



Gateway

(MULTI-EMPLOYER)

**A pension scheme for the
Gibraltar Workforce**

Gateway Multi-Employer Pension Scheme (Gateway) is a cost effective, flexible and attractive retirement savings provision for Gibraltar employers to offer to their employees.

Gateway is established under trust in Gibraltar, approved by the Gibraltar Income Tax Office and registered as an Occupational Pensions Scheme under the IORP II regime with the Gibraltar Financial Services Commission.

Gateway is administered by Boal & Co Gibraltar, who are also the Trustees.

Gateway is a pension scheme established under trust in Gibraltar which offers tax efficient accumulation, investment choice and the option to consolidate existing plans for all employees working in Gibraltar, regardless of their country of residence or tax status.

The Private Sector Pensions Act 2019

The Gibraltar Government's 'Private Sector Pensions Act 2019 ('The Act')', makes it compulsory for all Gibraltar employers to provide employees with access to a workplace pension scheme. This came into force on 4 August 2021. The aim is to ensure every member of the Gibraltar work force is given the opportunity to participate in a company pension scheme and build some security for their retirement years.

Consequently, all private sector employers must ensure a pension plan is in place for their employees.

Should an employee chose to participate in a pension scheme, the law requires the employer to contribute towards the pension. The employer and employee must contribute an aggregate of at least 2% per annum of the employee's earnings, on an equal contribution basis, unless the employer agrees to pay part, or all, of the member's minimum required contribution.

Employees must meet the following criteria to be eligible to join a company's pension scheme:

- Earn more than £10,000 per year
- Be at least 15 years of age
- Have been in continuous employment with the employer for one year

Employees have the choice to participate in a company's pension scheme. Should they choose not to, they are required to sign an annual waiver declaring that they do not require a pension.

As an employer, you have three main options to comply with The Act:

- Establish your own exclusive occupation pension scheme
- Contribute to each employees' personal pension plan
- Become a member of a multi-employer pension scheme

While Boal & Co provides services for all the above, this brochure is in relation to the third option; a multi-employer pension scheme.

Gateway is built upon strong foundations:



Location Gibraltar is an established international finance centre with specific trust law and dedicated pensions legislation.



Focus Boal & Co does not provide general trust administration, investment or custody services: our focus is entirely on the trusteeship and administration of retirement and pension plans (domestic, international, corporate & personal) supported by our specialist in house actuarial team.



Flexibility Gateway aims to optimise retirement choices through a range of investment options and is designed to make it easy for your employee to save and take control their retirement.



Innovation Boal & Co is an award-winning, established market leader in the design and guardianship of both local and international retirement benefit solutions.



Expertise Established in 1995, we have more than 25 years' experience of delivering local and international retirement benefit solutions. We provide services to more than 30 FT Global 500 companies and have \$12 billion of pension assets under management.



Regulation Our professional expertise is underpinned by the fact that we are regulated by the Gibraltar Financial Services Commission (GFSC) as a Pension Schemes Administrator as well as a Professional Trustee.

Key benefits of Gateway for the employer

1. First Rate Service

- Same day personal service
- Access to industry leading expertise

2. Tax Efficiency

- Company pension contributions may be classed as business expenses for tax purposes

3. Cost Effective

- Low cost set up and annual fees

4. Recruit and Retain

- Attract a high-quality workforce by offering market leading employee benefits

5. Ease of Set-Up

- Quick and easy to establish and manage

6. Robust Governance

- Boal & Co Gibraltar is licenced and authorised as a Pension Scheme Administrator and a Professional Trustee by the GFSC and is approved by the Gibraltar Income Tax Office

Key benefits of Gateway for the employee

1. Flexible Pension Payments

- No requirement to purchase an annuity
- Take 100% of your pension fund as a tax free cash lump sum, use the fund to provide retirement income or do a combination of a reduced lump sum with the balance providing income

2. Inheritance Planning

- Any remaining fund on death can be used to provide a pension for a spouse and/or dependant and/or can pay out as a lump sum to nominated beneficiaries

3. Tax Efficient Accumulation*

- 'Allowance Based System': the member may be eligible for tax relief to a maximum of one sixth of their assessable income
- 'Gross Based System': pension contributions up to a maximum of £1,500 per annum will attract tax relief

4. Consolidation

- Cost and tax efficient means of holding all pension arrangements under one roof

5. Portability

- Member's Gateway fund can be transferred to another pension arrangement with ultimate approval sought from the Gibraltar Commissioner of Income Tax

6. Investment Choice

- Member can choose from investment options covering a range of risk tolerances

7. Online Access

- Members can view their latest fund value, review and switch their investments online at any time

*Employer contributions will not attract tax relief

Who is Gateway available to?

Gateway is available to any Gibraltar based employer wishing to set up a cost-efficient pension scheme for its employees (both local resident and cross-frontier workers) to meet its legal requirements as required under the Private Sector Pensions Act 2019.

How is my Gateway fund invested?

Gateway offers a range of investment funds. As Trustee, Boal & Co, alongside its Investment Committee, is responsible for the selection and management of the underlying assets available. For further information on the investment funds, see the Investment Options flyer.

Boal & Co is not authorised to provide investment or financial advice. Should the member wish to receive formal advice regarding the pension fund, please consult a financial adviser.

What benefits are paid at retirement?

