



BOAL & CO MALTA PENSION

GLOBAL RETIREMENT SOLUTIONS,
INNOVATIVE THINKING

MALTA QROPS
SCHEME PARTICULARS



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Scheme Particulars for the Boal & Co Malta Pension

1. Scheme Structure

ITC INTERNATIONAL PENSIONS LIMITED having its registered address at Alpine House, Naxxar Road, San Gwann, SGN 9032, Malta ("ITC") is authorised and regulated by the Malta Financial Services Authority ("MFSA") and registered under the Retirement Pensions Act, 2011 (Chapter 514 of the Laws of Malta) ("the Act") as Retirement Scheme Administrators and has consented to act as the Retirement Scheme Administrator of the Boal and Co Malta Pension ("the Scheme").

The Scheme is a defined contribution scheme established on 23rd February 2017 as a trust by Trust Deed under the Trusts and Trustees Act (Chapter 331 of the Laws of Malta) and is not subject to any limits on its duration. The administration and management of the Scheme is vested in the Retirement Scheme Administrator who acts as the sole Trustee of the Scheme in accordance with the Trust Deed, Rules and the Act.

The main object of the Scheme is to receive contributions from Members and invest such contributions in accordance with the investment policy of the Scheme with the aim of maximising the return on such contributions to provide retirement benefits (as defined in the Act) for and in respect of any person who is, at the discretion of the Retirement Scheme Administrator, admitted to membership of the Scheme or who otherwise becomes eligible to participate in the Scheme.

2. Eligibility for admission into the Scheme

Membership of the Scheme shall be open to any persons at the discretion of the Retirement Scheme Administrator. In order to be eligible to become a Member of the Scheme, whereupon an individual notional account for each Member shall be created under and in accordance with the Scheme.

Admission to the Scheme requires that Members be bound by the terms of the Trust Deed. Each Member shall be required to sign an Instrument of Adherence.

A copy of the Trust Deed and Rules shall be provided to any Member or Beneficiary on request.

3. Defined Contribution Scheme

The Scheme is a defined contribution scheme. Benefits are calculated on the value of the assets which may have accumulated through the transfer of assets from a previous retirement scheme and/or other contributions made to the Scheme.

4. Contributions to the Scheme

The Member shall transfer his or her assets to the Scheme. The initial value of the assets transferred shall be the value of those assets on receipt by the Retirement Scheme Administrator into an account opened by the Retirement Scheme Administrator solely for that purpose.

The Retirement Scheme Administrator shall accept further contributions into the Scheme and at its discretion shall accept additional assets as a top up to the Scheme from time to time and all such assets shall be administered in accordance with the terms and Rules of the Scheme.

5. Investment of Contributions

The Scheme's Assets shall be invested in a prudent manner in the best interest of Members and Beneficiaries. The Investment Strategy of the Scheme is detailed in Schedule 2.

The Member may seek advice from an Independent Financial Advisor to determine where his/her assets are to be invested, the Independent Financial Advisor will then notify the Retirement Scheme Administrator where the Members assets are to be invested with the Retirement Scheme Administrator retaining the overall responsibility for the operation of the Scheme as a whole.

Should a Member opt to appoint his/her own Independent Financial Advisor and/or Investment Manager, the Retirement Scheme Administrator shall:

- (a) approve the Independent Financial Advisor and/or Investment Manager
- (b) enter into an agreement with the Independent Financial Advisor and/or Investment Manager on behalf of the Member setting out the services, roles and responsibilities of such person/s to ensure provisions are in place to allow the Retirement Scheme Administrator to conduct its functions effectively.

The Retirement Scheme Administrator has a flexible approach to the investment instructions it receives from Investment Managers and Independent Financial Advisors as long as they are justified in writing and in line with the rules and regulations of the Retirement Pensions Act.

The member shall advise the Retirement Scheme Administrator of his attitude to risk and if an Independent Financial Advisor or Investment Manager has been appointed in respect of a member's funds they will confirm that they will recommend investments so that the Member's fund reflects that Member's risk profile.

Where the Retirement Scheme Administrator invests following the advice of a Member's Investment Manager or Independent Financial Advisor in a preferred investment, the Member must provide the Retirement Scheme Administrator with a written confirmation of their understanding that the value of the investments can fluctuate and that the Retirement Scheme Administrator cannot be held responsible for loss of or any depreciation of the preferred investment otherwise as a result of their fraud, wilful default or neglect.

