



Personal Pensions and PRSAs

Your guide to your retirement options

Standard Life

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Retirement options for personal pensions and PRSAs

Having spent many years investing to build a pension for your retirement, you're now getting nearer to reaping the benefits. Now it's also time to take stock of what you do next. After all, you want to make the most of the retirement fund you've worked so hard to build up.

This guide sets out the options available to you, when you can take your retirement benefits, how much of it you can take as a lump sum, and what you can do with the balance.

Why choose Standard Life?

Standard Life is a leading long-term savings and investments company. Headquartered in Edinburgh and operating internationally, we've been in Ireland since 1834 and have helped generations of Irish customers plan for their future.

Global investment expertise

Standard Life Investments manage the majority of our funds. Based in Edinburgh, they are global active fund managers with a talented and experienced team of more than 300 investment professionals (at February 2010).

Your policy is protected

Your policy is covered by the UK's Financial Services Compensation Scheme*. This covers 90% of the value of your claim – with no upper limit. There's no equivalent Irish compensation scheme.

*See page 10

You have a wide choice

You can choose from a wide range of funds. You also have the option to invest in deposits, shares and direct property.

Service is at hand

We'll send you regular information on your investment and will administer your policy.



And if you need any help, our customer service team is only a phone call away on (01) 639 7080





When can you take your retirement benefits?

Personal pensions

You can take your benefits from a personal pension from age 60. Or if you prefer, you can continue working and adding to your pension fund. In this way, you can delay taking your benefits any time up to age 75.

Personal Retirement Savings Accounts

If you've got a Personal Retirement Savings Account (PRSA), you can take your benefits from as early as age 50, assuming you are an employee and retiring from that employment. Otherwise, the earliest is age 60. As with personal pensions, you can continue working and contributing if you want to delay taking benefits any time up to age 75.

“I’ve worked hard for my pension, now I’m looking forward to deciding what to do with it.”

Your options at retirement

What are my options - I'm being paid a pension of more than €18,000 every year?

Take a cash lump sum

You can take a cash lump sum of up to 25% of your pension fund.

- ▶ The first €200,000 will be tax free
- ▶ The next €375,000 will be taxed at 20%
- ▶ Anything more than €575,000 will be treated as income and taxed under the PAYE system

and with the balance

- ▶ You can buy a guaranteed pension income for life (an annuity)
- ▶ Or you can invest in a Synergy Approved Retirement Fund (ARF)
- ▶ Or you can draw down the entire fund as taxable cash
- ▶ Or you can choose a combination of these options

If you have taken benefits from a pension already, then talk to your financial adviser as the limits that apply to you may differ.

What are my options - I'm not being paid a pension or I'm being paid a pension but it's less than €18,000 every year?

Take a cash lump sum

You can take a cash lump sum of up to 25% of your pension fund.

- ▶ The first €200,000 will be tax free
- ▶ The next €375,000 will be taxed at 20%
- ▶ Anything more than €575,000 will be treated as income and taxed under the PAYE system

and with the balance

- ▶ You can buy a guaranteed pension income for life (an annuity)
- ▶ Or you can invest €119,800 in a Synergy Approved Minimum Retirement Fund (AMRF) Any funds over this amount can be invested in a Synergy Approved Retirement Fund (ARF)
- ▶ Or you can buy an extra guaranteed pension income to bring your total up €18,000. You can invest the rest in a Synergy Approved retirement Fund

More on your options

Reinvesting your 25% cash lump sum

On your chosen retirement date you can immediately take up to 25% of your retirement fund as a cash lump sum to use whatever way you want.

If you'd like to reinvest some or all of your lump sum, you can access a wide range of funds available through our Synergy Investment Bond. It's a lump sum investment bond that offers you capital growth potential, regular income options and – very importantly - access to your money. You also enjoy total control over your investment, and can buy, sell or switch between funds.

Buying an annuity

An annuity gives you the peace of mind of a guaranteed income for the rest of your life – no matter how long you live. There are a number of options open to you. For example, you could increase your income at a pre-determined rate each year. Or you could guarantee your income for up to ten years. This means that if you died during this period, your income would continue to be paid to your dependents till the end of the period.

It's an important decision, and one that can affect you for many years to come. It's important, therefore, to investigate all your options by speaking to your financial adviser. You're not restricted to a single option, so you can mix and match to get the best solution. For example, you can arrange for a pension to be paid to your spouse after your death.

Investing in a Synergy Approved Retirement Fund

The Synergy Approved Retirement Fund allows you to keep some, or all of your retirement fund invested after you retire. The income and growth you get from your retirement fund also depends on how and where your money is invested.

You'll also enjoy the ability to make your own investment choice, so you continue to control your money and are responsible for your own retirement income. You can choose from a wide range of investment options, including direct property, shares, deposits and our wide range of Synergy funds.

Each year, you must withdraw at least 5% of the value of your approved retirement funds. This amount will be treated as income and taxed under the PAYE system.

Investing in a Synergy Approved Minimum Retirement Fund

Investing in the Synergy Approved Minimum Retirement Fund is similar to the Synergy Approved Retirement Fund, except you can't withdraw any of your capital until you reach 75. Only the investment growth can be withdrawn. When you reach 75 – or earlier if you have the required income of €18,000 – your Synergy Approved Minimum Retirement Fund converts to a Synergy Approved Retirement Fund. At that stage, you can withdraw the capital if you want.

As with our Synergy Approved Retirement Fund, you're free to choose what to invest in, whether it's direct property, shares, deposits or our wide range of Synergy funds.

Annuity income and withdrawals from approved retirement funds and approved minimum retirement funds are treated as income and are taxed under the PAYE system.



Important things to consider

Your policy is protected

Standard Life in Ireland operates as a branch of our UK parent company. This means that any policies taken out since 1 December 2001 are covered by the UK's Financial Services Compensation Scheme (FSCS) in the event that Standard Life is in default. So if you invest in a Standard Life pension or investment policy, **90% of the claim is covered**, without any upper limit.

You can find out more about the Financial Services Compensation Scheme at www.fscs.org.uk

There is no equivalent Irish compensation scheme.

For information on FSCS cover on investment options through the Synergy product range, see Your policy is protected (FSCSFAQ).

Important things to consider

Laws and tax rules may change in the future. The information here is based on our understanding of the situation in March 2011.

We recommend you get financial advice. You should not base your decision to invest solely based on the information in this guide.



Warning: The value of this investment may go down as well as up.

Warning: This investment may be affected by changes in currency exchange rates.

Warning: The income from this investment may go down as well as up.

Find out more

Talk to your financial adviser for advice on how to plan for your financial future, or if you're ready to start, they'll give you the application form you need to set up your plan.

Call us on (01) 639 7080

(Mon-Fri, 9am to 5pm). Call charges will vary and calls may be recorded and/or monitored to help improve customer service.

www.standardlife.ie