

# Examples of investing in the Plan



The three examples below show how CASTOR INTERNATIONAL 2023 works in practice. To keep things simple, the share price and exchange rates are the same for the whole period with each share costing £90. In reality the share price and exchange rate would be constantly changing.

## ● Example 1 - You invest £350, company matches £350

Say you were to invest £50 per month from April to October, in which case 6 shares would be acquired for the price of 3 and the balance of £80.00 at the end of October would be repaid, less tax and NI:

Month of pay deduction	Money available to buy shares	Shares purchased	Cost of shares purchased	Balance of money	Matching shares
April	£50.00	0	£0.00 (0 x £90.00)	£50.00	0
May	£50.00 + £50.00	1	£90.00 (1 x £90.00)	£10.00	1
June	£50.00 + £10.00	0	£0.00 (0 x £90.00)	£60.00	0
July	£50.00 + £60.00	1	£90.00 (1 x £90.00)	£20.00	1
August	£50.00 + £20.00	0	£0.00 (0 x £90.00)	£70.00	0
September	£50.00 + £70.00	1	£90.00 (1 x £90.00)	£30.00	1
October	£50.00 + £30.00	0	£0.00 (0 x £90.00)	£80.00	0
<b>TOTAL</b>	<b>£350.00</b>	<b>3</b>	<b>£270.00</b>	<b>£80.00</b>	<b>3</b>

As deductions are made from pay before income tax and NI, the net cost to you will be less. For a Basic Rate taxpayer, a deduction of £50 per month is likely to reduce net pay by about £34.00 per month.

## ● Example 2 - You invest £1,500, company matches £1,500

Say you invest £214.25 per month from April to October. In this example 32 shares would be acquired at the price of £90 and the unused balance of £59.75 at the end of October would be repaid, less income tax and NI.

Month of pay deduction	Money available to buy shares	Shares purchased	Cost of shares purchased	Balance of money	Matching shares
April	£214.25	2	£180.00 (2 x £90.00)	£34.25	2
May	£214.25 + £34.25	2	£180.00 (2 x £90.00)	£68.50	2
June	£214.25 + £68.50	3	£270.00 (3 x £90.00)	£12.75	3
July	£214.25 + £12.75	2	£180.00 (2 x £90.00)	£47.00	2
August	£214.25 + £47.00	2	£180.00 (2 x £90.00)	£81.25	2
September	£214.25 + £81.25	3	£270.00 (3 x £90.00)	£25.50	3
October	£214.25 + £25.50	2	£180.00 (2 x £90.00)	£59.75	2
<b>TOTAL</b>	<b>£1,499.75</b>	<b>16</b>	<b>£1,440.00</b>	<b>£59.75</b>	<b>16</b>

For a Higher Rate tax payer, a contribution of £214.25 per month is likely to reduce net pay by about £124.27 per month.

## ● Example 3 - You invest £1,800, company matches £1,500

Say you invest £257.10 per month from April to October. In this example 35 shares would be acquired at the price of £90 and the unused balance of £89.70 at the end of October would be repaid, less income tax and NI.

Month of pay deduction	Money available to buy shares	Shares purchased	Cost of shares purchased	Balance of money	Matching shares
April	£257.10	2	£180.00 (2 x £90.00)	£77.10	2
May	£257.10 + £77.10	3	£270.00 (3 x £90.00)	£64.20	3
June	£257.10 + £64.20	3	£270.00 (3 x £90.00)	£51.30	3
July	£257.10 + £51.30	3	£270.00 (3 x £90.00)	£38.40	3
August	£257.10 + £38.40	3	£270.00 (3 x £90.00)	£25.50	3
September	£257.10 + £25.50	3	£270.00 (3 x £90.00)	£12.60	2
October	£257.10 + £12.60	2	£180.00 (2 x £90.00)	£89.70	0
<b>TOTAL</b>	<b>£1,799.70</b>	<b>19</b>	<b>£1,710.00</b>	<b>£89.70</b>	<b>16</b>

For a Higher Rate tax payer, a contribution of £257.10 per month is likely to reduce net pay by about £149.12 per month.

# Considerations...

## Tax and National Insurance

- The Matching Shares given to you by your employer will not be subject to income tax or National Insurance (NI) when they are received.
- The dividends received, whilst not subject to income tax and NI, will be paid net of the French dividend withholding tax.
- If within 5 years you resign or leave otherwise than in specified "good leaver" circumstances or withdraw your shares from the Plan, income tax and NI will arise and you may forfeit your Matching Shares.
- If you choose to transfer your shares out of the Plan upon leaving or withdrawal, you may be liable to Capital Gains Tax on any increase in their value during the period from the date your shares were transferred out of the Plan to the date that you eventually sell the shares.
- If you keep your shares in the Plan until you sell them, you will not have to pay any Capital Gains Tax on any gains that you make.
- Capital Gains Tax is payable through self-assessment and you may need to request a self-assessment tax return.
- If you are a Scottish or Welsh tax-payer the amount of income tax and NI relief may vary from those used in the examples.

## State Benefits

- Joining the Plan may affect your state benefits. This is due to your pay being reduced on account of the amount you invest. Please read the Terms and Conditions.