Members are reminded that past performance shall not necessarily be a guide to future performance and that the value of investments can go down as well as up and may also be influenced by changes in exchange rates.

The Retirement Scheme Administrator may instruct the Scheme's Investment Manager to invest separately in respect of certain Members or Beneficiaries of the Scheme as determined by the Retirement Scheme Administrator from time to time. The Retirement Scheme Administrator shall record on whose behalf such specific investments are made.

The final decision on any investment to be made will be entirely at the discretion of the Retirement Scheme Administrator but it is important to note that in no way is the Retirement Scheme Administrator deemed to be giving investment advice, but merely taking precautionary measures to ensure that the investment restrictions of the Scheme continue to be satisfied and that all investments are being made in the best interest of its Members and Beneficiaries.

There will be occasions whereby the Member will request the Retirement Scheme Administrator to process investments where no professional investment advice would have been sought. Requests of this nature will be considered provided the Member can demonstrate that he/she is a sophisticated/experienced investor and signs a standard letter detailing his/her experience, knowledge and qualifications (if any). The letter will contain a statement declaring that no professional advice has been sought and that the Retirement Scheme Administrator can proceed on an execution-only basis.

The Investment Manager shall consider each request on a case by case basis but will have full discretion on whether to accept or reject such requests.

The Retirement Scheme Administrator shall not in any circumstances be obliged to assist or advise any Member in relation to the choice or suitability of any Strategy.

6. Administration of the Scheme

The Retirement Scheme Administrator has the powers to delegate to any person or body of persons whom the Retirement Scheme Administrator believes to be of good repute to assist with the proper administration of the Scheme.

In delegating/outsourcing functions to third parties, the Retirement Scheme Administrator shall retain responsibility for the overall operation, management and administration of the Scheme and the investment management and custody of the assets of the Retirement Scheme. The liability of the Retirement Scheme Administrator shall not be reduced by reason of the fact that it has delegated any of its functions to any third party. The Retirement Scheme Administrator shall put in place adequate monitoring arrangements to ensure the appointed third parties are carrying out the functions in line with the stipulated requirements.

The Retirement Scheme Administrator and its nominated service providers shall request the transfer of the assets from the Member or any Retirement Scheme Administrator, administrator or other person having management of any assets for the benefit or on behalf of the Member to the Scheme and will be responsible for the on-going administration of the Scheme.

The names and positions of those responsible for the administration, management and supervisory functions and custody of the Scheme are listed in Schedule 3.

7. Accountancy Dates

The accountancy dates shall be the period 23rd February to 31 December 2017 inclusive and thereafter, the period of 12 months ending on (but including) 31 December in any year.

8. Benefits payable upon retirement

It is the intention of the Scheme to operate to the requirements laid down by HMRC to ensure ongoing status as a Qualifying Recognised Overseas Pension Scheme and as such to have the ability to receive transfers of UK Tax Relieved funds.

Benefits may be taken at any age from the member's fiftieth birthday unless they consist of UK Tax Relieved Funds. For members whose fund consists of UK Tax Relieved funds, the earliest commencement date for payment of Retirement Benefits to a Member is that on which a Member has attained the age stated in Pension Rule 1 in Section 165 of UK Finance Act 2004, i.e. fifty five (55) except in the case of Early Retirement in the case of Permanent Invalidity of a Member;

Retirement Benefits, other than any benefits paid on death or Permanent Invalidity of the Member shall be paid in the following forms:

- Initial cash lump sum (optional);
- An income by way of withdrawal of funds or the purchase of an annuity)

8.1. Initial cash lump sum

On the retirement date, a Member may elect to take a cash lump sum up to such percentage of the value of their fund as the Pension and/or HMRC rules shall allow at the time.

8.2. Income Payments

The remaining assets of a Member which are not paid as a lump sum shall:

- be used to purchase an Annuity; or
- be used to provide an income of a variable amount as agreed between the member and the Retirement Scheme Administrator.

The above shall be without prejudice to any other limitations on withdrawal of retirement assets as specified by any other pensions or taxation legislation to which a retiree is subject to.

9. Benefits payable upon death

The Retirement Scheme Administrator shall pay the balance of the assets less any applicable taxes, fees and expenses to one or more beneficiaries at its sole discretion. The Member shall complete a Letter of Wishes which the Trustee shall take into account when making their decision but shall not be bound by it.

