keyfacts®

Gibraltar EXPAT Retirement Annuity

Key Features

April 2025

1. BENEFITS

The tax and flexibility benefits, listed below, can by enjoyed by those who have completed, or intend to complete, five full consecutive tax years as a non-UK resident (see Section 2).

All or some of the following benefits may apply to you; your Financial Adviser will advise you which are relevant to you.

Taking your Retirement Benefits

The Gibraltar Expat Retirement Annuity is a retirement scheme and is designed to provide for your retirement as follows:

- You can start taking retirement benefits from age 55 and take a pension commencement lump sum of up to 30% of the value of the pension plan.
- You can take an income from your fund. With income drawdown you will have the freedom to choose and change the level of income you take. You can choose an income up to the maximum limit allowed by the UK's Government Actuary's Department's (GAD) tables or you can even choose to take an income of £0 and just take your pension commencement lump sum.
- We will re-calculate the income drawdown limits that apply to you once every three years and annually after age 75. This is designed to ensure you do not exhaust your pension fund.
- There is no requirement to purchase an annuity.

Tax

- 2.5% tax is payable at source on any annuity or drawdown income payment. Further tax may be payable in your country of residence.

Funding your Pension Plan

- The IVCM QROPS can accept transfers from all UK pension schemes including transfers from Employee Sponsored (Final Salary or Group Money Purchase) or Personal Pension Schemes providing that the ceding scheme permits a transfer to a QROPS.
- The IVCM QNUPS can accept transfers from other international schemes.
- Additional lump sums can be paid into the IVCM QNUPS.
- Directly held investments may be transferred in-specie into the IVCM QNUPS.

Investment Choices

- The Gibraltar Expat Retirement Annuity has an 'open architecture' policy which permits a fully bespoke service with your own investment strategy and investment managers allowed.
- Investments may be in stocks, bonds, alternative investments, deposits, private equity, options and life policies (subject to the consent of the Trustees).

Lifetime & Annual Allowances

- Transferring to a QROPS is a benefit crystallisation event. If your UK pension funds are likely to exceed the Lifetime Allowance (The standard Lifetime Allowance is currently £1,055,000 (2019-2020)) when you intend to take your benefits, and you have not applied for and received protection, then a tax charge will not be applied if you transfer to a QROPS before reaching the Lifetime Allowance – you should seek advice from your Financial Adviser.

Death

- The value of the plan can be paid out to beneficiaries on death without any Gibraltar tax being deducted.

Nationality

- The plan is open to all nationalities.

Transparent Charges

- The Gibraltar Expat Retirement Annuity has three charging structures, the 'Lite' and the 'Lite Plus' for plans under £100,000 and £200,000 respectively.
- The Gibraltar Expat Retirement Annuity has a GibFull charging structure for plan values in excess of £200,000. Additional charges will apply for purchasing nonstandard assets directly, such as unlisted shares or unregulated collectives.
- The IVCM QROPS has a 'Specially Designated Charging Structure'. This is a dedicated charging structure previously agreed by IVCM in relation to a particular investment strategy. Please see the IVCM Gibraltar Charging Schedule for more detail.
- The Gibraltar Expat Retirement Annuity has charges for transferring out in-specie (exit penalties on certain investments may also apply).

2. MEMBER RISK & RESPONSIBILITIES

- The growth of your fund will depend on the performance of your chosen investments.
- Information on past performance of an investment should not be taken as a guide to future performance.
- The value of your investments is not guaranteed and could go down as well as up.
- The wide range of investment markets that you can select from will have different risks attached to them. If you are in any doubt you should seek professional advice.
- Some investments may not be readily realisable and you may not be able to realise the investment when you choose to.
- The value of any property investment may be based on a valuer's estimate rather than a market price.
- As well as investment growth, your Plan benefits will depend on the amount paid into the scheme along with charges.
- Trustee administration charges or those levied by your Financial Adviser may increase in the future.
- HMRC and Gibraltar tax rules may change in the future to your disadvantage.
- You should conduct a regular review of your Plan with your Financial Adviser.
- You should regard your IVCM Plan as a long term investment.
- Please advise IVCM of any relevant change in your circumstances, especially if this involves your declared residency status.

