

# **The Momentum Gibraltar Pension Plan**

## **Scheme Particulars**



Momentum Pensions (Gibraltar) Limited is regulated by the Gibraltar Financial Services Commission as a Pension Scheme Operator for the Momentum Gibraltar Pension Plan, holding permissions under the Gibraltar Financial Service Act 2019 to carry out the regulated activities of establishing, operating or winding up a Personal Pension Scheme under Permission Number 19015.

## IMPORTANT INFORMATION

This document comprises the Scheme Particulars relating to The Momentum Gibraltar Pension Plan. This document should be read in conjunction with the Scheme Terms and Conditions of Business ("Terms of Business") and Scheme Investment Guidelines, both available on the literature section of our Website which can be accessed [here](#).

Momentum Pensions (Gibraltar) Limited ("**Momentum**", "**We/we**", "**Us/us**") does not give legal, tax or investment advice. This document is designed for general use only. It should not be relied on as advice.

Before you choose to join the Scheme or act on any information supplied by Momentum you should first seek independent tax, legal and financial advice. You are advised to ensure that any such Advisor is licensed by the appropriate regulatory body.

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. No liability is accepted, whether in contract, tort or otherwise for any loss, damage or expense which may have incurred as a result of any reliance or non-reliance on any of the information contained within this summary.

Statements in this document are based on information available, the law and practice in force in Gibraltar at the date of publication and are subject to change.

The Scheme should not be considered as the primary or only source for retirement provision, and it should be considered with other retirement provisions including mandatory/voluntary occupational schemes that may be introduced in the foreseeable future.

## PRINCIPAL PARTIES & REGISTERED OFFICES

### Trustee and Administrator

Momentum Pensions (Gibraltar) Limited  
19a, Town Range, PO Box 872, Gibraltar

## DEFINITIONS

**"Administrator"** means the administrator of the Momentum Gibraltar Pension Plan;

**"Authorised Scheme"** means a Scheme approved by the Gibraltar Income Tax Office;

**"DFM"** means a discretionary fund manager as selected by you to manage your scheme investments on a discretionary basis. A DFM can also be known/referred to as an Investment Manager;

**"HMRC"** means His Majesty's Revenue and Customs;

**"Investment Advisor"** means the investment Advisor appointed by you to provide investment advice in relation to your Member's Fund. This may be the Advisor also appointed to be your Professional Advisor. Your appointed Advisor may change over time at your discretion;

**"Investment Guidelines"** means the document known as the Investment Guidelines applicable to the Scheme as amended from time to time and available on the Website. The Investment Guidelines should be read in conjunction with the Scheme Investment Policy outlined in this document and the Terms of Business also available on the literature section of the Website;

**"Investment Provider"** means an investment company/platform or insurance company chosen by you in agreement with your Appointed Advisor (if any) and approved by Us into which the assets in your Member Fund are invested. Investment Providers can include but are not limited to an investment platform company, life insurance company or discretionary fund manager. An Investment Provider can also be known/referred to as an **Investment Company**;

**"Member"** a person admitted to membership of the Scheme who has subsequently not left the Scheme. In the case of the Member's death, membership will continue until all death benefits are administered and distributed in full;

**"Member Bank Account"** means the member's bank account(s) within the Scheme's account(s). All monies related to a Member's Fund will be deposited into the Scheme's account(s) held with one or more licensed banks or financial institutions as determined at Momentum's discretion (the "Bank"). Standard bank charges will apply to all transactions, including payments. Member funds within the Scheme account will be segregated into a specific member account and will form part of the Member's Individual Fund within the Scheme.

**“Member Fund”** means the Member’s individual fund (can also be known as Member Individual Fund) within the Scheme. This includes all funds held on behalf of the Member in the Scheme in their capacity as beneficial owner, including the Member Bank Account and investments and/or assets held with their chosen Investment Provider (this can also be known as the **“Member Portfolio”**, **“Investment Portfolio”**, **“Portfolio”** or **“Member Investments”**)

**“Momentum Advisor Portal”** means a specific online portal designed for Members Advisor to access information about their Members of the Scheme (also known as the Advisor Portal or Adviser Portal);

**“Momentum Dealing Portal”** means the specific capability on the Momentum Advisor Portal, designed for your Advisor to submit investment instructions to the Scheme (this can also be known as the Dealing Portal);

**“Momentum Member Portal”** means a specific portal designed for Members to access information about your membership of the Scheme (this can also be known as the Member Portal). Further details on the Member Portal can be seen in the section below titled Accessing the Member Portal and throughout this document;

**“Net Scheme Assets”** means the Scheme Assets less any Scheme liabilities;

**“Overseas Transfer Charge”** (OTC) A UK tax charge imposed on an overseas pension transfer requested on or after 9th March 2017, where the transfer is not in respect of an EEA resident Member to an EEA<sup>1</sup> Scheme or otherwise excluded. For further details see the OTC section in Annex I;

The OTC will also apply on UK transfers occurring on or after 6th April 2024 and which exceed the Overseas Transfer Allowance, irrespective of the tax residency of the Member.

