



LONDON &  
COLONIAL  
INNOVATION IN PENSIONS

## Press Release

Adam Wrench, Head of Product and Business Development, London & Colonial, says the 55% tax charge recently slapped on ROSIIP investors drums home just how important it is to choose wisely when deciding upon a QROPS jurisdiction.

“With over 2,000 QROPS schemes spread across some 50 jurisdictions, it is little wonder that HM Revenue & Customs’ approved list of QROPS providers is constantly under review, which has resulted in some schemes having already been struck off.

Of course when this happens, and a hefty 55% unauthorised withdrawal charge is subsequently levied against those who invested in these schemes, not only can it prove devastating for a client’s fund, but for the adviser’s credibility also.

What we are now witnessing happening with ROSIIP investors just goes to illustrate how important it is to ensure that care is taken when choosing the jurisdiction in which to place your QROPS.”

Adam’s comments came in response to HMRC declaring a 55% “unauthorised payment” tax charge on a further round of investors in the now defunct ROSIIP QROPS in Singapore. The scheme was stripped of its status in May 2008, after HMRC found it did not meet its requirements.

“While using a QROPS can certainly provide clients with numerous additional advantages when compared to a UK pension, the scheme chosen and the jurisdiction within which it is based are of the utmost importance, and we would urge investors to carry out thorough research.

Our preferred jurisdiction would be Gibraltar, as it is recognised as being one of the best regulated financial centres in the world. Widely acknowledged within Europe and the US as a benchmark jurisdiction in terms of supervisory superstructure, it has implemented all of the required EU directives relating to insurance business.

Furthermore, the regulation of Gibraltar’s financial services is fully endorsed by the IMF, making it just one of three jurisdictions to have even volunteered for such internationally recognised regulation.”

**-ends-**

## **Notes to Editors**

### **About London & Colonial**

London & Colonial specialises in self-invested products for both UK residents and persons resident overseas.

The London & Colonial Group includes

- (1) London & Colonial Holdings Limited – UK parent company
- (2) London & Colonial Services Limited which is regulated by the UK Financial Services Authority and operates SIPPs and SSASs
- (3) London & Colonial Assurance PLC which is regulated by the Gibraltar Financial Services Commission (matching UK standards) and which offers Open Annuities, QROP Annuities and Open Offshore Bonds
- (4) L&C (Administration Services 2) Limited and London & Colonial (Trustee Services) Limited which are both based in Gibraltar and offer the EU SIPP.

[www.londoncolonial.com](http://www.londoncolonial.com)