



BESPOKE
Trustees Limited

Self-Administered Pension Scheme

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Brochure and Application Form

Self-Administered Pension Scheme

You may be working hard for your company ensuring that it survives and thrives. But as you invest time, skills and energy in your work, ask yourself...

Do I allocate enough resources to ensure that my own financial future is being looked after?

Am I taking enough time out to ensure that funds are extracted efficiently from the company and are invested in the right investment structure for me?

Self-administered pension schemes have become the investment vehicle of choice. Self-administered pension schemes put you in the driving seat.

The Bespoke Self-Administered Pension Scheme (SAPS)

The Bespoke Self-Administered Pension Scheme (SAPS) is a completely flexible, cost effective pension scheme that truly puts you, the investor, in control.

You can take control of both the investments and costs associated with your wealth planning.

The Bespoke SAPS offers you access to a wide range of investment options. You invest your pension funds in the manner best suited to your investment requirements. The Bespoke SAPS lets you decide the most appropriate level of risk and split of assets within your retirement portfolio.



What is a Self-Administered Pension Scheme (SAPS)?

A SAPS is a pension scheme set up by an employer for salaried directors or employees. A SAPS allows you control the type of investments, and by default the level of investment risk you want to take with your investments. In addition to investment control, SAPS also offer complete flexibility in respect of contributions. Coupled with control and flexibility the Revenue Commissioners currently grant very generous tax reliefs on both contributions to a SAPS, income and gains made within the SAPS and tax free lump sum entitlements when drawing benefits from the SAPS.

Who can set up a SAPS?

An employer must set up a SAPS, the SAPS can be established for both salaried directors and/or salaried employees.

What are the benefits of establishing a SAPS?

There are several benefits associated with a SAPS. The benefits of a SAPS can be highlighted under the following headings;

- Contributions
- Tax Free Growth
- Company Fund Extraction
- Control

Contributions

Employer Contributions

Employer contributions to a SAPS (within Revenue limits) are allowable for Corporation Tax relief purposes. What this means is that an employer contribution to a SAPS is an allowable expense for the company, i.e. the employer contribution reduces the taxable profits of the company and as such reduces any Corporation Tax liability of the company.

Employer contributions to a SAPS are also not treated as a BIK for the scheme member, i.e. any contribution to the SAPS by the company doesn't create an income tax liability for the employee, unlike for example the employee drawing additional salary.

Employee Contributions

The scheme member can also make personal contributions to a SAPS and be granted income tax relief*. The following table relates to the maximum level of income tax relief that will be granted on personal contributions to SAPS.

Age in Tax Year	Maximum Contribution*
Under 30	15%
30 – 39	20%
40 – 49	25%
50 – 54	30%
55 – 59	35%
60 +	40%

*The maximum contribution limits are based on a % of your earnings in the tax year of employment. The earnings limit for the tax year 2012 is €115,000. Where your actual earnings from your employment in the tax year is less than the earnings limit above, the maximum personal contribution limits will be calculated by reference to your actual earnings in the year and the appropriate age %.

Company Fund Extraction

Funds contributed by the company to a SAPS no longer form part of the assets of the company, they are legally separated from the company. Therefore in the event of a liquidation of the company the assets of the SAPS will not be affected.

Tax Free Growth

Under current legislation a SAPS is exempt from Irish Income Tax, DIRT, Capital Gains Tax, e.g. there is no DIRT on any deposit account nor will there be any Irish Capital Gains Tax on any gains where an asset of the SAPS is disposed of.

Control

Investment Control

You have complete control over the assets your SAPS invests in subject to certain revenue restrictions. Unlike pension schemes typically offered by insurance companies, the Bespoke SAPS allows you invest your pension funds in the manner you feel is most appropriate. You create your own investment portfolio to provide for your retirement.

