

Lifestyle Pension (Wrap) Account

The 21st century retirement solution



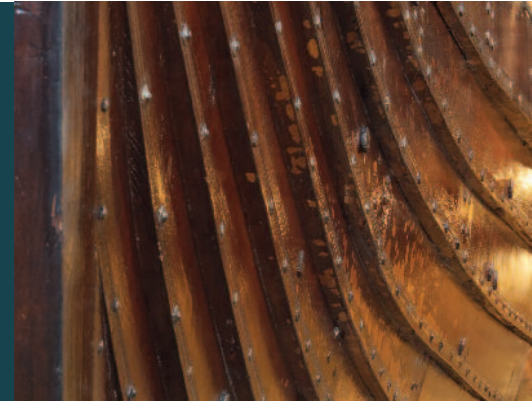
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Introduction



Retirement is that distant financial horizon we spend our lives moving towards. More often than not it seems too far away for many of us to be concerned about, yet at the same time it remains near enough to make proper planning for a comfortable retirement essential for all of us.

Whatever your retirement goals, the IOMA Pensions Lifestyle Pension (Wrap) Account allows you to obtain tax preferred growth on a wide range of assets in a flexible and secure environment.

IOMA Pensions



IOMA Pensions (the trading name of IOMA Horizons Limited) is a member of the IOMA Group, one of the Isle of Man's oldest independent providers of insurance and financial services, having been based in the Isle of Man since 1971. As such you benefit from doorstep access to one of the most comprehensive ranges of in-house financial services skills available on the Island.

IOMA Pensions is registered with the Isle of Man Insurance & Pensions Authority as a Professional Retirement Benefits Schemes Administrator.

The Lifestyle Pension (Wrap) Account



The Lifestyle Pension (Wrap) Account allows you or your financial adviser to 'wrap' a choice of insurance or investment platforms under a tax approved personal pension trust in order to accumulate tax-preferred capital growth for your retirement.

A tax preferred investment

The Lifestyle Pension (Wrap) Account is approved by the Assessor of Income Tax under Part 1 of the Income Tax Act 1989, which means that if you are Isle of Man resident you can claim tax relief in respect of any contributions you make to your plan. Furthermore your investment fund will grow free of Isle of Man tax until your retirement when various options will be available to you.

A regulated plan

IOMA Pensions as trustee and administrator of the arrangement is registered with the Insurance & Pensions Authority. The Lifestyle Pension (Wrap) Account is also registered as an authorised scheme under section 3 of the Retirement Benefits Schemes Act 2000.

Who is eligible to join the scheme?

The scheme is open to Isle of Man resident individuals over the age of 18 and anyone who intends to take their pension benefits whilst permanently resident outside of the UK.

The Lifestyle Pension (Wrap) Account



Contributions

Contributions can be made by way of lump sums or regular monthly or annual contributions.

The minimum or maximum lump sum or regular contribution you can make to your Lifestyle Pension (Wrap) Account depends on the limits applicable to the insurance product or investment platform you choose for your plan, as well as being subject to the overall maximum allowable to qualify for tax relief.

Tax relief on contributions

In order to make tax relieved contributions into your plan you need to have taxable earnings in the Isle of Man. Tax relief on contributions is restricted to a maximum of 100% of your salary. The maximum tax relieved contribution an Isle of Man resident member is able to make in any one year is £300,000.

Transfers into the scheme

You are able, at the Trustee's discretion, to transfer into the plan any UK or Isle of Man pension benefits you have already accrued, including Protected Rights (please refer to our separate Protected Rights leaflet for further details on contracting out and Protected Rights).

The Lifestyle Pension (Wrap) Account



UK transfers

The Lifestyle Pension (Wrap) Account is registered as a Qualifying Recognised Overseas Pension Scheme ('QROPS') with HM Revenue and Customs to enable it to receive benefits transferred from the UK.

Transfer limits

No maximum limits apply to transfers that can be made into your plan. However, if you are transferring benefits from a UK registered pension scheme, you should be aware that the transfer itself will be a Benefit Crystallisation Event ('BCE'), and so may give rise to a UK tax charge if the amount transferred exceeds your unused Lifetime Allowance ('LTA') then in force. Before any UK transfer is finalised it is essential to check with your financial adviser whether there is any possibility of the LTA being exceeded or whether there are any other issues or complications that may arise as a result of you undertaking a QROPS transfer.

