



Trafalgar is a personal overseas pension scheme established under trust in Gibraltar.

Listed as a Qualifying Recognised Overseas Pension Scheme (QROPS), Trafalgar can accept transfers from UK pension schemes or other QROPS. It is also appropriate for EEA residents wishing to consolidate existing UK pensions into one flexible, tax efficient structure.

Boal & Co (Gibraltar) Limited, as Personal Pension Scheme Operator, acts as the Trustee and Scheme Administrator, as well as the QROPS scheme manager.

Established and administered in Gibraltar, Trafalgar is appropriate for transfers from other QROPS or for EEA residents wishing to consolidate existing UK pensions into one flexible, tax efficient structure, while offering investment choice and ease of succession planning.

Trafalgar is built upon strong foundations:



Location Gibraltar is regarded as a centre of excellence for pension services, offering unique, flexible but robust legislation for both domestic and international retirement and savings plans. A British Overseas Territory it provides a welcome overseas but distinctly British port for transferring UK pensions.



Focus Boal & Co does not provide general trust administration, investment or custody services: our focus is entirely on the trusteeship and administration of retirement and pension plans (domestic, international, corporate & personal) supported by our specialist in house actuarial team.



Flexibility Trafalgar is designed to optimise retirement choices for members, while fully satisfying the HMRC rules applicable to QROPS.



Innovation Boal & Co is an award-winning, established market leader in the design and guardianship of both local and international retirement benefit solutions and a specialist in QROPS.



Expertise Established in 1995, we have more than 25 years' experience of delivering local and international retirement benefit solutions. We provide services to more than 30 FT 500 companies and have \$12 billion of pension assets under management.



Regulation Our professional expertise is underpinned by the fact that we are regulated by the Gibraltar Financial Services Commission.

What are the key benefits of Trafalgar?

1. Tailored pension payments

- Range of payment levels available, tailored to your situation, and payable by annual, half-yearly or quarterly Drawdown

2. Succession planning

- Any remaining fund on death can be used to provide a pension for a spouse and/or dependant and/or can pay out as a lump sum to beneficiary(ies)

3. Retirement lump sum

- Option to take a lump sum of 30% of fund value (paid tax free at source)

4. Investment choice

- Ability to appoint a discretionary investment manager, investment adviser or self direct
- Invest in collective investment funds, stocks, ETFs, bonds, investment trusts, cash and structured products, held through an investment account or platform

5. Tax efficient accumulation

- UK tax is not applied to Trafalgar pension payments; 2.5% Gibraltar Tax is due at source

What is a QROPS?

Qualifying Recognised Overseas Pension Schemes are special overseas pension schemes which satisfy rules and regulations laid down by UK legislation. The Finance Act 2004 made it possible, from April 2006, for UK pensions to be transferred to any overseas pension scheme which has notified HMRC of its status as a QROPS.

Since 19th March 2017, any transfer made to an overseas pension from the UK is subject to the Overseas Transfer Charge of 25% of the amount transferred, unless it is in the same jurisdiction as the person is resident. For the purposes of this, Gibraltar is classed as the same jurisdiction as the European Economic Area.

Trafalgar is listed with the UK tax authority HMRC as a QROPS, meaning that pension transfers made from UK pension schemes to Trafalgar are termed Recognised Transfers and so are permitted transfers under UK pension legislation.

What pensions can be transferred into Trafalgar?

Transfers into Trafalgar can be made from most forms of UK tax approved pension schemes.

Transfers from a Defined Benefit pension scheme can be made but formal UK advice may be required. Having the option to transfer a UK pension scheme does not necessarily constitute it being advisable to do so. Independent financial advice should be taken by any individual in connection with any pension transfer.

If you have already transferred your UK pension fund to a QROPS, you can transfer it to Trafalgar regardless of where the current QROPS is based.

Trafalgar may give you a better QROPS regime, or better ongoing service and/or costs.

How is my Trafalgar fund invested?

Investment management can either be self-directed by you or delegated to a financial adviser or investment manager. Investment can be made into any of the following asset classes:

- Collective investment funds
- Private portfolio bonds, investment bonds and other life assurance policies

Please refer to the Boal & Co investment guidelines for a full list of asset classes available under Trafalgar.

What benefits are paid at retirement?

Trafalgar is a Defined Contribution pension scheme, which means the amount of benefits received by you, in the form of pension commencement lump sum and pension income, are entirely dependent on the amount of money paid into your Trafalgar fund (less charges) and the investment performance (which may be positive or negative). There are no guaranteed retirement benefits of any form.

Retirement benefits from Trafalgar can be taken by you from as early as age 55 and no later than age 75. Your pension in retirement is provided via Drawdown, which means that each year a proportion of your Trafalgar fund is drawn down and used to provide the pension, whilst the balance of your fund remains invested. Pension payments are payable to you by annual, half-yearly or quarterly Drawdown of income and capital from your fund.

The amount of pension, i.e. the rate of Drawdown, is flexible within limits. Provided you are not UK resident/recently resident in retirement, the amount of pension you can draw from your Trafalgar fund will be within a range of amounts calculated by our actuaries and personalised to your situation, taking into account how your Trafalgar fund is invested (and the range of associated target future investment returns) and your individual life expectancy.