10. Taxation of Benefits

With the exception of immovable property situated in Malta, there is no tax payable by the Scheme on income and capital gains. Where an appropriate double tax agreement exists between Malta and the country of residence of the Member, payments of retirement benefits to non-Malta residents are not taxable in Malta. Where there is no suitable double tax agreement then a withholding tax of 25% will be deducted at source and further tax may be due at the end of the Malta tax year based on Malta tax rates for that year.

Prior to making the benefit payment, any amount of tax due will be deducted from the benefit by the Retirement Scheme Administrator who in turn shall pay all taxation due by the Scheme to the relevant authority.

Pension Commencement Lump sums are tax free in Malta but may be taxable in the member's country of residence.

11. Legal and tax advice

Members should not construe the contents of this document as legal, tax or financial advice. Each Member should consult his/her own professional advisors as to the legal, tax, and financial implications or other matters relevant to the suitability of the Scheme for his/her requirements.

12. Liability

The Retirement Scheme Administrator will be liable to the Members and Beneficiaries for any loss suffered by them as a result of their fraud, wilful default or negligence.

The Retirement Scheme Administrator shall not be liable for any actions, claims or demands arising out of anything done or caused to be done or omitted by him (whether by way of investment or otherwise) in connection with the Scheme and costs arising therefrom, except for a breach of trust arising from his own fraud, wilful misconduct or negligence.

The Retirement Scheme Administrator is indemnified out of the Scheme to the extent permitted by law against any actions claims or demands arising out of anything done or caused to be done or omitted by them (whether by way of investment or otherwise) in connection with the Scheme and all costs arising therefrom, except by an act or omission which the Retirement Scheme Administrator concerned knew to be a breach of trust and which the Retirement Scheme Administrator concerned knowingly and wilfully committed or omitted as the case may be.

The Retirement Scheme Administrator shall not be liable if the assets of the Scheme are insufficient to pay the benefits under the Scheme by reason of any loss or depreciation of any of the assets of the Scheme.

13. Statutory Provisions for Compensation

There exists no statutory provision for compensation in the case where the Scheme is unable to satisfy the liabilities attributed to it and the Scheme shall not be held responsible for compensation in such an event. The licensing of the Scheme is not an endorsement by the MFSA as to the performance or default of the Scheme.

14. Potential Conflicts of Interest

The Retirement Scheme Administrator will ensure that the business is conducted in an honest, fair and professional manner. All employees will be obliged to refrain from doing anything that could be reasonably regarded as creating a conflict of interest.

The Retirement Scheme Administrator will seek to avoid undertaking any business in relation to its activities where:

- a) it is likely to make a financial gain or avoid a financial loss at the undisclosed expense of its clients.
- b) it has an interest in the outcome which is distinct from its client's interests in that outcome.
- c) it has a financial or other incentive to favour the interest of one client or group of clients over the interest of another.
- d) it will receive an inducement from a third party in the form of monies, goods or services other than the standard commissions or fees disclosed for that service.

The Retirement Scheme Administrator will take all reasonable steps to avoid conflicts of interest and, when these cannot be avoided, it will identify, prevent, manage and monitor and, disclose those conflicts to the MFSA as soon as it becomes aware of any such matter.

15. Data Protection

The Data Protection Act (Chapter 440 of the Laws of Malta) regulates the way personal data and sensitive personal data is collected, accessed, used and disclosed. The act also permits Members to access their personal data on request and confer on Members the right to have their personal data amended if found to be incorrect.

Enquiries about the Retirement Scheme Administrator's data protection policy should be made to the Compliance Officer, ITC International Pensions Limited, Alpine House, 34 Naxxar Road, San Gwann, SGN 9032, Malta.

All personal data and information provided to the Retirement Scheme Administrator will be collected, retained and processed by them for the purposes of:

- a) Providing Members with pensions and other financial products.
- b) Undertaking advertising, marketing, direct marketing and public relations exercises.
- c) Performing accounting and other record keeping functions.
- d) Detecting and preventing crime and prosecuting offenders.
- e) Providing pension administration services.

The Retirement Scheme Administrator shall keep personal data confidential, but may disclose it to third parties where necessary for the purpose of providing its services, including, inter alia, associated companies, financial institutions, legal advisors, Independent Financial Advisors and other parties with whom they have contractual arrangements to provide ancillary and support services, and to Regulatory and other Governmental bodies where required by or under any enactment or rule of law or court order, including any relevant Tax Authority.

