

Mr M Mehta
16 Heathgate
London
NW11 7AN

2 August 2011

Dear Mr Mehta

MR & MRS M MEHTA PENSION SCHEME

Thank you for your letter dated 25 July.

I confirm the following:

The pension income you have advised is correct. The £20,000 income is not necessarily linked to employment income it can be linked to external investment sources; I am awaiting clarification from HMRC on their exact definition of income from other sources.

For Meenal this is correct – subject to my clarification from HMRC on the definition of employment income.

The pension scheme can make a loan to either business of up to 50% of the value of the pension fund and a yield of 5% is correct. The pension scheme can borrow from you (as a loan) but the terms are such that it must be commercial. Interest free loans are not permitted.

I will advise further on Romee as part of my report to you later this month.

I will commence the rules drafting for the pension scheme next week, this will take about a fortnight to put together and will invoice the companies equally for this project.

Kind regards

Yours sincerely

Gavin McCloskey
Pension Practitioner .Com