Gateway is a Defined Contribution pension scheme, which means that the amount of benefits received by the member, in the form of retirement lump sum and pension, are entirely dependent on the amount of money paid into their Gateway fund (less charges) and the investment performance (which may be positive or negative). There are no guaranteed retirement benefits of any form.

The following options are available to the member at retirement:

- Take 100% of the fund as cash
- Use 100% of the fund provide a retirement income
- A combination of reduced lump sum with the balance providing an income

The normal retirement age for the Scheme is 60. However, early retirement before this age may be available in certain circumstances. The member does not need to take benefits at age 60. Subject to your agreement as their employer, they may choose to remain employed, defer retirement and continue to have contributions made to their scheme.

How will a member's income be calculated?

If a member wishes to take a sustainable income with the intention of drawing this over their lifetime, their options are:

- Purchase a guaranteed income via an annuity (Boal & Co does not provide annuities and this will be based on rates at the time of retirement and will depend on there being a provider available)
- Choose an amount of income to take per annum based on their own requirements, subject to pre-defined limits
- Boal & Co actuaries can calculate an actuarial based income designed to provide a sustainable income for life

In the case of the third option, the amount that members can draw from their Gateway fund will be within a range calculated by our actuaries and personalised to their situation.

Taxation of pension benefits

Currently in Gibraltar, a cash lump sum paid at retirement is not taxed.

Any income taken from a pension fund will be taxed at 0% in Gibraltar for anyone over 60. If a member is under 60 when income is taken, this will be taxed as per income tax rates in Gibraltar.

Anyone taking benefits while resident outside Gibraltar should seek professional tax advice in their place of residence.

What happens if an employee ceases to be employed by the company?

Should a staff member leave, no further contributions will be made to the scheme. The following three options will be available to the employee:

- Leave the funds with the scheme - these will remain invested until retirement at which point they will be available to the member to take as pension benefits
- Transfer the pension value to either another employer scheme or a personal pension in set up in their own name
- If the employee has less than five years' service, they can opt for a refund of their own contributions (a 10% tax charge will be levied should they take this option and they will not be entitled to the contributions made by you, the employer). In this case, employer contributions will remain in the investment pot and may be used to cover future premiums for existing members

What happens if a staff member dies before retirement?

In the event of a staff member passing away prior to retirement, their Gateway fund will be paid to their nominated beneficiaries. While the Trustees have discretion over who the funds are paid to, the staff member will be asked to complete a nomination form to inform the Trustees. Death benefits funds are paid free of income tax in Gibraltar.

How much does Gateway Pension cost?

Please refer to the separate fee schedule for costs.

Who is Boal & Co Gibraltar?

Boal & Co (Gibraltar) Limited is a Boal & Co Group Company; an Isle of Man headquartered group with offices in Isle of Man, Gibraltar, Jersey and Malta .

Boal & Co is the globally-recognised Market Leader of specialist retirement benefit solutions. A people-centric, high-performing business, our focus is the guardianship of people's financial futures and providing unrivalled service excellence and technical expertise to individuals and companies.

We are the independent trustee to the pension schemes of 40 of the FT Global 500, and responsible for US\$12 billion of pension funds globally. We are innovative with technology, analytically insightful, and market-leading in our performance.

Why choose Boal & Co Gibraltar?

Choosing your pension provider is an important decision for your company. Boal & Co offers:

- Same day personal service
- Simple, compliant and effective retirement benefit solutions
- Cost effective options
- Tax efficiency
- Convenient and easy access to a local team

Service assurance

If at any time you believe that our service could be improved, or if you are dissatisfied with any aspect of our services, please write to our Gibraltar office in the first instance:

Post: Boal & Co (Gibraltar) Limited, Suite 1.2.08, Eurotowers, Europort Road, Gibraltar
Email: gibmail@boalco.com

Get in touch to talk Gateway

 (+350) 200 68022

 gateway@boalco.com

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Glossary

Administrator means Boal & Co (Gibraltar) Limited.

Allowances Based System (ABS) enables individuals to claim tax allowances against their gross income, and pay tax on their net income.

Boal & Co means Boal & Co (Gibraltar) Limited (a company incorporated in Gibraltar with company number 109157 and registered office at Suite 1.2.08, Eurotowers, Europort Road, Gibraltar, GX11 1AA or where the context requires or permits, to any Group Company. Where the context so admits or requires, the term Boal & Co shall include any Group Company and each of the employees, directors, officers, servants, or agents of any such company and their respective successors, assigns, transferees and estates.

Defined Benefit pension scheme (also known as a final salary pension scheme) means a scheme where pension is calculated by reference to salary and length of pensionable service.

Gateway means the Gateway Multi-Employer Pension Scheme.

Gross Income Based System (GIBS) is an alternative to ABS and requires individuals to pay tax on their gross income at a lower rate than under the ABS

Group Company means Boal & Co, its subsidiaries, its parent and any subsidiaries of its parent and its associated companies including but not limited to Boal & Co (Gibraltar) Limited (company number 109157).

Scheme means Gateway.

Scheme Administrator means Boal & Co (Gibraltar) Limited or otherwise the administrator of the Scheme from time to time.

Trustee means Boal & Co (Gibraltar) Ltd as the trustees of the Gateway Multi-Employer Pension Scheme.



Contact

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Our focus; your financial future.

boalco.com |   

For further information on the regulatory status of our businesses please
visit: boalco.com/regulatory