The Member has the right to request a copy of the personal data which the Retirement Scheme Administrator holds about them and the right to rectify that personal data by writing to the Compliance Officer, ITC International Pensions Limited, Alpine House, 34 Naxxar Road, San Gwann, SGN 9032, Malta. The Retirement Scheme Administrator may charge an administration fee for providing the information.

The member must inform the Retirement Scheme Administrator if they do not want them to deal with personal data as described above. If the Member does not wish the Retirement Scheme Administrator to use personal data in this way, they will be unable to provide our services.

16. Complaints

The Retirement Scheme Administrator will treat any complaint seriously and will do its best to resolve the matter promptly and fairly. A complaint will be dealt with in accordance with the Retirement Scheme Administrator's complaints procedure. If a complaint cannot be resolved with an administrator and/or manager then a formal complaint should be made in writing and addressed to the Compliance Officer, ITC International Pensions Limited, Alpine House, 34 Naxxar Road, San Gwann, SGN 9032, Malta. If the complainant is not satisfied with the outcome of the review of the complaint, they are entitled to refer the matter to the Consumer Complaint Unit, Malta Financial Services Authority, Notabile Road, Attard, BKR 3000, Malta.

17. Further Information

Additional information regarding the Scheme, including a copy of the full Trust Deed and periodic reports may be obtained from ITC International Pensions Limited (the Retirement Scheme Administrator) at the address provided below.

ITC International Pensions Limited
Alpine House
Naxxar Road
San Gwann
SGN 9032, Malta

Registration Number C72355
Tel: +356 2576 7000
Fax: +356 2576 7100
Email: admin@itcinternationalpensions.com
Website: www.itcinternationalpensions.com

In the event of a conflict of interest between this document and the Trust Deed, the Trust Deed shall prevail.

Charging structure – refer to Schedule 1

Investment Principles – refer to Schedule 2.

The People – refer to Schedule 3

18. Defined Terms and Interpretation

"Annuity" means a guaranteed retirement income for life paid at stated intervals until a particular event (usually the death of the person receiving the Annuity). Annuities are normally purchased from a life assurance company at retirement in return for a lump-sum payment

"Beneficiary" or "Beneficiaries" **"Beneficiary" or "Beneficiaries"** means a person or persons who are entitled or contingently entitled to benefit under the Scheme who have been nominated in writing by the Member and also includes at the date of the Member's death:

- (a) the spouse or Civil Partner of the Member;
- (b) the spouses, Civil Partners, widows, widowers or surviving Civil Partner following death of any person falling within paragraphs (c) and (d) above;
- (c) any step-child, a step-mother or a step-father of the Member;
- (d) any person who having survived the Member is or has been wholly or partly dependent upon the Member for support or maintenance;
- (e) any person or persons whom the Member nominated in writing to the Retirement Scheme Administrator;
- (f) the legal personal representatives of the Member.

"Benefit" means the receipt of pension income by the Member from the Scheme.

"Custodian" means an entity licensed to hold the Scheme's assets (electronic or physical form) for safekeeping.

"Trust Deed" means the trust instrument establishing the Scheme (as amended and restated)

"Instrument of Adherence" means the agreement pursuant to which a new Member agrees to adhere to the terms and conditions of the **Trust Deed**.

"Independent Financial Advisor" means:

- (a) an entity licensed to provide investment advice to Professional Clients under the Investment Services Act (Cap.370); or
- (b) an investment advisor established in another Member State or EEA State and duly authorised for this activity in accordance with Directive 2004/39/EC, as amended from time to time, and which has passported its services in Malta; or
- (c) any other entity which is subject to an equivalent level of regulatory supervision in the jurisdiction where its operations take place, having the business organisation, systems, experience and expertise deemed necessary by the MFSA for it to undertake investment advice.

"Investment Manager" means an entity responsible for the investment management function of the assets of the Scheme who is;

- (a) licensed to carry out investment management services to Schemes under the Act; or
- (b) an investment manager established in another Member State or EEA State and duly authorised for this activity in accordance with Directives 2009/65/EC, 2004/39/EC, 2006/48/EC, 2002/83/EC and 2011/61/EU, as amended from time to time, and which has passported its services in Malta; or
- (c) any other entity which is subject to an equivalent level of regulatory supervision in the jurisdiction where its operations take place, having the business organisation, systems, experience and expertise deemed necessary by the MFSA for it to undertake investment management activities.

"Investment Principles" means the investment strategy of Scheme set out in Schedule 2.

"Member" means any persons admitted to membership by the Retirement Scheme Administrator and to or in respect of whom benefits remain payable.

