

RETIREMENT ANNUITY TRUST SCHEMES



SUITABILITY QUESTIONNAIRE

INTRODUCTION

A Retirement Annuity Trust Scheme is a trust approved under section 157A(4) of the Income Tax (Guernsey) Law, 1975 ("The Law"), to provide annuities for its members.

A trustee when accepting a membership to a Retirement Annuity Trust Scheme ("RATS") must either:

- ◆ satisfy itself, having regard to the member's circumstances, the requirements imposed by the Income Tax (Guernsey) Law, 1975, statement of practice published by the Director of Income Tax, and the fees which will apply, that the RATS and the proposed investments and investment strategy will provide a suitable form of retirement annuity for the member and (where appropriate) their spouse and/or dependants, or

- ◆ obtain a copy of advice provided to the member to this effect from a professional advisor (not necessarily in Guernsey but regulated for the provision of that type of advice) who the trustee is satisfied has the expertise to provide this advice.

For individuals considering a RATS but who have decided not to obtain professional advice, the purpose of this document is to provide the Directors of Gower Pensions Management Limited ("GPML") with information such that they can be satisfied that a RATS is suitable for the members circumstances.

ADDITIONAL INFORMATION ON EXISTING SCHEMES TO APPLICATION

SCHEME 1	
Scheme Name	_____
Provider	_____
Scheme Type	_____
Current Value	_____
Crystallised	<input type="checkbox"/> Yes <input type="checkbox"/> No
Transfer to RATS	<input type="checkbox"/> Yes <input type="checkbox"/> No

SCHEME 2	
Scheme Name	_____
Provider	_____
Scheme Type	_____
Current Value	_____
Crystallised	<input type="checkbox"/> Yes <input type="checkbox"/> No
Transfer to RATS	<input type="checkbox"/> Yes <input type="checkbox"/> No

If you have more than 2 existing schemes, please provide details on supplementary sheets.

APPENDIX iii – RETIREMENT ANNUITY TRUST SCHEMES SUITABILITY QUESTIONNAIRE

RATS SUITABILITY

I consider it appropriate to request membership to a RATS for the followings reasons:

In addition to the above, I request my membership to a RATS because (please answer as appropriate)

	Yes	No	Don't know
My existing pension arrangements will not provide sufficient income in retirement and I wish to enhance my pension savings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
There is no requirement to purchase an Insurance Company annuity contract at retirement.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A RATS is the only pension arrangement/product available to me.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The investment range and flexibility available to me within a RATS.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the event of my death I wish to ensure that my Spouse fully benefits from my pension arrangements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
In the event of my death I wish to have the potential for any residual value left in my pension to be passed to my dependants.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
To consolidate my existing pension arrangements into a single RATS.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
The flexibility within RATS regarding lump sum and income drawdown arrangements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

CONFIRMATION OF UNDERSTANDING

In making the decision that a RATS is suitable pension planning for my personal circumstances and that of any spouse or dependants, I confirm that I understand the following (tick to confirm):

	Tick to confirm
The lifespan of a member of a RATS, and the investment performance of the assets held in a RATS, are impossible to predict. As a result, once a member has started to draw down benefits from the RATS and depending on the level of benefits paid, the assets may be exhausted before the death of the member.	<input type="checkbox"/>
By transferring an existing pension to a RATS I will be giving up any preferential terms and guarantees associated with that pension. I confirm for all pensions I transfer to a RATS I have reviewed the scheme details and fully understand all preferential terms and guarantees that will be lost in making the transfer.	<input type="checkbox"/>
I have considered the requirements of the Income Tax (Guernsey) Law, 1975 and understand the Income Tax Statements of Practice (current Statement of Practice may be found at www.gov.gg under explanatory guides: Pensions)	<input type="checkbox"/>
That from time to time the Director of Income Tax may issue updated Statements of Practice which may alter the terms under which RATS may be administered.	<input type="checkbox"/>
That the Trustees of a RATS will establish the level of benefits which can be drawn and that the RATS is there to provide an income for retirement. Income payments will be reviewed at appropriate intervals (usually every three years) and there is no guarantee that they will be sustained at any level.	<input type="checkbox"/>
The restrictions imposed by the Guernsey Income Tax authorities regarding suitable investments for a RATS.	<input type="checkbox"/>
The investment(s) selected for the RATS should have regard to risk and cashflow requirements and the Trustees reserve the right to veto any investment suggestions not deemed to be appropriate.	<input type="checkbox"/>
The Trustees are not investment advisors and will usually look for the appointment of a suitable Investment Manager to my RATS. The costs of this appointment will be paid by my RATS.	<input type="checkbox"/>

DECLARATION

I have considered all the options available to me with regard to my pension planning and have made the decision to request membership to a RATS and request GPML to act as Trustee.

I can confirm that:

- i. I understand that GPML recommend that professional advice is obtained regarding both the suitability of a RATS and any changes that I intend to make to my existing pension provisions. I have, however, concluded that I do not require professional advice.
- ii. I have undertaken my own research and investigations to the extent that I consider necessary and I am satisfied that a RATS is suitable for my circumstances.

- iii. I understand and accept the risks of not taking any professional advice on my pension arrangements and membership to a RATS. I have not requested or received any advice from GPML and I agree that GPML are in no way responsible or liable for any financial loss that I may incur through not obtaining professional advice.

In order for GPML to be satisfied that a RATS is suitable to my circumstances, I confirm that I have provided all information I consider relevant and read and understand the contents of this document. In particular I understand that the lifespan of a member of a RATS, and the investment performance of the assets held in a RATS, are impossible to predict. As a result, once a member has started to drawdown benefits from the RATS and depending on the level of benefits paid, the assets may be exhausted before the death of the member.

APPLICANT

Signed _____

Name _____

Date _____

For more information please contact:
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