**“Pension Commencement Lump Sum”** (PCLS) In the context of this Scheme, means the lump sum which can be paid when commencing benefits which is exempt from Gibraltar Income Tax. For further details see ‘Receiving Your Pension Benefits’ section;

**“Personal Data”** refers to information that relates to you and allows Momentum to identify you, either directly or in combination with other information that we may hold;

**“Professional Advisor”** means a financial Advisor with whom we have terms of business in place with and who is appointed by you, to provide financial advice including advice regarding the establishment of your Member Fund and your pension benefits under the Scheme and ongoing financial advice thereafter in relation to your Scheme. Professional Advisor may be used interchangeably with Financial Advisor. Your appointed Advisor may change over time at your discretion;

**“QROPS”** means Qualifying Recognised Overseas Pension Scheme that is recognised by HMRC and able to receive transfers from qualifying UK pension schemes;

**“Retail Client”** means a Member or prospective member who (a) is an individual; and (b) is not a professional client as defined in the Financial Services (Personal Pensions) Regulations 2020;

**“Retirement Portal”** means a specific capability available on the Momentum Advisor Portal and designed to provide the online capability to submit a request for the Member to take retirement benefits from the Scheme;

**“Scheme Rules”** the rules of the Scheme contained within the Trust Deed and Rules for the Scheme, as amended from time to time;

**“Scheme”** means the Momentum Gibraltar Pension Plan;

**“Scheme Assets”** means the Initial Fund and all further Property paid or transferred to the Trustee as additions to the scheme assets managed under the provisions of the Scheme, all Property accruing thereto by way of capital accretion, all Property acquired by the Trustees, all accumulations of income accruing to any such Property;

**“Signed”** this means an instruction which is authorised by a Member. Member authorisation can be provided through wet signature, e-signature, scanned signature (if acceptable to Momentum), clickwrap (click to confirm box), email to the relevant Momentum email address or through our online portal;

**“Trustee”** means the Trustee of the Momentum Gibraltar Pension Plan;

**“Trust Deed & Rules”** means the declaration of trust known as Momentum Gibraltar Pensions Plan dated 7th October 2013 including any subsequent Deed of Amendments, Deed of Substitutions and/or Deed of Releases;

**“Website”** means the Momentum website which can be accessed at [www.momentumpensions.com](http://www.momentumpensions.com).

<sup>1</sup>EEA includes Gibraltar, Liechtenstein, Norway and Iceland in this context.

## **REGULATORY STATUS**

The Scheme is domiciled in Gibraltar and registered as an approved pension scheme under the Income Tax Act 2010, Reference number ITO 40/399.

Momentum is regulated by the Gibraltar Financial Services Commission as a Pension Scheme Operator for the Scheme, holding permissions under the Gibraltar Financial Service Act 2019 to carry out the regulated activity of establishing, operating or winding up a Personal Pension Scheme under Permission Number 19015.

The Scheme is recognised by HMRC as a QROPS.

## **ROLE OF TRUSTEE**

The Scheme is established by a declaration of trust.

The Trustees of the Scheme have clear and specific obligations under Gibraltar legislation. In addition to the powers which the Trustees have by law, they have additional powers and discretion as the legal owner of the assets of the trust, including the power to adopt and amend rules regulating the operation of the Scheme and the rights of Members to benefit.

A separate Sub-Fund of the trust, referred to as the Member Fund shall be established for each Member, and the Trustees will appoint any Scheme Assets received from the Member, or held in relation to a Member, to the Member Fund.

## **ROLE OF ADMINISTRATOR**

Momentum as Administrator of the Scheme shall have such duties and powers in relation to the Scheme as provided for by the laws of Gibraltar and the Trust and Deed Rules. The day to day administration of the Scheme has been outsourced to Momentum Pensions Malta Limited.

The Administrator will seek to reasonably assess that the Scheme Assets are in line with the Scheme Investment Guidelines at the point of receipt of an investment instruction and in line with applicable Gibraltar legislation relating to the Scheme in place from time to time.

