



# Synergy Approved retirement funds

Your guide to how they work

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# Synergy Approved retirement funds

**Having spent many years investing to build a pension, you're now getting nearer to reaping the benefits. It's an exciting time, but it's also a 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.**

One of the options you have is keeping all or part of your retirement fund invested in a retirement policy called an approved retirement fund (ARF). That way, your money keeps on working for you and you control your retirement income.

A Synergy ARF is a flexible way for you to manage your fund during your retirement and make your own investment choices.

# Why choose Standard Life?

Standard Life is a leading provider of long-term savings and investments. 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**



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



# You decide how your money is invested

You could easily enjoy a long and happy retirement of thirty years or more. And when you're investing for the long term like this, it's important to have the freedom to choose where to invest your money and the freedom to change your investment choice.

Investing in an ARF gives you the opportunity to maximize your retirement income and control investment risk.

The Synergy ARF offers:



Your retirement can last a long time, so it's good to be in control of how your pension is performing.

## Control and Choice

With Standard Life your investment can be as simple or as sophisticated as you like, offering you more control and choice over your investment.

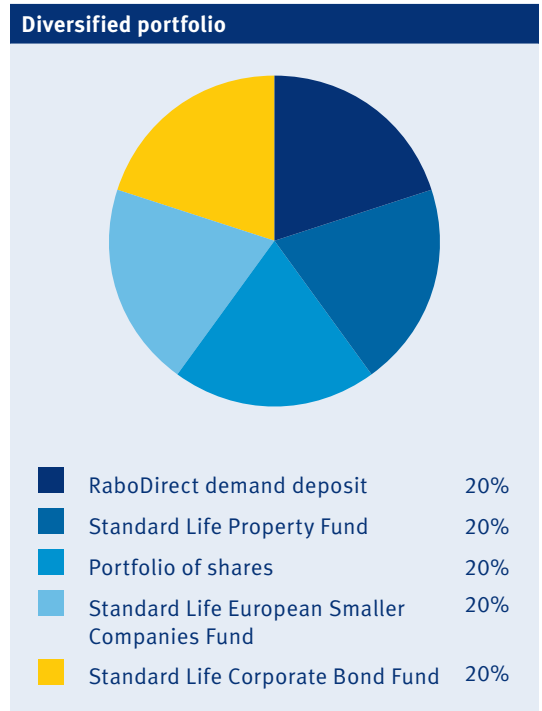
Our Synergy funds are all about choice. They give you a wide range of investment opportunities and you can choose from more than 30 funds.

With our self-directed options you can choose to invest in deposits, shares and direct property giving you the flexibility to select the right investment for you.

And...

You can combine all of this into a diversified portfolio.

Here's a sample:



**Ask the experts first.**  
This sample is not a recommendation. Because these investment options carry different levels of risk, we recommend that you talk to your financial adviser who'll be able to answer your questions and help decide what's right for you.



You can find more information in our Investment Options Guide (SYIO1).

# Why an ARF?

The main benefits of an ARF are that you can use it to take a retirement income when and how you want, and the remaining value of your investments will pass to your family after you've gone.

## You can choose an ARF if you have:

- ▶ a personal pension policy (retirement annuity contract)
- ▶ a Personal Retirement Savings Account
- ▶ additional voluntary contributions
- ▶ another ARF
- ▶ an occupational pension scheme, or
- ▶ an occupational pension scheme buy out bond

Even if you are eligible to invest in an ARF you may need to place a certain minimum amount in an approved minimum retirement fund (AMRF) or an annuity. An AMRF is a similar kind of investment to an ARF, but it includes a safety net required by the Government to make sure that you are provided for in your retirement. You should speak to your financial adviser for more information.

## Get 1% extra if you invest €100,000 or more

To invest in an ARF or an AMRF, the money must come from an approved pension product. You can make an initial investment of €10,000 or more into either product, and you can top up by €5,000 or more at any time.

## The maximum investment into an AMRF is

# €119,800

If you invest €100,000 or more in your Synergy ARF, we'll add an extra 1% to your original investment. If you make a top up which brings your total investment to €100,000 or more e.g. if you invested €80,000 at the outset, and later add a further €20,000, we'll add an extra 1% to that top up amount.

However, if you cash in your policy within ten years of investing, this extra 1% will be reclaimed.

**...and it's good to know that the entire value of your policy can be left to your family when you're gone**

# It's your money, so you can access it any time

Although the Synergy ARF is designed for long term investments, you have the peace of mind of knowing that you can take out all or part of your money. Withdrawals are taxed under the PAYE system and are subject to PRSI and Universal Social Charge. The minimum occasional withdrawal you can make is €900.

If you withdraw all or part of your money (other than taking an ARF regular withdrawal) within the first six years of your investment, there's an early encashment charge. After that, there is no encashment charge. You'll find more details in our Key Features Document (SYARFKF1).

## Taking a regular income

You can choose to take a regular income from the Synergy ARF in a couple of different ways:

- ▶ as a fixed amount before tax, up to 5% a year of your investment
- ▶ or as a percentage of your policy value before tax, up to 5% a year

There's no early encashment charge on regular income withdrawals and you can withdraw on a monthly, quarterly, half yearly or yearly basis. The minimum regular income you can take is €900 a year.

## Your money transfers to your estate

Because you own your fund, you can leave it to your dependants after you've gone. Your fund can be transferred to your spouse tax-free, or if you intend to transfer it to someone other than your spouse, income tax and/or Capital Acquisitions Tax may apply.

Withdrawals (regular income from an ARF or withdrawals from ARF and/or AMRF) are taxed under the PAYE system and are subject to PRSI and Universal Social Charge. If you don't make withdrawals each year, your ARF will be taxed as if you had.



### Remember

You can use your ARF or AMRF to purchase an annuity at any time.



For further information, please see the Key Features document (SYARFKF1).

# Information about Synergy Approved retirement funds

## 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](http://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

Approved retirement funds may not be suitable for everyone, so as part of your preparations for retirement and to ensure a retirement strategy that's right for you, it's essential to get professional advice from your financial adviser. Unlike an annuity, an ARF could run out of money if the assets you select perform poorly, and/or you live a long time and/or you've set your income level too high.

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 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](http://www.standardlife.ie)**