3. OUR CHARGES

- Detailed information on charges is given in our Fee Schedule.
- The Trustees' administration fees cover the provision of specified services to include administration of the fund, annual accounts and Trustee responsibility. It is charged annually in advance.
- Additional fees may apply for specialised investment assets or where assets are held within an offshore company (e.g. property and private equity). Fees will be quoted on a case by case basis before the work is undertaken.
- Any additional professional work requested by the Member will be quoted in advance. These fees will be calculated by the time, complexity, urgency and responsibility involved. We generally avoid any fees other than our standard fees and where additional fees have to be charged we do our utmost to keep these to a minimum.
- Should you transfer the Plan to another administrator, a charge will apply for transferring in-specie and for checks carried out on a receiving QROPS provider.

4. REGULATION

- The IVCM (Gibraltar) Retirement Annuity Trust is a 'Qualifying Recognised Overseas Pension Scheme' under HMRC approval number QROPS 900096.
- The Trustees are IVCM Trustees (Gibraltar) Limited who are located at 215B Neptune House, Marina Bay, Gibraltar and are regulated and licensed by the Gibraltar Financial Services Commission.
- IVCM is a global brand of International Pensions and has a suitably authorised Trustee Company in each jurisdiction.
- Members can transfer into our QROPS whether they are UK resident or otherwise.
- The Administrators of the IVCM QROPS are required to report to HMRC any payment from the Plan, or certain actions which may be treated as a deemed payment, for the relevant Member.
- Double taxation treaties may come into effect, whereby the Member will be subject to either normal UK income tax or this may be offset by disclosure in their country of residence.
- However, the Trustees do not have to notify HMRC if the relevant Member is a person to whom the Member payment charges set out in the Finance Act 2004 do not apply.
- The relevant Member payment charges do not apply unless the Member:
  a. Is resident in the UK when the payment is made (or treated as made) OR
  b. Although not resident in the UK at that time, has been resident in the UK earlier in the tax year in which payment is made (or treated as made) or in any of the five tax years immediately preceding that tax year. A payment or deemed payment would include a transfer away from the IVCM QROPS.
- Where charges are deducted from the fund this will have an impact on the overall fund value.
- The potential way in which Members of the IVCM QROPS could reduce or eliminate the Member charges is:
  a. Through non-residence.
  b. If the Member is not resident in the UK when the payment is made and has not been so resident for five tax years preceding the tax year in which the payment is made (para 2, schedule 34, Finance Act 2004) then no Member payment charges will be imposed on payments from the Plan.
  c. The Trustees will not have to report to HMRC a payment or a deemed payment if the Member is not tax resident in the UK when the payment is made and has neither been UK resident in that tax year nor in any of the previous five tax years.
- Therefore, with the Trustees of the IVCM QROPS located in Gibraltar the Member may receive substantial tax advantages provided that they meet the UK non-residency requirements.

5. SECURITY

- Gibraltar is one of the foremost financial centres in the world. It enjoys an excellent reputation for establishing financial structures. It is well regulated, politically stable and works closely with HMRC.

6. CONTACT DETAILS

How to contact us

You should consult your Financial Adviser in the first instance. We are unable to accept applications from Members directly.

Application for Membership of the IVCM (Gibraltar) Retirement Annuity Trust should be made through a Financial Adviser regulated by the appropriate national regulatory body.

How to complain

In the unlikely event that you should wish to register a complaint in relation to your Plan, then such complaints should be made in writing to:

IVCM, 215B Neptune House, Marina Bay, Gibraltar

7. DISCLAIMER

This summary is of a general nature only and is not intended to be relied upon, nor to be a substitute for professional advice, or used in formulating any personal decisions without first seeking such advice. No liability is accepted for any consequences arising from any transaction in connection with this summary. The benefits in this summary may vary according to residence and domicile and different rules apply to different individuals. No warranty regarding the appropriateness of investing in this type of structure is being given and none of the above comments should be construed as tax advice. You should always take independent advice as personal circumstances may mean the comments above do not apply.

We do not in any circumstances give advice directly to clients, all business is accepted only through professional advisers and they and your other professional advisers should advise you if you have any questions relating to this plan. Advice should be sought from tax advisers as to the tax implications on payment of benefits in the individual's country of residence.

IVCM

IVCM Trustees (Gibraltar) Limited

Telephone. +350 200 69290
Email. gibraltar@ivcm.com
Website. ivcm.com

215B Neptune House, Marina Bay, Gibraltar