retirement?

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 written notice from your participating company, 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, if 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 Government Actuarial Department ("GAD") Tables. The GAD Table rates will be reviewed periodically and payments adjusted accordingly.

The Plan is approved and Members must take regular drawdowns but always subject to their entitlement to elect a lump sum payment of up to a total of 30% of the value of the Plan at the time of retirement. Payments from the Plan may be based on a maximum of 150% of GAD or based on an actuarial calculation such as an annuity quote from a regulated insurance company.

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, if 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 Note

OTAP as the 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. Thus, 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 always.

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 always retains total discretion over the payment of any benefit to any Beneficiary (ies) always.

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 ELEMENTS Retirement Plan?

Upon resignation from your participating company, you have the right to take your benefit in cash (subject to any employer vesting period) or to ask OTAP to transfer your Plan into another suitable Pension Plan administered by qualified Trustees and Administrators.

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.

Overseas Trust and Pension
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St Peter Port, Guernsey, GY1 1EW

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E-mail: enquiries@trustandpension.com
Visit: www.trustandpension.com

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Overseas Trust and Pension Ltd is an authorised financial services provider in terms of the South African Financial Advisory and Intermediary Services Act with FSP number 47261.

The Companies do not offer financial, investment or tax advice, any information provided should not be considered as such. The Companies accept no legal liability for losses, damages or expenses which you may incur or suffer directly or indirectly by using this information.

We endeavour to make sure the information is accurate and up-to-date however, no warranty is given as to the accuracy or completeness of any information and no liability is accepted for any errors or omissions in such information.

We strongly recommend that clients take regulated financial and investment advice relevant to their individual circumstances. It is the responsibility of clients and their advisers to review the advice and investments at least annually. The product terms, risks and charges (including: initial, annual and exit) should be considered, understood and agreed with your Financial/Investment Adviser.

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,
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Telephone: +44 (0) 1481 723030

E-mail: enquiries@trustandpension.com

Visit: www.trustandpension.com

4. APPENDIX

(For South African domestic Members)

Exchange Control Regulations

In respect of South African domestic Members all contributions (Member and Company) are made under the individual annual discretionary foreign allowance (Currently R1 million per calendar year. You may also use your Annual Investment Allowance currently R10 million per year to make contributions. In this case you will require a SARS tax clearance, which your tax adviser will assist you in obtaining.

All foreign travel allowances are included in this allowance and all contributions to ELEMENTS will reduce the allowance accordingly.

It is the Member's specific responsibility to ensure that they do not exceed the total discretionary allowance of R 1million per year and exceed their annual allowance.

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