

EMBARGOED UNTIL 7 APRIL 2008

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PRESS RELEASE

LOCAL ACTUARIES FILL PENSION VOID

Castletown-based actuaries Boal & Co have launched a new Isle of Man range of pensions solutions, to fill the void left following the withdrawal of Norwich Union from the Island last year.

Boal & Co have created a new range of **Balley Chashtal** (tr: Castletown) personal pension schemes, designed to provide pension solutions for local resident individuals. The schemes are trust-based arrangements, issued under a master trust, with Boal & Co (Pensions) Ltd as scheme administrator and trustee.

The schemes offer a wide range of investment flexibility. The **Balley Chashtal No.1 Personal Pension Scheme** offers access to 1000's of **investment funds** through insurance bonds, including **Scottish Provident International** and other companies from the Isle of Man's own successful life industry. The **Balley Chashtal No.2 Personal Pension Scheme** adds to the range, appealing to the more conservative saver, linking to **high-interest bank and building society accounts**.

The Balley Chashtal schemes are fully:

- registered with the Insurance and Pensions Authority
- tax-approved by the Assessor of Income Tax
- approved for contracting-out purposes by the Department of Health and Social Security, and
- approved for UK-transfer purposes by HM Revenue & Customs.

The schemes have a number of notable features, having been designed to fully accommodate the new IoM pension rules introduced by the Income Tax (Pensions) Bill with effect from 6 April 2008. In particular, they permit:

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- a **30% tax-free lump sum** benefit at retirement
- **contributions of up to 100% of relevant earnings** each year (maximum £300,000)
- pension to be taken at retirement through pension **drawdown**, instead of annuity purchase
- retirement **from age 50**
- **transfer-in of pensions from UK and IoM pension schemes**, both personal and occupational, and including protected rights and GMP/contracted-out benefits
- pensions, when they come into payment, are **taxed at local, IoM rates** – not UK rates.

Boal & Co have been providing local pensions advice since 1995, and act as consultants and/or trustees to some of the Island's largest pension schemes. They advise over 100 schemes with assets under administration totalling more than £200m. For many years Boal & Co have operated in the SIPP market (i.e. bespoke schemes for wealthier individuals, with assets typically £0.25 million and above), as well as being advisers to occupational pension schemes. The new Balley Chashtal schemes, in contrast, are aimed at the average individual.

Boal & Co director **Mark Kiernan** (pictured) commenting on the launch, said:

“There are a number of notable features to the Balley Chashtal schemes, which we have aimed to keep as simple as possible. They provide pension by drawdown, and so avoid the unpopular annuity route at retirement. Indeed, Bally Chashtal No.2 has a revolutionary new drawdown arrangement right from the start (see separate press release). This means that funds are able to be passed down to other family members on death, and kept within a family's wealth on death.

“The schemes are approved for UK transfer purposes, and can accept protected rights and other transfers of contracted-out benefits. Benefits can be drawn from as early as age 50.

“Being Isle of Man schemes, the pensions are paid at retirement net of IoM tax, unlike UK-source pensions which can suffer tax at up to 40%. The local tax of course benefits the local economy, and is good for Isle of Man plc. With 30% tax-free lump sums, the superior tax-efficiency is enhanced even further.

Kiernan added:

“The range of investment options is enormous, catering equally for the needs of the conservative investor and the more adventurous, experienced investor. To take things even further, a 3rd Balley Chashtal scheme, featuring even more investment choice, is due to arrive shortly. Charges are simple, and very cost-effective.”

Boal & Co, as independent actuaries and consultants, do not offer investment advice, which is available instead through selected investment advisers, including **Edgewater Associates Ltd** in Douglas and Ramsey, who are pleased to be associated with this launch. Managing director **Gary Boal** states that *“the separation of the pension solution from the investment adviser is an important under-pin to the Balley Chashtal range of pension plans – a local, Isle of Man solution to a local, Isle of Man pensions need.”*

Individuals interested in learning more about the Balley Chashtal Personal Pension Schemes are invited to contact Boal & Co who can put them in contact with an authorised adviser. For wealthier investors, Boal & Co continue to be market leaders in Isle of Man SIPP and other bespoke pension arrangements.

MEDIA ENQUIRIES

For further details, please contact:

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NOTES FOR EDITORS

1. Boal & Co is a firm of actuaries and consultants operating in the following consultancy disciplines:
 - a. Offshore Life Assurance
 - b. European Cross-Border Life Assurance
 - c. Isle of Man Pension schemes.
2. Boal & Co operate from offices in Castletown (Isle of Man) and Dublin (Ireland).
3. Boal & Co (Pensions) Ltd is registered with the Isle of Man Insurance and Pensions Authority as a Professional Schemes Administrator.
4. Boal & Co is a member firm of **Abelica Global**, a premier global consulting organisation. Abelica Global firms offer a wide range of financial consulting services relating to employee benefits, investment, insurance and healthcare, for a full spectrum of business sectors, including governments and financial organisations, in many countries around the world.