## **AVAILABILITY AND PERMITTED MEMBERS**

The Scheme is available to all nationalities including Gibraltar residents, allowing individuals with deferred pension funds access to the Scheme, including UK pension funds via its status as a QROPS. Participation in the Scheme should be considered with other retirement provisions currently in force including voluntary or occupational schemes. The Trustees strongly recommend that potential Scheme applicants and Members should seek professional advice on the suitability of the Scheme, including tax advice. This advice should include (but not exclusively) any related financial or tax implications that may arise prior to and after transferring existing pension benefits to the Scheme, including any tax implications in their country of residency at the point of transferring, during their membership of the Scheme, drawing retirement benefits and upon death.

## **RETIREMENT DATES**

Retirement may take place from age 55 to 75, when a lump sum and income drawdown can be taken, subject to limits provided under Gibraltar Regulations and the Trust Deed and Rules.

## **ANTI-MONEY LAUNDERING PROCEDURES**

Gibraltar complies with international standards to prevent money laundering. As part of this, we have a requirement to verify the identity of all of our clients, and each Member of the scheme will be required to provide the Scheme Administrators with proof of identity in a manner as prescribed by Gibraltar regulations. We will require either sight of original, or verified copies, of proof of identity (passport, full driving license) and proof of address (recent utility bill or bank statement).

## **DATA PROTECTION AND PRIVACY STATEMENT**

Momentum collects personal information about you at various points during your membership of the Scheme including when becoming a Member or using our Website. Momentum collects various categories of information, including but not limited to; personal identifiers, contact, social relationships, financial data and documentary data.

Personal data is predominantly collected through the Momentum application form and other Momentum forms, Member Portal and any subsequent interactions. We collect your personal data primarily to administer and run your pension

Scheme, which may involve seeking, receiving and processing instructions from you and/or your appointed financial advisor and to fulfil both our regulatory obligations and our obligations towards you.

Momentum have in place appropriate security measures to prevent your personal data from being accidentally lost, used or accessed in an unauthorised way, altered or destroyed. We will ensure that when your personal data is shared, this is done in a secure manner and in line with the requirements set by the applicable Regulation.

For further information regarding your rights and the way we collect and process your personal data you may view our privacy statement which can be accessed from <https://momentumpensions.com/media/1249/data-protection-policy-gibraltar.pdf>

## **BANK ACCOUNT**

Any funds received by bank transfer to the Scheme will be held by a licensed Bank(s) or other financial institutions on behalf of the Member in the Scheme's client account until such time that the money is invested or paid to the Member in the form of benefits. Officers of the Trustee and Administrator will be the sole signatories.

Interest received from a credit institution on cash balances held in the Member Bank Account, will be distributed as outlined under the Terms of Business and Fee Schedule.

## **TRANSFERABLE SCHEMES**

UK pension rights are eligible for transfer into the Scheme either before the Member commences drawing benefit or once they have come into payment. This includes most types of pension schemes including income drawdown currently in payment. It is not possible to transfer the basic UK state pension into the Scheme, or to make a transfer after an annuity has been purchased or Final Salary schemes are in payment.

Irish Occupational Pension Scheme benefits can also be transferred to the Scheme before commencing to draw benefits and if the Member is residing in Gibraltar.

It may be possible to transfer pension benefits held in other types of pension schemes subject to the transferring scheme administrator or trustee being willing and able transfer to the Scheme and Momentum as the Administrator being willing and able to accept the transfer.

## **CONTRIBUTIONS**

The Scheme only accepts the transfer of existing pension scheme assets into the Member Fund. The Scheme does not accept any form of contributions to the Scheme, whether this is from a Member personally, a Member's employer or a contribution from any other third party for or on behalf of a Member.

## **INVESTING MEMBER FUND and INVESTMENT ADVICE**

The Member may choose an appropriate investment strategy in association with their Investment Advisor duly appointed to provide advice on the underlying investments. In conjunction with their Investment Advisor, the Member will control how the funds should be invested, which are subject to any investment restrictions or regulations imposed (as varied from time to time) on or by the Trustee and in accordance with Investment Guidelines as varied from time to time.

Alternatively, the Member may choose to request the appointment of a DFM to manage the investment of the Scheme on a discretionary basis. Please liaise with your Advisor should you require a copy of our authorised DFM list. Members who operate without an appointed Investment Advisor or DFM appointed, are therefore acting on an execution only basis and wish to instruct their own investments. Please refer to our Term of Business relating to Execution Only Members.

**The Trustees strongly recommend that a licensed regulated Investment Advisor or regulated DFM is appointed but where a Member operates on a execution only basis, the Administrator will place the instruction on the understanding that it is on an execution only basis meaning, the Administrator is merely executing the trade for the Member provided the instruction does not contravene regulatory requirements or the Investment Guidelines in place at the time.**

The Trustee will consider the Member's investment preferences and ensure that each Member's Fund is managed in line with the relevant regulatory requirements of the Gibraltar Financial Service Commission and is reasonably assessed against the investment guidelines applicable at the point of submitting the instruction.