Risk Control

You control the level of risk you want to take. As you control the assets your SAPS invests in, you also control the level of risk your portfolio is set at. You have the option to invest in low risk investments, e.g. cash, government stocks, medium risk investments, e.g. blue chip equities, property or high risk investments such as far eastern equities. The Bespoke SAPS allows you to achieve a wide spread of investments across all asset classes most appropriate to your attitude to investment risk and allows you to create your own personal diversified portfolio.

Cost Control

You control the investments, you control the risk therefore you control the costs associated with the Bespoke SAPS, you know exactly how much the Bespoke SAPS is costing you.

How much can be contributed to my SAPS?

The amount that can be contributed to your SAPS (by you or by your employer or between you and your employer) depends largely on your age, salary and any existing pension benefits you may have.

For example, if you are aged 50 and earning an annual salary of €100,000, approximately €265,000 can be contributed to your SAPS annually between yourself and your employer. Your own contributions are based on a scale of 15% to 40% of your salary to a maximum salary of €115,000 (for 2012).

What are the costs associated with an SAPS?

The cost of establishing and the annual management of your SAPS is met by fees which are typically paid by your company. These fees are fully tax deductible for the company.

All fees in respect of your SAPS are fully transparent. When you control the direction of your investment, you also have the power to manage the costs associated with those investments.

What happens if you die before retirement?

In the event of your death before retirement a lump sum of up to 4 times salary can be paid to your estate tax free. In some cases this may absorb the entire value of the SAPS. If there is a surplus in the SAPS after the lump sum is paid an annual income for dependents will be purchased with the surplus.

Benefits from the SAPS

If you are an **employee or Director owning less than 5% of the shares of the company** and your scheme was set up before 6th February 2011 and your scheme rules have not been amended on or after 6th February 2011 to allow for ARF options, you must, under current pension law, take your benefits in the following manner:

Take a tax free lump sum of up to 1.5 times your final salary**

AND

Buy an annual income (annuity) from an insurance company with the remainder of the fund

Note: You can invest the value of any personal contributions to your SAPS in to an Approved Retirement Fund

If you are a **'Proprietary Director'** before 6th February 2011, i.e. a Director owning greater than 5% of the shares of the company, or for all schemes set up on or after 6th February 2011, or if a prior schemes rules were amended on or after that date to provide for ARF options, you can take your benefits in the following manner;

(1) As a non-proprietary director above

OR

(2) Take a tax free lump sum/combination of tax free and taxable lump sum of 25% of the value of the pension fund**

AND

Invest the remainder in an Approved Retirement Fund (ARF) – provided either a minimum of €63,500 is invested in an Approved Minimum Retirement Fund (AMRF) or annuity, or the pension holder already has a guaranteed lifetime income of €12,700 or more at date of drawdown.

OR

(3) Take the remainder of the fund as a taxable lump sum. You will need to either invest €63,500 in an Approved Minimum Retirement Fund (AMRF) or an annuity, or have a guaranteed lifetime income of €12,700 or more at date of drawdown to avail of this option.

** For 2012 the maximum tax free pension fund is €2,300,000 therefore the maximum lump sum entitlement is €575,000, the first €200,000 of which is tax free, with balance taxed at 20%.

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**For more information on the SAPS please contact
your financial advisor or call or email us at 0818 432 432
or at info@bespoketrustees.ie**
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Application Form



SAPS NAME

The _____ (Bespoke) Pension Trust

Insert client name in BLOCK CAPITALS

CLIENT DETAILS

Name: _____

Address: _____

Correspondance Address (if different): _____

DOB: / / (DD/MM/YYYY)

Marital Status: _____

Spouses DOB: / / (DD/MM/YYYY)

Home No: _____

Work No: _____

Fax: _____

Email: _____

% Shareholding in Company: %

PPS Number: _____

Total Remuneration include salary, BIK etc. €

Date employment commenced: / / (DD/MM/YYYY)

EXISTING PENSION BENEFITS

Insurance Company	Policy Number	Current/Transfer Value	Personal/Occupational Pension	Current/Previous Employment	Transfer to SAPS (Y/N)

