

## QROPS: Cidel's Solution to Transferring UK Pensions

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In our increasingly global world, it is not uncommon for individuals to have worked in one country and retire in another. For most investors, the ideal situation is to have assets consolidated in the country in which you live for ease of both portfolio and currency management. Cidel saw an opportunity in this respect for individuals with UK pension assets who are now living in and intending to retire in Canada. For several years prior to 2020, Canada did not have a single financial institution offering a tax-effective solution to assist Canadians in this position.

On January 2nd 2020, Cidel was recognised by HM Revenue & Customs (HMRC) as a provider of a Qualified Recognised Overseas Pension Scheme (QROPS). This allows individuals over the age of 55 who intend to reside in Canada to transfer their eligible UK pension assets on a tax-free basis to a registered retirement savings vehicle in Canada, namely CARP. Cidel's multi-currency platform allows clients to not only transfer assets denominated in sterling, but to convert funds at a time of their choosing when it is most convenient and exchange rates are favourable.

Contingent on individual circumstances, the benefits of transferring your eligible UK pension assets to CARP extend beyond the above to include:

- Avoidance of inheritance taxes
- Greater investment flexibility
- Access to active investment expertise
- Shelter UK pension assets from future changes to UK tax or pension legislation
- Facilitate tax-effective estate planning with a successor annuitant beneficiary designation (spousal rollover), and
- Designate one or more beneficiaries.

As Cidel is not permitted to provide UK pension or tax

advice, we strongly encourage individuals to take direction from a FCA-regulated UK advisor who will provide the necessary advice based on your specific circumstances.

Through CARP, Cidel will offer clients access to its strong asset management expertise in maintaining and growing their wealth according to their financial objectives. Each client's risk tolerance, time horizon, and goals will be discussed in order to determine and implement the optimal portfolio.

In March, Cidel's James Porter, Lee Fernandes, and Megan Duncan attended and presented at the the Tax and Financial Planning Evening at Quebec House in conjunction with the Canada-United Kingdom Chamber of Commerce in London, UK. At the event, various tax and financial planning considerations for those who have lived and worked in the UK and plan to return to Canada were discussed.



Cidel is constantly striving to find new ways to meet the needs of its clients and the Cidel Alternate Retirement Plan provides another piece to our interconnected wealth management framework.

For more information on CARP or QROPS, please contact your Wealth Consultant or the QROPS Team directly at [qrops@cidel.com](mailto:qrops@cidel.com).

April 2020

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