## INVESTMENT POLICY

The Trustee and Administrator in seeking to ensure that the Member's funds are invested in the best interest of the beneficiaries, will undertake the following:

- Ensure compliance with the relevant UK restrictions applicable to a QROPS and regulations for Personal Pensions in Gibraltar relating to the investment
- Publish Investment Guidelines applicable to the Scheme's investments, which are accessible to Members and their appointed Investment Advisor/DFMs on the Momentum Website, which may vary from time to time. The current Investment Guidelines are available [here](#)
- Seek the Member's confirmation of the investment instruction before any investment instructions are issued to the investment company for placing and only accept instructions from the Member Appointed Advisor. All investment trade instructions (also referred to as dealing instructions) must be submitted through the Dealing Portal, unless otherwise accepted by the Trustees.

The confirmation from the Member must be Signed in a manner which is acceptable to the Administrator. The Administrator reserves the right to determine in what manner they will accept a Members confirmation of an investment instruction.

Members should **never confirm or Sign** an investment instruction unless the Advisor has provided the Member with detailed information on each of the investment(s) the Members wishes or is advised to invest in, including providing a Key Investor Information document or equivalent investment information document, a fee disclosure and the Investment Instruction has been completed in full before the Member Signs/confirms the Instruction.

Where a DFM is appointed, Member confirmation for each trade will not be sought as the DFM is appointed to operate on a discretionary basis.

Members and their appointed Investment Advisor or DFM must ensure that when submitting an investment instruction, the selected investments meet the Member's investment requirements and attitude to risk and are within the Investments Guidelines applicable at the time of placing the instruction for the Trustee's approval. This is the Member and Advisor/DFMs responsibility.

Investments utilising a Member Investment Provider can be undertaken in the following ways:

- Via a Life Assurance Bond, provided by an Insurance Company. The Life Assurance Bond would in turn hold the underlying Investment portfolio, selected by the Member in conjunction with their Advisor
- Via a regulated investment company other than a life assurance company
- By utilising the services of an authorised Discretionary Fund Manager with whom the Trustee has a written agreement

The Investment Guidelines do not override any additional legal requirements or obligations imposed on the Investment Advisor/Manager, distributor or promoter of an investment, regarding any legal or contractual requirement or any client classification rules imposed under law or regulation in the jurisdiction of the product manufacturer/fund manager and/or under the Member's current jurisdiction at the time of promotion and/or investment.

The Investment Guidelines may change from time to time and the updated Investment Guidelines are made available to Members and their Advisors on the Momentum Website [here](#). Any changes to this Investment Policy or the Investment Guidelines will be notified to Members accordingly.

## MAIN UNDERLYING INVESTMENTS

Members and their appointed Investment Advisor or DFM must ensure that when submitting an investment instruction confirming the Member choice of underlying investments (for example funds or equities or bonds), the selected investments meet the Member's investment requirements and attitude to risk and are within the Investments Guidelines applicable at the time of placing the instruction for the Trustee's approval. This is the responsibility of the Member and Appointed Advisor and/or DFM.

The Trustee will instruct the investment of the Member's assets, in line with the submitted investment instruction from the Member, based on advice received from the appointed Investment Advisor, provided the instruction is assessed to have taken into account the Member's attitude to risk, as detailed by the Member in their application form, subsequently updated by notifying Momentum.

This assessment will be based on current information made available by the respective fund/investment manager to the Trustee at the time of receiving the instruction and based on a reasonable assessment by the Trustees of the overall risk of the Members current portfolio incorporating this instruction.



Investment trade instructions must be submitted through the Momentum Dealing Portal by the appointed Investment Advisor. However, where a Member operates on an execution only basis, scanned investment instructions must be completed on the Investment Provider template, signed by the Member and submitted to [dealing@momentumpensions.com](mailto:dealing@momentumpensions.com). Momentum strongly recommend that Members always have an appointed Investment Adviser to assist them with their investments.

Fully completed and Signed Member investment instructions received by the dealing team will generally be reviewed within a seventy-two business hour period, on a reasonable endeavours basis.

If the trade instruction received from the Member or the appointed Investment Advisor is rejected or submitted to the Members Investment Provider, the Trustee will confirm this to the Member. Should a Member not receive this confirmation **within 3 business days of Signing the instruction**, it is the responsibility of the Member to confirm with their Appointed Investment Advisor and the Trustee if the trade instruction has been submitted to the Investment Provider on their behalf. **Momentum cannot accept any liability for any investment instruction not submitted to Momentum or where Momentum do not submit a trade instruction to the Investment Provider and where neither the Advisor nor the Member bring this to our attention within the 3 business days.**

Where an Investment Manager has been appointed, investments may be executed on a discretionary basis by the duly authorised DFM in line with the Momentum Terms of Business and the Agreement in place with the Trustee.