"Member's Account" means the value of each Member's notional account being the aggregate of Contributions, Investment Return and any other sums which the Retirement Scheme Administrator allocated to the Member's Account in accordance with the Trust Deed and the Rules.

"Member State" means a member state of the European Union.

"Permanent Invalidity" means a medically-determined disability of a permanent nature, which as certified by a medical doctor approved by the Retirement Scheme Administrator, has rendered the member incapable of earning from his occupation at the onset of such disability.

"Retirement Scheme Administrator" means ITC International Pensions Limited, Alpine House, Naxxar Road, San Gwann, SGN 9032, Malta. Tel: 00356 2576 7000.
email admin@itcinternationalpensions.com

"Rules" means the Rules contained in Schedule 1 of the Trust Deed.

"Scheme" means the Boal & Co Malta Pension.

"Scheme's Assets" means;

- a) contributions to the Scheme in respect of Members;
- b) assets which the Retirement Scheme Administrator receives on transfer from another Retirement Scheme, pension contract or other arrangement;
- c) all income, capital gains or other investment returns achieved by the Scheme;
- d) money which the Retirement Scheme Administrator borrows for the benefit of the Scheme.

"the Act" means the Retirement Pensions Act, 2011 - the legislation that regulates the Retirement Law of Malta (including for the avoidance of doubt, any regulation, rule, directive, guidance or requirement issued under it from time to time).

"Trustee" means the trustee of the Scheme who has been given control or powers of administration of assets in trust with a legal obligation to administer it solely for the purposes of providing retirement benefits to Members in retirement and after their death for the Members' Beneficiaries.

"UK Transferring Member" means a Member transferring UK tax relieved funds or a mix of UK tax relieved funds to an overseas retirement scheme.

Signed



Aidan McLoughlin

Managing Director

ITC International Pensions Limited

Schedule 1
Charging Structure

Basis	Initial Fee	Number of inclusive Transfers	Annual Fee	Transfer fee to an approved scheme	Transfer to another scheme	Minimum Transfer (total)	Maximum Transfer (total)	Assets
Standard Terms	£825	4	£945	Nil	£1,000	£50,000	N/A	Any allowable
Special Terms	£645	4	£845	Nil	£1,000	£100,000	N/A	Selected Providers
Lite	£300	2	£495	Nil	£1,000	£25,000	£100,000	Selected Providers

In order for an application to qualify for the Special terms and Lite rates the following conditions must be satisfied:

- a. Fully-completed transfer documents must be obtained by the client/adviser and submitted with the QROPS application in the first instance.
- b. Full due diligence documents in respect of client address and identity in place upon submission.

Notes:

1. Initial fees are deducted on receipt of transfers prior to the funds being invested in any underlying investments.
2. The annual fee is charged annually in advance. The first fee will be pro-rata from the date that the first transfer is received to 30th September (the scheme year end). ITC reserves the right to increase annual fees in line with the UK Retail Price Index.
3. Additional transfers charged at £150 per transfer.
4. There are no additional fees in respect of pension payment, initial pension drawdown calculation or subsequent

Schedule 2

Investment Principles

Overriding Principles

- The Portfolio must be diversified to avoid accumulation of risk based on geographical or market sector
- The Portfolio should be sufficiently liquid to ensure that any fees or retirement benefits can be paid
- The overall structure of the Portfolio must fit with the underlying client's agreed risk profile

Investment Specific

- For funds, a maximum liquidity of monthly dealing
- For structured products, a secondary market must be available
- No more than 60% of the portfolio fund value in structured notes, and a maximum of 30% of the portfolio fund value with any one ultimate guarantor
- No more than 20% of the portfolio fund value in any one individual equity or debt structure, and must be traded on a recognised stock exchange
- Commercial Property available (subject to trustee prior review and consent), including use of property holding companies
- Loans to members or connected parties are not allowed

Notes:

- All investments must of course comply with the Pension rules and/or HMRC QROPS regulations. For avoidance of doubt, we will therefore not permit investment of QROPS monies into residential property or other forms of "taxable property" which could potentially incur penal unauthorised payment tax charges
- Any restrictions under local regulations or set independently by the authorised custodian will also apply

*Please be reminded that the above are guidelines only and, as trustees, the Retirement Scheme Administrator reserves the right, at its absolute discretion, to decline an asset without giving reason.



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GLOBAL RETIREMENT SOLUTIONS,
INNOVATIVE THINKING

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