EMPLOYER/COMPANY DETAILS

Name: _____

Trading Address: _____

Registered Address (if different from trading address): _____

Company Registration Number (CRO): _____

Company Tax Relief No: _____

Employer/Company Yr End: / / (DD/MM/YYYY)

INTRODUCER DETAILS

Company: _____

Contact Name: _____

Address: _____

Mobile No: _____

Work No: _____

Fax: _____

Email: _____

CHECKLIST

Please ensure the following is being returned to Bespoke Trustees Ltd to establish your SAPS:

- | | |
|---|---|
| <input type="checkbox"/> Completed Bespoke SAPS Application Form | <input type="checkbox"/> 2 certified utility bills (no older than 3 months) |
| <input type="checkbox"/> Completed SAPS Bank Account Mandate | <input type="checkbox"/> Signed and sealed 'Letter of Engagement' |
| <input type="checkbox"/> Most recent P60 or 3 most recent payslips | <input type="checkbox"/> SAPS Set Up Fee |
| <input type="checkbox"/> Signed and Sealed Trust Deed | <input type="checkbox"/> Completed Letter of Wishes |
| <input type="checkbox"/> Certified copy of photo ID (Drivers Licence or Passport) | |

IMPORTANT NOTES

Dependants, Vested Rights and Trustees of your SAPS

- Your spouse and children are automatically included as dependants unless special instructions to the contrary are received.
- Full vested rights are provided under the Bespoke SAPS. This means that in the event of your leaving the employment of the company within 2 years of joining the scheme the value of all contributions will remain in the scheme.
- 2 trustees are appointed to a SAPS – the pensioner trustee (Bespoke Trustees Ltd) and the additional trustee (the SAPS Member).

Declarations

- I confirm that I have completed this application form to the best of my knowledge, ability, and belief. The information in this form together with the terms and conditions contained in the Bespoke Letter of Engagement and Terms of Business form the basis of the contract between Bespoke Trustees Ltd and me.
- I acknowledge that my SAPS set up will commence when Bespoke Trustees Ltd has received and accepted a fully completed application form and set up fee. My SAPS may only be submitted to the Revenue Commissioners for approval when documentation, information and fees requested has been provided to Bespoke Trustees Ltd.
- I am aware that there is a setup fee payable to Bespoke Trustees Ltd in respect of the SAPS set up and submission of my SAPS to the Revenue Commissioners and I agree to this fee being levied to the employer company.
- I am aware that there is a recurring annual fee payable to Bespoke Trustees Ltd in respect of the administration of the SAPS and I agree to this fee being levied to the employer company.

Data Protection Acts

The information that you have provided will be treated as confidential and retained by Bespoke Trustees Ltd as required by law. You have a right to request a copy of the information we hold about you (for which we may charge a nominal fee) and have any inaccuracies in your information corrected.

Bespoke Trustees Ltd may use the information you have provided for the purposes of providing you with additional information relating to the services of Bespoke Trustees Ltd and any of its associated companies and/or third parties.

Bespoke Trustees Ltd may share information with its associated and affiliated companies and/or carefully selected third parties, to enable those associated and affiliated companies and/or carefully selected third parties, to contact you directly in relation to the services.

If you do not agree to Bespoke Trustees Ltd's use of the information for such purposes, please tick the box provided.

SAPS Scheme Member

Employer Establishing SAPS

I have read and understand the above

PENSION SCHEME MEMBER

Member (sign):

Print Name:

Date: / /

FOR OFFICE USE ONLY

A1: SP:

B1: SM:

T1: AD:

AM:

SPONSORING EMPLOYER

Director (sign):

Print Name:

Date: / /

Director (sign):

Print Name:

Date: / /

AFFIX COMPANY SEAL HERE

ADDITIONAL INFORMATION



BESPOKE
Trustees Limited

Your Assets, Your Choice, Your Future

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