## MEMBER ONGOING MONITORING OF INVESTMENT

Members should be aware that the value of investment can fall as well as rise and gains are not guaranteed. Past performance is no guide to future performance.

To assist Members with monitoring their investments on an ongoing basis, the following are a number of options available:

### *(i) Ongoing Investment review meetings with Appointed Advisor/DFMs*

The Trustees strongly recommend regular meetings are held by Members with their appointed Advisor and/or Investment Manager over the course of each year to review their investment portfolio and to ensure the investment portfolio remains aligned to the Member's retirement goals and risk profile. It is the responsibility of the Member and the Appointed Advisor/DFM to arrange these meetings on an ongoing basis.

### *(ii) Member Portal*

Members can "Self-Register" for the Momentum Member Portal, which will give them 24/7 access to their Momentum Pension Scheme.

The Member Portal allows the Member to view their pension scheme investment with access to investment valuations and assets holding at the date shown, based on the information provided to us by their Investment Provider.

Furthermore, the Member Portal allows the Member to generate client bank statements showing your scheme bank transactions.

Members can access the Member Portal [here](#). Further details on Accessing the Member Portal can be seen below. If they have not yet registered for the Member Portal, they can register for this [here](#).

### *(iii) Investment Providers Online Access, Valuations and Transaction Statements*

To enable you to monitor your Member Fund, the majority of investments providers generally provide Members with access to their investment account/policy online, through their investment company website. This enables a Member to view their current total fund valuation and the respective values of the underlying investments in real time. Members can also download valuations statements.

In addition, Members will generally be able to download an investment transaction statement, which provides details on a daily basis of any investment trades and any investment provider and Advisor fees deducted from their investment account/policy. Typically a Member can also access contract notes for each trade placed and also commonly see the surrender value of their portfolio/policy.

For Members who have not already registered for online access with their Investment Provider and wish to do so, the Member can request this by emailing the Administrator at [Gibraltar@momentumpensions.com](mailto:Gibraltar@momentumpensions.com) who will will organise this for them.

### *(iv) Requesting a Valuation or Transaction Statement*

Where a Members investment provider does not offer online access or if the Member cannot access the information online, a Member can also request a current valuation and transaction statement at any time directly from their Investment Advisor/DFM or by contacting Momentum at the above email address.

## OVERSEAS TRANSFER CHARGE (OTC)

The OTC is a UK tax charge introduced by the UK Finance Act 2017 on certain transfers, directly or indirectly, from a UK Registered Pension Scheme to an Overseas Scheme. The current tax charge is 25%. This charge does not apply to UK Transfers requested before the 9th March 2017.

Further details are included in Annex I. It is strongly recommended that you seek detailed advice from your Professional Adviser before transferring any benefits from a UK Registered Pension Scheme or QROPS<sup>2</sup> to fully understand the UK OTC legal provisions.

### (i) OTC - based on Tax Residency of the Member

Where a Member is tax resident in the EEA, UK or Gibraltar at the time of transferring their pension benefits from a UK Scheme or QROPS<sup>2</sup> to this Scheme, the UK OTC will not apply to the transfer to this Scheme. This is provided the transfer does not exceed the Member's available UK Overseas Transfer Allowance, as outlined below. Where this is not the case, the OTC will apply and will be deducted by the transferring pension scheme. The transferred pension benefits will be ringfenced within the Scheme, these are referred to as "ringfenced benefits".

Additionally, if a transfer was initially excluded from the OTC but, subsequently after transferring to the Scheme, should the Member becomes a non-EEA, UK or Gibraltar tax resident at any time within five full consecutive UK tax years from the date of the transfer ("relevant period"), the UK OTC will become payable. In this event, Momentum will be required to deduct 25% of the remaining QROPS ringfenced funds and remit the tax to HMRC. Once the relevant period has ended, there will be no further OTC liability if the Member changes tax residency.

If a Member paid the OTC at the time of transfer and became an EEA, UK or Gibraltar tax resident within the Relevant Period, an application for a refund of the OTC may be made.

Members with ringfenced benefits must legally undertake to factually declare their tax residency when transferring the benefits. Furthermore they must advise us immediately, **and no later than 60 days**, of any change in circumstances which affects the Members country of tax residency during the Relevant Period. This is a **legal requirement** in accordance with UK legislation. It is the Member's responsibility to seek tax advice to confirm their tax residency and to accurately and factually declare their jurisdiction of tax residence throughout their Membership of the Scheme.

