



Boal & Co

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NEWS RELEASE

Boal & Co Welcome HMRC 50C QROPS Confirmation

Leading QROPS provider Boal & Co welcomes confirmation that HMRC have concluded that a scheme approved under the new 50C legislation 'can satisfy the requirements to be a recognised overseas pension scheme'.

For more than six months, Boal & Co's 'Trinity' pension scheme has been the only registered QROPS of its type. Trinity was tax-approved under the Isle of Man's 'section 50C' legislation on the same day that the new Manx legislation took effect in October 2010, and has been registered as a QROPS ever since. Boal & Co has been very much at the vanguard of the 50C initiative and Trinity is the **first 'designer' QROPS** of its type.

Managing Director Gary Boal explained:

'At first, when we revealed with Trinity exactly what the relevant UK and Isle of Man 50C legislation provides for in relation to QROPS pension transfers, there were several individuals who could only respond by seeking to cast doubts on the efficacy of the 50C legislation. In actual fact, some of the highly innovative features of Trinity, including the absence of the traditional age 75 vesting requirement, have since been embodied into *domestic* UK pensions legislation in the recent UK Budget.'



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‘Anyone who took the time to familiarise themselves with the relevant legislation, as we (and our legal advisers) had done, would quickly come to the conclusion that the UK requirements in relation to the maximum pension commencement lump sum were actually quite different for QROPS to what the market had assumed. Specifically, the UK legislation requires that at least 70% of the transfer value paid into a QROPS has to be designated to provide a pension. This is quite different to the traditional QROPS scheme which limits, quite unnecessarily, the lump sum to 25% or 30% of fund value. The 50C legislation is in some ways a carbon copy of the relevant UK QROPS legislation, importing UK pension rules into Isle of Man tax law, and it should therefore be no surprise to anyone that a 50C scheme will be capable of satisfying the requirements.

‘The Isle of Man 50C legislation was always drafted to ensure that it fitted with the UK QROPS requirements. Some parties may not have understood at the time what the requirements were, but with the passage of time and the gaining of knowledge, many more Isle of Man providers have sought to create 50C schemes. We will welcome them to the market.’

Sales Director Paul Forman added:

‘At Boal & Co we firmly believe that we lead the QROPS provider business. In the same way as Trinity has redefined the QROPS market, Boal & Co set the professional standards for the QROPS industry. Knowledge is everything, and with Trinity we have been imparting it for the benefit of our expatriate clients - currently in 31 countries around the world - right from day one.



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‘Other Isle of Man providers will now join us in the 50C market, and that will be to the benefit of the Isle of Man pensions sector, creating jobs, and adding value to the Isle of Man financial sector .

‘We welcome the news that new 50C QROPs schemes will be approved by HMRC in the coming weeks. It is unfortunate that the process has taken so long. We are, however, recognising the news with a 3-month special offer, details of which are on our adviser extranet at www.trinity.im’

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