



# Jersey Pension Investment Trust

Retirement



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# What is the Alexander Forbes Jersey Pension Investment Trust? (AFJPIT)



We want to give you the best possible individual solution for your retirement.



A retirement trust scheme specifically for Jersey residents and any other individuals who may have pension assets in Jersey. It is administered by Alexander Forbes Offshore in Jersey.



We have a team of highly qualified wealth advisers who will help you arrange your finances to secure the lifestyle you want in later life.



We understand the importance of keeping costs low to maximise growth.

## About Alexforbes

Alexander Forbes Channel Islands Limited (AFCI), trading as Alexander Forbes Offshore, is based in Jersey and is 100% owned by Alexander Forbes Group South Africa. We have been the Jersey presence for Channel Island employers and employees since 1975 and are regulated by the Jersey Financial Services Commission.

At the heart of our business lies our commitment to making a positive impact on people's lives by providing the right insights, advice and solutions at the right time. We do this through an extensive range of pension, investment and employee benefit solutions.

Our core business is administering local and international corporate pension funds, savings and investments, as well as providing risk (insurance) services. We also operate our own Jersey-approved personal and group pension funds, including the Alexander Forbes Jersey Pension Investment Trust.

# Jersey Pension Investment Trust Structure



## Alexander Forbes Investment Portfolios



Alexforbes has partnered with Mercer Investments, one of the largest investment consultants in the world with over £184 billion in assets under advice.

Alexander Forbes Investments decides where to invest your money. Mercer Investments uses their extensive network of global analysts to find the best investment managers and strategies. This powerful alliance provides you with a comprehensive investment solution for your retirement savings.

# Before retirement - accumulation

## Who is eligible?



Anybody who lives in Jersey with earned income.



Anybody who lives in Jersey without earned income, but who has pension assets in Jersey, can transfer them in.



Anybody who has previously lived in Jersey and has Jersey pension assets can transfer them in.



Any Jersey resident who has UK pension assets\* may be able to transfer in these funds.

*\*Where the pension assets are generated from a UK pension, benefits cannot be accessed until age 55 and the level of tax-free cash available may differ depending on how long you have lived in Jersey.*

For further information, please see our Pension Investment Guide or ask your adviser.

## How much can be paid into your plan?



You pay as much in as you wish but please be aware you may not receive tax relief (please see below).

Employer contributions have no limit but must be regular.

These can be paid into the scheme in addition to your own contributions.

Transfers from any other Jersey approved pension plan or a qualifying transfer from a UK pension plan can be transferred in full, subject to the approval of the Trustees.

### Who can pay in?



You and your employer can make regular contributions.



You can transfer existing approved pensions into your plan.

## Tax information

- You can claim tax relief on your contributions to your plan subject to limits set by the Jersey Comptroller of Taxes (currently the lower of your relevant earnings or £50 000).
- If your total income exceeds £150 000 in the tax year, your tax relief will be reduced, and if it exceeds £200 000, no tax relief is available.

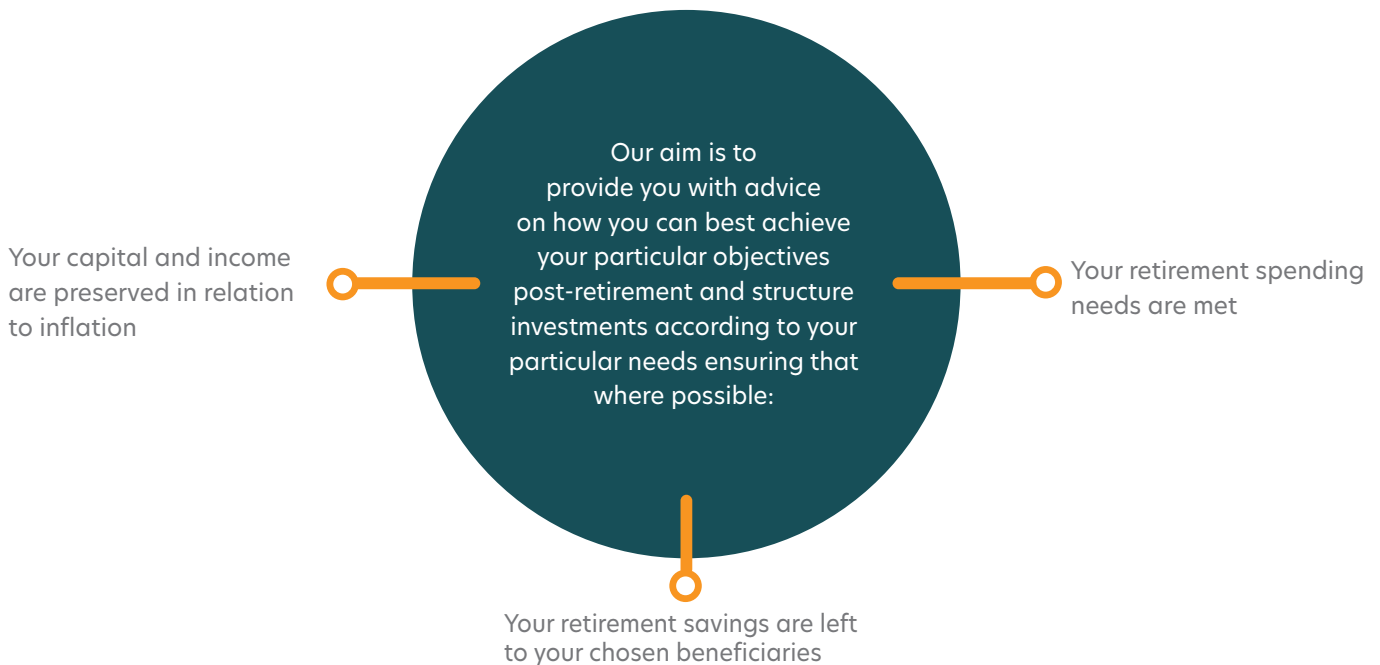
- Funds held in your plan are not taxed while they remain in the scheme.
- In the event of your death, the accumulated fund will usually pass to your estate free of income tax, provided you have not started taking benefits.