### (ii) OTC - UK Transfers in excess of the Member Overseas Transfer Allowance

In April 2024 the scope of the OTC was extended further.

The OTC may also be payable on a transfer of benefits from a UK Registered Scheme directly to an Overseas Scheme, including this Scheme, on or after 6th April 2024, regardless of residency. This applies if the transfer exceeds the individual's available Overseas Transfer Allowance, as prescribed by UK regulations. This charge may apply in addition to the OTC details as outlined in the previous section. The transferring UK Scheme and Financial Adviser will be able to assist the Member in determining if this applies in their case.

Given the complexities associated with the OTC, it is imperative that financial advice is sought on the UK OTC. Full disclosure should be made to the Members financial adviser, especially if they intend to reside in another jurisdiction during the relevant period, to ensure the transfer is in their best interest.

## ACCESSING THE MEMBER PORTAL

Members can access the Member Portal [here](#). Members can "Self-Register" for the Momentum Member Portal, which will give Members 24/7 access to their Momentum Pension Scheme.

The Member Portal allows Members to view their personal details, monitor their pension scheme investment with access to investment valuations and assets holding at the date shown based on the information being provided to us by their Investment Provider.

Furthermore, the Member Portal allows a Member to generate client bank statements showing their scheme bank transaction and view their personal details and update their details.

If the Member has not yet registered for the Member Portal, they can register for this [here](#).

<sup>2</sup>This includes where an individual transfers UK pension benefits directly from a UK Registered Scheme or indirectly from a QROPS to another QROPS and also includes the transfer of UK tax relieved funds from a Non-UK Scheme.



## UPDATING YOUR PERSONAL DETAILS

If a Member's personal details change, the Member can easily update their details by logging onto the Member Portal and updating their details. Using the Member Portal, a Member can update their details including the following:

- Personal information (e.g. Occupation details)
- Residential Address details
- Jurisdiction of Tax Residency
- Contact Details - email address and phone number
- Nominated Beneficiary Details (including contact details)

## RECEIVING YOUR PENSION BENEFITS

The Scheme offers the following options at retirement:

- Pension Commencement Lump Sum (PCLS) of up to 30% of the accumulated fund.
- Income benefits may be taken as a lump sum(s) and/or regular payments with the maximum annual payment based on the UK Government Actuary's Department (GAD) rates. Subject to the Gibraltar Tax Office approval, where a Member's Fund falls to £10,000 (or below) the option to take this remaining amount as single lump sum income payment can be offered.

In the event of death, benefits may be paid as a lump sum or used to provide pension income to a Member's beneficiaries. Members may nominate the individuals they wish to receive benefits on the application form and can review and update their nominated beneficiary(s) (including their contact details) using the Momentum Member Portal. It is also strongly advisable to seek advice on ensuring they have a Will in place.

The Administrator will decide how the death benefits will be paid and to whom, taking into consideration the Member's wishes as noted from their most recent nomination of beneficiary as stated on the nomination forms or updated on the Momentum Member Portal as relevant.

## HOW DO I COMMENCE TAKING RETIREMENT BENEFITS

The Member will need to contact their Advisor, who will discuss their options and then submit the retirement benefit request through the Momentum Retirement Portal, uploading all documentation as indicated when completing the request. For Execution only Member where no Advisor is appointed, the Member in this instance can submit their own retirement benefit request through the Momentum Retirement Portal.

## BENEFIT RESTRICTIONS ON UK TRANSFERS

Where the Member is in scope as outlined below, UK legislation places a restriction on benefits taken during this time. The Member's QROPS benefits must align to those benefit payments provided by the UK.

This includes limiting the maximum PCLS in respect of a UK transfer fund to 25% of the Member's fund or the Member's available UK Lump Sum Allowance, whichever is lower. Benefits paid in excess of this are otherwise subject to a UK Tax Charge payable by the Member.

*Transfers of UK tax relieved benefits on or after 6th April 2017.*

The restriction applies where the Member at the time of the payment:

- i) Draws benefits within 5 years of the date of the last transfer or
- ii) Is UK tax resident or was a UK tax resident in any of the ten previous consecutive UK tax years at the time of the payment

*Transfers of UK tax relieved benefits before the 6th April 2017.*

The restriction applies where the Member at the time of payment:

- iii) Is UK tax resident or
- iv) Was a UK tax resident in any of the five previous consecutive UK tax years.

## QROPS REPORTING

In accordance with QROPS regulations, the Scheme Trustee and Administrator will undertake specific reporting requirements to HMRC. The Administrator has an obligation to report to HMRC each time a QROPS makes a payment to a Member.

