



QUEST
CAPITAL
TRUSTEES

Your Path to Financial Independence

THE QUEST SELF ADMINISTERED PENSION SCHEMES (SAPS)

A flexible, cost efficient retirement investment vehicle that puts you in complete control, designed specifically for your retirement.

Planning for Retirement

Providing for your retirement is extremely important. Changes in the global market place over the past number have years have shown that you need to be aware of and have control of all aspects of your pension including:

- Planning for retirement in advance to ensure your retirement targets can be met
- Having control over the investments within your pension

A SAPS is an ideal solution to these issues that benefits from transparency in relation to fees and investments whilst offering you control over the investments within your pension and associated costs.

What is a Self Administered Pension Scheme (SAPS)?

A SAPS is a low cost, tax efficient means of providing for your retirement. It is a pension established by an employer that is suitable for company directors and senior employees. It can also be set up by the employer for a salaried employee.

A SAPS allows you control the choice of investments in your retirement fund in conjunction with your financial advisor. Unlike other types of occupational pension scheme a SAPS gives you the opportunity to control every aspect of your retirement planning – the investments, the risk, the cost.

What advantages does SAPS have over a traditional occupational pension plan offered by an Insurance company?

A SAPS offers significant benefits when compared to a traditional occupational pension plan. The main benefits can be summarized in a number of words – flexibility, risk management and cost control.

Flexibility

You choose what you want your SAPS to invest in (subject to Revenue rules) Investments are chosen by you in conjunction with your financial advisor and benefit from tax free growth during the life of the scheme.

Risk Management

When you control the investments of your SAPS you control the level of risk within your SAPS.

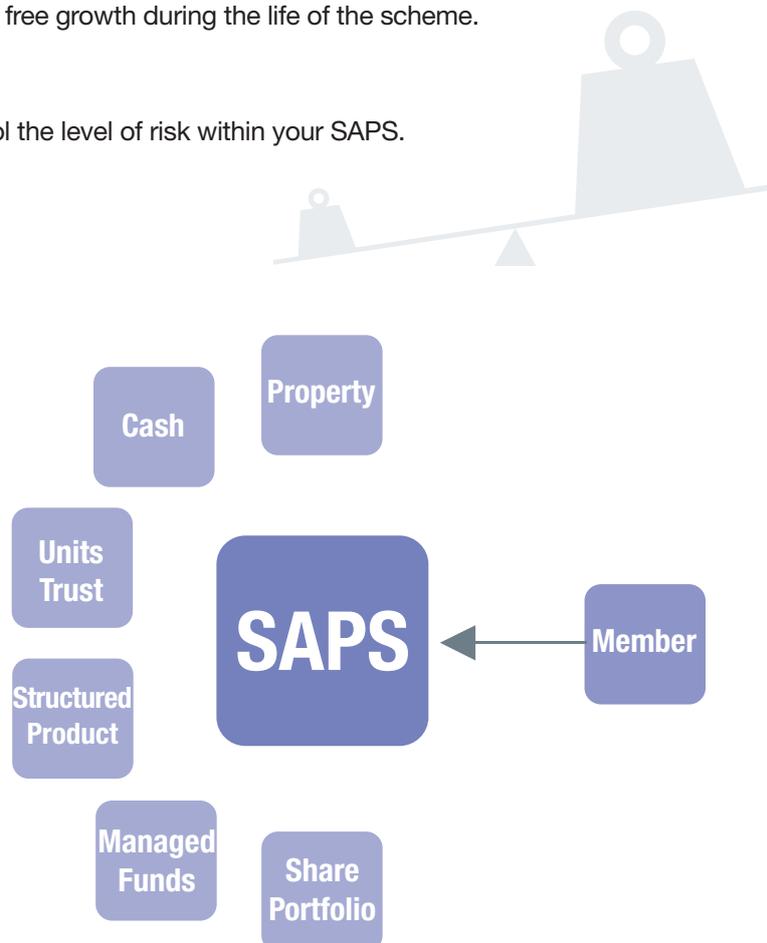
Cost Control

By controlling the investments within the SAPS you control the costs associated with your SAPS.

How does a SAPS work?

A SAPS is set up as a standalone trust. You act as trustee of the SAPS in conjunction with Quest Capital Trustees Ltd (Quest) who act as Pensioner Trustee. When certain conditions are met a SAPS will be granted 'exempt approval' by the Revenue Commissioners. It is this exempt approval that gives the SAPS significant tax benefits both for the employer and the scheme member.

As trustee you can make the investment decisions associated with the SAPS. As a SAPS is set up as a trust the assets of the SAPS are legally separate from both the company that set up the SAPS and Quest.



What can I invest in with my SAPS?

Here are examples of some of the assets you can invest in with your SAPS. This not an exhaustive list and other investments are also available. There are also a number of investments that cannot be made through your SAPS. If you have any queries your financial advisor will be able to assist you with choosing the right investment.

Allowable Investments

Property - Residential or Commercial
 Syndicated Property
 Land
 Shares in Public and Private Companies
 Corporate & Government Bonds
 Unit Trusts
 Insurance Company Funds
 Deposit Accounts
 Loan Notes
 Gold Bullion

Prohibited Investments

Property with personal usage
 Antiques & Works of Art
 Fine Wines
 Loan to Beneficiaries or Connected Persons

A SAPS also has the capability to borrow to facilitate investment (subject to certain Revenue guidelines).

Are there any other benefits of a SAPS?

Yes there are significant benefits for both the employer and employee

For the Employer

- Employer contributions to the SAPS (within Revenue limits) are allowed as an expense for Corporation Tax
- Employer contributions to the SAPS (within certain limits) will not result in an income tax liability for the scheme member
- The assets of the SAPS do not form part of the employers assets and as such are 'out of reach' of the creditors of the company
- Employers contributions to the SAPS can be varied each year to suit the financial circumstances of the company

For the Employee / SAPS member

- Employer contributions to the SAPS do not create an income tax liability for the employee
- Personal contributions to the SAPS (within Revenue limits) are allowed against the employees income tax
- Benefits can be accessed from age 50
- The SAPS member can control the investment of assets in the SAPS, this can be a hands on or hands off role, the level of involvement is up to the SAPS member

Other benefits

- A SAPS is an ideal way of rewarding and retaining key staff without creating a tax liability for them
- SAPS can be used as part of an efficient business exit plan for shareholders in a company
- There is complete transparency of all fees associated with a SAPS
- All income and gains of a SAPS are exempt from Income Tax and Capital Gains Tax

Taking benefits from a SAPS - Benefits can be taken from a SAPS in 2 ways

Option 1

Take a lump sum of 25% of the value of the SAPS (see *) and invest the remainder in an Approved Retirement Fund (ARF) or take the balance as taxable income (see**)

Option 2

Take a lump sum of up to 1.5 times final salary (see* and ***) and purchase an annuity (annual income) with the remainder

* The maximum tax free lump sum available is €200,000 any lump sum paid in excess of this will limit will be taxable.

** To qualify for this you must have a guaranteed income of €12,700 p.a. If you do not have this you will need to invest €63,500 in a special ARF called an Approved Minimum Retirement Fund (AMRF) or buy an annuity with €63,500.

*** A lump sum of 1.5 times salary is available with 20 years service with the employer, where service is less than 20 years the lump sum may be restricted.



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Next Steps

If you believe a SAPS is a suitable pension vehicle for you then please contact your financial advisor.
Alternatively you contact Quest directly at:

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