After retirement, the amount of pension payable to you is normally reviewed every 3 years in line with the investment return achieved by your Trafalgar fund.

At retirement, Trafalgar members can opt to take up to 30% of their Trafalgar fund as a retirement lump sum (compared to the 25% maximum from UK pension schemes). If you are UK resident/recently resident at retirement, UK tax rules apply.

What happens on my death?

Even if you have left the UK, your UK pension fund continues to be subject to UK tax laws and restrictions. With a UK pension scheme, a lump sum payment on death after reaching age 75 will be subject to a tax charge based on your beneficiary's marginal UK tax rate.

If you have a surviving spouse or dependant, your Trafalgar fund can be used to provide a continuing pension for them. Alternatively, the residual fund can be paid as a lump sum to your beneficiaries. You can indicate your preference in the Expression of Wishes section of the application form and this can be updated at any time by way of a separate form.

If you elect for your Trafalgar fund to be wound-up after your death, any remaining balance can be paid out by the Trustee to your nominated beneficiaries. No Gibraltar tax is due or payable at source on this lump sum distribution. Please note, if you are UK resident/recently resident on death, there may be UK tax applicable to this lump sum distribution. In addition, the recipient could also be subject to tax on this distribution depending on their residency.

What is the taxation position?

- Investments held within Trafalgar accumulate free from tax (apart from any taxes deducted at source)
- At retirement, pension income is paid after deduction of 2.5% Gibraltar income tax
- At retirement, up to 30% of your Trafalgar fund value can be taken as a retirement lump sum benefit, free of Gibraltar tax at source. (If you are UK resident or recently resident at retirement, then lower UK limits will apply)
- If your Trafalgar fund is wound up on death, no Gibraltar tax is payable, and the fund will be paid to your beneficiaries without deduction of Gibraltar tax at source

While pension income is paid to you net of 2.5% Gibraltar income tax, you may have a liability to tax on Trafalgar benefits in your country of residence.

The above is for guidance only and does not constitute advice. For the avoidance of doubt, Boal & Co does not provide tax advice. Independent tax advice is therefore highly recommended to ensure Trafalgar is appropriate for your circumstances.

What are the costs of Trafalgar?

The charges for Trafalgar take the form of an initial fee when you transfer in and an annual fee for ongoing membership. Both fees are taken from your Trafalgar fund. The applicable fee scales are set out in the separate Fee Schedule document.

Investment management charges are agreed between you and your appointed financial adviser or investment manager, and are also paid for out of your Trafalgar fund.

Any charges associated with the investments in your Trafalgar fund will apply in the usual way. Any fees charged by the financial adviser must be agreed by the financial adviser with you in writing.

Am I eligible for Trafalgar?

Trafalgar is an overseas pension scheme designed for individuals who currently have UK pensions or existing QROPS arrangements. Trafalgar is open to Gibraltar residents and non-residents alike, though please note that there are some countries from which we are unable to accept business.

Service assurance

If at any time you believe that our service could be improved, or if you are dissatisfied with any aspect of our services, please write to us in the first instance: PO Box 1250, 1.2.08, Eurotowers, Europort Road, Gibraltar, or email gibmail@boalco.com

In this way, we will be able to ensure that any concerns are dealt with carefully and promptly.

Any matters relating to the investments in your Trafalgar fund should be raised with your financial adviser or investment manager.

Get in touch to talk Trafalgar

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Glossary

Defined Benefit pension scheme (also known as a final salary pension scheme) means a scheme where pension is calculated by reference to salary and length of pensionable service.

Defined Contribution pension scheme means a scheme where the benefits are dependent entirely on the amount of contributions paid into the scheme and the investment return achieved on them.

Drawdown means the regular withdrawal of money from a member's Trafalgar fund in order to provide the member with a pension income in retirement. The funds paid out in drawdown will typically include a return of both capital and interest.

Personal Pension Scheme Operator means the regulated activity of establishing, operating or winding up a personal pension scheme (as defined in the Gibraltar Financial Services Act 2019), and in the context of Trafalgar means acting as Trustee and Scheme Administrator.

QROPS or Qualifying Recognised Overseas Pension Scheme is a non-UK pension scheme which satisfies certain HMRC requirements as to benefits and reporting, and HMRC have been notified of its compliance with these requirements. A list of Recognised Overseas Pension Scheme notifications is available on-line at www.gov.uk/government/publications/list-of-qualifying-recognised-overseas-pension-schemes-qrops.

Recognised Transfer means the transfer of a UK pension to another UK-approved pension scheme or to a QROPS. A recognised transfer is an authorised member payment and so does not incur a tax charge.

Scheme Administrator means Boal & Co (Gibraltar) Limited or otherwise the administrator of the Scheme from time to time.

Trustee means Boal & Co (Gibraltar) Limited or otherwise the trustee or trustees of the Scheme from time to time.



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For further information on the regulatory status of our businesses please visit: boalco.com/regulatory