The Scheme Administrator must report to HMRC in a number of specified situations which include where:

- pension payments to the Member commence;
- a lump sum payment is made;
- death benefits are distributed or a transfer payment is made or other payment is made upon receipt of a court order on divorce or separation.

In addition, when benefits are transferred to another QROPS, the Administrator is also obligated to report if the transfer is subject to the OTC and the applicable amount, including the reason why no OTC applies, where relevant.

The Trustee cannot be held responsible for any penalties, fees or charges levied by HMRC should the Member elect to take their benefits in a way that is incompatible with the UK regulations pertaining to Schemes recognised as a QROPS.

## TAXATION

No Gibraltar tax is payable within the fund on income and capital gains and there is no domestic Gibraltar tax on any PCLS taken or the provision of lump sum payment to a Member's beneficiaries on death. Income payments are taxable in Gibraltar at 2.5%, which is deducted by us prior to the payment of any income to a Member or beneficiary.

Full details of income payments and tax deducted is reported annually to the Gibraltar Income Tax Office. Tax and tax compliance requirements may apply in the Member's (or beneficiary in the case of a payment on the death of a Member.) country of tax residency or other jurisdiction that a liability to tax may arise at the time of payment of benefits.

Finally, if death occurs after age 75 and the conditions set out above for a transfer before or after 6th April 2017 apply, the person(s) who inherit the remainder of the funds may pay UK tax on the benefits.

In line with our Terms of Business, Momentum does not provide tax, legal or financial advice. Members are responsible for seeking their own tax advice prior to transferring any benefits to/from the Scheme and thereafter ongoing tax advice from a qualified tax Advisor in the jurisdiction they reside, they are a citizen of, work in or remit money to and/or from a U.S. tax Advisor, if a United States ('U.S.') Person or connected to the U.S. for tax purposes. Prior to transferring benefits to the Scheme we also strongly recommend you seek tax advice in the jurisdiction of the transferring pension scheme prior to transferring to the Scheme.

We strongly recommend that a Member takes professional tax advice to help you understand the advantages and disadvantages of transferring their existing pension benefits to the Scheme and becoming a Member. This will ensure that the Member is aware of any potential adverse tax, legal, or financial consequences related to the transfer of their existing pension benefits to the Scheme. It is also highly recommended to assist Members in complying with all applicable tax compliance requirements, including any necessary tax filing, reporting, or other obligations, and ensuring the timely payment of any tax liabilities due.

Members are responsible for accurately and factually declaring their tax residency, citizenship, domicile circumstances or, if a U.S. Person or connected to the U.S. for tax purposes. Momentum's Services are not intended to determine whether a Member has a tax liability, tax reporting or filing requirement or any other reporting requirements in any jurisdiction outside Gibraltar. Annually, Momentum completes a Tax return on behalf of its Members to the Gibraltar Income Tax Office and report all payments to HMRC required and noted in previous sections. Otherwise, Momentum does not provide any tax compliance or tax return preparation services and will not advise, prepare, or file any tax forms with any tax authorities on the Member's behalf unless specifically requested in writing by the Member and agreed, in writing, by Momentum to do so. For further information including Momentum's Services in this regard please refer to our Terms of Business available on our Website.

## FEES AND CHARGES

The current fees and charges applicable to the Scheme as shown on our QROPS Fee Schedule, as varied from time to time and which is available [here](#).

The Trustee and Administrator will levy an initial set up fee and annual Trust Fee on establishing the Scheme and charge an annual Trust fee thereafter, on the anniversary of the Member's registration which may be requested for payment by the Administrator from the Members investment provider on or before the anniversary date. Additional supplementary fees may be payable as outlined in our Schedule of Fees. Fees will continue to be payable until the Member Fund has been depleted. In the case of the Member's death, membership and Annual Trust Fees will continue until all death benefits are administered and distributed in full.

Fees will be deducted from the Member's scheme investments or the Member Bank Account. 30 days prior notice will be given to the Member of any changes in the Scheme's Fees.

### **ANNUAL BENEFITS STATEMENTS**

Scheme Members will receive annual statements showing their fund value. Members can monitor their investments on an ongoing basis as outlined in the Investment Policy section above.

### **ANNUAL REPORTING**

In compliance with local regulations, the Directors of Momentum will keep and maintain proper account records, and submit for each financial year Audited Financial Statements to the Gibraltar Financial Services Commission.