*\*Relevant earnings Income assessed to tax in respect of emoluments from an office or employment held by you and income earned by you as a self-employed person.*



# Benefits at retirement - decumulation

At all times our intention is to provide you with the best solution according to the availability of capital within the fund. This is done using a broad range of investment structures, advisers, managers and techniques.



## Your options at retirement

From age 50 onwards for Jersey pension assets or 55 if your plan includes a transfer from a UK pension, you can take up to 30% of the accumulated fund tax free either in one payment or in three installments.

You then have a choice – either leave the balance of the fund invested (until age 75) or draw an income from the fund. A combination of both of these options is also permitted.

The amount of income you can draw may be limited by the Jersey Comptroller of Taxes, but your capital remains invested in the fund.

This is important because if you die then the remaining value of your assets will pass either to your spouse or to your estate. If the money is withdrawn as a lump sum, there is a tax charge equal to half the standard income tax rate applicable at the time.

**An income drawn from your fund.** This is called 'Annuity Equivalent Income.' We will do all the calculations for you and outline the range of options available to you.

**Income can be provided in two ways:**



**Through an annuity.** This is a guaranteed income for life and is normally purchased from an insurance company. It means, however, that in exchange for the guaranteed income you give up the rights to any of the capital in the event of your death.

## How much income can I take at retirement?

There are set guidelines for the maximum and minimum amounts of Annuity Equivalent Income that you can take from your plan:



The minimum income you may take is zero. This allows you to access the tax-free cash until age 75 from your Alexander Forbes plan and defer taking an income until you require it.

Once it has started, income must be paid on a regular basis.



The maximum income you can take is based on your age, the size of your fund and the redemption yield on UK 15-year gilts. Alexander Forbes Offshore will calculate this for you.

By age 75 you must start to draw an income from your retirement account.



The income level must be reviewed at least every three years.

From age 75, the income level must be reviewed annually.

## Alexander Forbes Offshore – our services and commitment to you

### We will provide you with:

Advice on all matters relating to the Alexander Forbes Jersey Pension Investment Trust and, if relevant, alternative options.

A review of your arrangements at least once a year and recommendations for changes if necessary at that time. This is included in the ongoing cost of your plan.

Management of relationships with all investment managers and other specialists as may be required from time to time.

Provision of all ongoing advisory and administration services to you on a personal basis. This includes:

- Reporting requirements, all relevant calculations, including annual accounts, in relation to the Jersey Comptroller of Taxes' requirements.
- Calculations in relation to your post-retirement income options.
- Provision of independent trustees and ensuring that they carry out their role as trustees in line with the requirements of the law.



# Before retirement - accumulation

## Costs



## Risk warnings and other matters of importance

- If we believe a retirement trust scheme such as our Jersey Pension Investment Trust is not suitable for your needs and circumstances, we will recommend alternative structures and explain clearly the advantages and disadvantages of the advice provided.
- The law requires that you must start to take an income from the Alexforbes plan before age 75.
- The regulatory and legal principles are correct at the date of publication of this booklet.
- The value of your investments can rise and fall depending on investment market conditions. Future investment performance is not guaranteed and you may get back less than you originally invested in adverse market conditions.
- Personal illustrations of future capital value and income potential can be provided, but these will be projections for illustrative purposes and will not imply any future performance expectations.

## Disclaimer

Alexander Forbes Offshore is the registered trading name of Alexander Forbes Channel Islands Limited

Regulated by the Jersey Financial Services Commission  
Registered Number: 9596

### Data protection

The data supplied by you will only be used for the purposes of processing your investment including administration and handling any query which may arise. The data supplied will not be passed to any other parties except as necessary to provide you with the services you have requested and to comply with our legal, tax and regulatory obligations.

It is important that the data you have supplied is kept up to date. You should therefore notify us promptly of any changes so that we may update our records. Full details of our privacy policy are available on our website at [www.alexforbes.com/je/en/privacy-notice](http://www.alexforbes.com/je/en/privacy-notice)

This notice includes a list of your rights as an individual over your personal data. If you require further information regarding our data protection policy, please contact our data protection team at [dataprotection@alexforbes.je](mailto:dataprotection@alexforbes.je). The information in this document belongs to Alexforbes. You may not copy, distribute or modify any part of this document without our express written permission.



## Contact details

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