Investing your pension contributions

The Lifestyle Pension (Wrap) Account operates on a money purchase basis, meaning that your contributions can be invested in a wide range of assets to provide capital growth to build up your retirement fund. Your financial adviser will assist you in developing the most appropriate investment strategy for your needs.

Investment options



The Lifestyle Pension (Wrap) Account is designed to give you or your financial adviser the flexibility that is essential in building a fund for retirement as effectively as possible. It can link to any of the following, subject to approval by the Trustee:

- Life assurance policies
- Investment platforms (list available on request)
- Discretionary managed / stockbroker accounts
- Bank deposits
- Other investment vehicles (note: these may be subject to additional regulatory and/or tax approval in the Isle of Man).

There are numerous providers for each of the above investment holding arrangements and IOMA Pensions has developed strong working relationships with many of them. We are happy to establish new provider relationships at a member's request and subject to the Trustee's approval.

Retirement benefits



Lump sums

You can take a tax free lump sum of up to 30% of the accrued value of your Lifestyle Pension (Wrap) Account on reaching your chosen retirement date. If you have been UK resident in the 5 years prior to your retirement and have transferred benefits into your plan under the QROPS transfer provisions, we suggest that you discuss the implications of taking the maximum allowable lump sum with your financial advisor.

Having taken the tax free lump sum the balance of your plan must then be used to provide you with a retirement income.

Income drawdown

The Isle of Man has no requirement for a fixed pension annuity to be purchased at retirement. Therefore, with any amounts not used to provide a lump sum, your plan can convert to what is known as income drawdown or withdrawal of funds. This allows you to withdraw an income from your accumulated retirement fund within limits prescribed by the Assessor of Income Tax. Any drawdown must commence on or before age 75.

Retirement benefits



A guaranteed annuity

Whilst there is no requirement to purchase a fixed annuity in the Isle of Man, we nevertheless accept that certain plan members may appreciate having the option of a fixed annuity payment for all or part of their retirement fund. Therefore the Lifestyle Pension (Wrap) Account is also able to provide you with an annuity option so that you are able to purchase an annuity on the best possible terms if you wish to secure a fixed income for the rest of your life.

Residual funds

If you elect not to take an annuity there is a possibility that upon death there may be funds left within your Lifestyle Pension (Wrap) Account which have not been used to provide you with retirement benefits. Currently IOMA Pensions as trustee of the scheme is able to pass these benefits on to your estate or to other family members. A small amount of tax may be payable should you choose to take this option.

Fees and Charges



The Lifestyle Pension (Wrap) Account operates a simple transparent and competitive charging structure. The fees applicable to you will depend on how you structure your plan. We issue a separate fee sheet detailing the level and frequency of our charges. You or your financial advisor should ensure you have seen the latest fee tariff.

Important notice



IOMA Pensions is the trading name of IOMA Horizons Limited.

IOMA Horizons Limited is registered with the Isle of Man Insurance & Pensions Authority as a Professional Retirement Benefits Schemes Administrator: registration number RA095.

IOMA Horizons Limited is a member of the IOMA Group.

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IOMA Horizons Limited does not give Financial, Legal, Tax or Investment advice.

The Lifestyle Pension (Wrap) Account is a tax approved Isle of Man personal pension plan IT33B/ 281(B) and registered with the Isle of Man Insurance and Pensions Authority registration number DA 620.

The Lifestyle Pension (Wrap) Account is not a UK Registered Pension Scheme and IOMA Horizons Limited is not authorised and regulated by the Financial Services Authority for the provision of personal pensions.

Important notice



This brochure is designed for general information use only and does not attempt to give specific advice relating to a user's circumstances. If you intend to act on any information supplied by IOMA Horizons Limited, you should first seek independent tax and/or financial advice.

Whilst all reasonable care is taken to ensure that the information and data is accurate, we do not warrant this and all liability is expressly excluded. IOMA Horizons Limited does not accept any liability, whether in contract, tort or otherwise for any loss, damage or expense which may be incurred as a result of any reliance or non-reliance on any of the information contained within this documentation.

Further information and Queries



For further information on the Lifestyle Pension (Wrap) Account or the products and services offered by IOMA Pensions, or if you wish to complain about any aspect of the service you have received, please contact the Compliance Department at IOMA Pensions.

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In the event that we are unable to resolve a complaint it can be referred to the Isle of Man Pensions Ombudsman or the Financial Services Ombudsman Service for the Isle of Man. Copies of our internal complaints handling procedures are available on request.