### **WINDING UP AND DISCONTINUANCE OF THE SCHEME**

Upon discontinuation of the Scheme, the Trustee will give notice in writing to wind up the Scheme. Each Member will be notified of their rights and options including the right to transfer the administration and trusteeship to a scheme which is willing to accept the transfer, and which is an Authorised Scheme or such other scheme as may be permitted by the Gibraltar Income Tax Office. The transfer will include the Net Scheme Assets held by the Trustees at the time, in relation to that Member.

Notice to the Member will include a request to notify the Administrator within 30 days of receipt of the request, of the new administrator or trustee.

In the event that the Member fails to notify the Administrator of their intentions within the notice period, the Trustees will transfer the Net Scheme Assets to an Authorised Scheme of the Trustees choice, without the Member's consent.

### **TRUST DEED**

The trust is established as a personal Defined Contribution Scheme, approved as complying with the Gibraltar Income Tax Act by the Gibraltar Income Tax Office. Please contact Momentum to obtain a copy of the Trust Deed.

### **COMPENSATION**

There is no statutory provision of compensation for Members of the Scheme; furthermore, the registration of the Scheme is not an endorsement of the financial performance of the Scheme.

### **TECHNICAL AND REGULATORY INFORMATION**

Momentum is licensed and authorised by the Gibraltar Financial Services Commission as a Personal Pension Scheme Controller under Permission Number 19015.

Momentum is the Trustee and Administrator of the Scheme. The Scheme is approved by the Gibraltar Income Tax Office under the Income Tax Act 2010. All assets within your plan are held under irrevocable trust for your exclusive benefit and segregated under the Member Fund.

**Momentum does not give financial, legal, tax or investment advice. This document is designed for general information only.**

Before you act on any information supplied by Momentum you should first seek independent tax, legal and/or financial or investment 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. We do not accept any liability, whether in contract, tort or otherwise for any loss, damage or expense which may have incurred as a result of any reliance on any of the information contained within this documentation.

These Scheme Particulars are intended to provide you with key information pertaining to the Scheme. This is not a statement of the full Terms and Conditions of the Scheme, as varied from time to time and should be read in conjunction with the Trust Deed and Rules and Terms and Conditions. It is based on our understanding and interpretation of current legislation, regulation and taxation. Every reasonable effort has been made to ensure its accuracy.

### **CONTACT**

#### **Momentum Pensions (Gibraltar) Limited**

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# Annex I

## Overseas Transfer Charge (OTC)

The UK OTC was introduced in the Finance Act 2017 on certain transfers from a UK Registered Pension Scheme<sup>3</sup> to an Overseas Scheme requested on or after 9th March 2017. Transfers requested before the 9th March 2017, are not assessable to the OTC.

In addition, for UK pension benefits transferring from a UK Registered Pension Scheme to a QROPS on or after 6th April 2024, the OTC will also apply on any amount of the transfer which exceeds the Members available Overseas Transfer Allowance (OTA). In this case, the OTC applies irrespective of the tax residency of the Member and cannot be reclaimed.

### EEA TAX RESIDENT

Where a Member is EEA tax resident<sup>4</sup>, the OTC will not apply on any transfer to this Scheme.

The transfer will be ring fenced within the Scheme.

Should the Member become non EEA tax resident at any time within five full consecutive UK tax years of the UK transfer ("relevant period"), the OTC will become payable and the Scheme Administrator must deduct 25% of the remaining QROPS ring fenced funds and remit the tax to HMRC. At the end of the relevant period there is no further liability to OTC.

### NON EEA TAX RESIDENT

Any transfer to this Scheme will be liable to a 25% OTC on the transfer value.

However, where the OTC was payable on the transfer and the Member subsequently becomes EEA tax resident (or transfers to another QROPS which satisfies the conditions as below), within the relevant period, the OTC can be reclaimed by notifying the UK Scheme administrator, before the cut-off date which is one year after the end of the relevant period for the transfer concerned.

### ONWARD TRANSFER TO ANOTHER QROPS:

Where a Member subsequently transfers any ring fenced funds to another QROPS during the relevant period, the transfer will be liable to a 25% OTC on the transfer value, unless one of the following five conditions are met:

1. The Member is resident in the same country / territory in which the receiving QROPS is established
2. The Member is tax resident in the EEA and the receiving QROPS is established in the EEA<sup>4</sup>
3. The QROPS is set up by an international organisation of which the Member is an employee
4. The QROPS is an overseas public service pension scheme and the Member is an employee of a public service employer
5. The QROPS is an occupational pension scheme and the Member is an employee of a sponsoring employer under the Scheme

The transferred funds remain assessable within the receiving QROPS until the relevant period has elapsed.

<sup>3</sup> Or a transfer of UK tax relieved funds in a Non UK Scheme.

<sup>4</sup> EEA includes Gibraltar, Liechtenstein, Norway and Iceland in this context.