

**FIRSTRAND TRUSTEES LIMITED
THE PLAIDERIE PENSION SCHEME BROCHURE**

A Qualifying Recognised Overseas Pension Scheme for UK pension scheme transfers for non UK residents



FIRSTRAND
Private Wealth Management

The Plaiderie Pension Scheme

The Scheme is open to all nationalities but is particularly beneficial for those individuals with accrued pension benefits in the UK who have left or are planning to leave the UK.

The Scheme offers a flexible and cost effective pension plan, which has been granted Qualifying Recognised Overseas Pension Scheme (QROPS) status by Her Majesty's Revenue and Customs (HMRC) in the UK QROPS number 502201 and, in addition, is also approved under Section 157 A of the Income Tax (Guernsey) Law, 1975.

What is a Qualifying Recognised Overseas Pension Scheme (QROPS)?

In April 2006, the UK tax authorities (HMRC) amended their pension legislation to allow British expatriates to transfer accrued UK pension benefits to a Scheme that was recognised by HMRC as being QROPS approved. In essence, this means that the terms of the QROPS Scheme adhere to certain requirements set out by HMRC, the most important of which is that a minimum of 70% must be maintained within the Scheme to provide a pension for life.

The Benefits

- You do not have to buy an annuity. This avoids having to lock into a potentially poor return.
- On death, the remaining fund is available for transfer to your chosen beneficiaries.
- Up to 25% can be taken as a lump sum on your chosen retirement date.
- Funds in the Scheme are not subject to any tax at source, allowing your investments to grow tax free. *
- Tax is not deducted at source from pensions in payment, avoiding UK tax being applied to your pension scheme.*
- You can choose an unlimited number of investment options.

The Trustee

FirstRand Trustees Limited is a licensed fiduciary services provider with over 40 years experience and a part of a major financial services group, FirstRand, a listed company on the Johannesburg Stock Exchange, with over 43,000 employees and US\$127 billion under management.

* (Please note that taxes may apply in your country of residence).

Why Guernsey?

Continued success – Guernsey's fiduciary services sector has successfully grown during the past 50 years.

The highest reputation and standards – Trust and Corporate services business can be transacted with confidence in Guernsey as the Island has been scrutinised and recognised by the International Monetary Fund and the Financial Action Task Force.

Pragmatic regulation – The Guernsey Financial Services Commission promotes a robust yet pragmatic regulatory regime and is renowned for being approachable, accessible and open to new ideas.

Competitive tax environment – Non-Guernsey income (and Guernsey bank interest) accruing to Trusts that have no Guernsey beneficiaries is not subject to Guernsey income tax and as from 2008, there is a zero rate for corporate entities. There is no withholding tax on dividends paid, no capital gains tax, no death duties, inheritance tax or VAT.

Skilled workforce – With over 50 years to build expertise, the Island has a good pool of experienced and well qualified staff.

Conveniently located – The Island's location between Europe and the UK places it in a time zone between the US and the Far East. This makes Guernsey a convenient place to carry out business with many different countries. Travelling to the Island is also quick and easy as there are frequent air and sea links to both Europe and the UK, with a flight time from London taking less than an hour.

Highly developed business support infrastructure – Carrying out business in Guernsey is quick and easy because the Island has a high quality infrastructure, including a newly upgraded first class telecommunications network that is unsurpassed offshore.

Special relationship with the EU – Businesses based on the Island have the advantage of being in a jurisdiction that is within the Common Customs Area and Common External Tariff without all the implications of operating from a full member of the EU. For example, directives such as those on fiscal harmonisation, financial services and company law do not have effect in Guernsey.

Stability – Continuity within Guernsey's democratic government offers political and economic stability and thereby a safe and secure environment.

Independence – Legislative and fiscal independence allows the Island to respond quickly to the needs of business.

Following publicity regarding QROPS generally, the Guernsey Income Tax Authority initiated discussions with HMRC. These discussions have led to Guernsey taking a supportive approach to ensure that no Guernsey scheme can be involved in any deemed abuse, particularly regarding cash extraction. The Guernsey position from 27 October 2007 is that:

Where a Retirement Annuity Trust Scheme is approved, or seeks approval, under section 157A and is able to admit both residents and non-residents to membership, the same rules must apply to both classes of member. This ensures that the restrictions contained in section 157A will apply to non-residents and, in particular, any lump sum would be restricted to 25% of the fund.

Where a transfer is made out of such a scheme, in respect of funds held on behalf of a non-resident which originate from a UK approved pension fund, to a scheme outside Guernsey, which includes, for these purposes, a scheme covered by the provisions of section 40(o) or section 40(ee), that scheme should either have QROPS approval itself or have provisions in respect of benefits that are no more generous than those allowed under section 157A (in other words, 100% commutation should not be allowed).

Who can transfer their pension into The Plaiderie Pension Scheme?

The Scheme is open to anybody whether resident of Guernsey or not. The Scheme will be particularly attractive for individuals who are not resident in the UK and do not intend to return. Other nationals who have worked in the UK and have accumulated a UK pension scheme can also benefit.

What assets can be transferred to a QROPS?

Most UK pension schemes other than the State pension can be transferred to a QROPS, including, in most cases, Protected Rights.

What is the retirement date?

The retirement date can usually be any time between your 50th birthday up to your 75th birthday.

What are the reporting requirements?

Any distributions made to a member for the first five years after becoming non UK resident must be reported to HMRC.

What are the investment options?

The Plaiderie Pension Scheme does not place any limitations on the choice of investments under the

Scheme. This allows greater flexibility for the Scheme member to work with their Financial Adviser to choose the most suitable investment option for their individual requirements.

Appointment of Advisers

You may choose your own Financial Adviser. If you do not have one, we will be pleased to introduce you to FirstRand Private Wealth Management Limited, our Jersey based sister company, which is a Financial Adviser licensed by the Jersey Financial Services Commission.

Independent Advice

FirstRand Trustees Limited as administrator of The Plaiderie Pension Scheme is not authorised to provide any legal, tax, investment or other advice in respect of the suitability of the Scheme for each individual member. Each individual member is strongly advised to obtain suitable advice prior to entering into or arranging any transfer to a QROPS.

How does it work?

When you are ready to transfer your pension fund, the money will be paid to our trustee client account and allocated to a dedicated bank account opened in the name of your particular fund, currently with Barclays Bank in Guernsey.

This will then earn a preferential rate of interest until such time as the funds are invested in conjunction with advice from your Financial Adviser.

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