



# **Synergy Portfolio approved retirement funds**

## **Key features**

This is an important document.  
Please read it and keep for future reference.

When buying a financial product, it is important that you understand what the product is, how it works and what a decision to buy could mean for you.

Before choosing funds or products, you should consider the risks of the investment as well as the potential for growth. Standard Life recommends that you seek independent professional advice.



**The key features of the Synergy Portfolio Approved Retirement Fund (ARF) and Synergy Portfolio Approved Minimum Retirement Fund (AMRF) are described in this document, which you must read with the accompanying Personal Illustration and Investment Options guide (SYIO1).**

These documents give information required under Schedule 1 of the Life Assurance (Provision of Information) Regulations 2001.

### **Make sure the policy meets your needs!**

An ARF is a pension policy that only accepts lump sum investments. Its primary purpose is to provide a retirement income fund, using the pension fund from:

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

Your policy is linked to a mixture of assets. You pay a contribution to purchase the policy which gives you rights to receive death benefits or the cash-in-value if you cash-in some or all of the policy before then and the amount of money you receive will depend on the investment performance of the assets linked to the policy. The holdings and the linked assets are legally owned by Standard Life.

Taking out an ARF is a long term commitment and you should only enter into this contract if you are satisfied that it meets your needs and circumstances. An AMRF is an ARF with a Revenue restriction on withdrawals.

**WARNING: If you propose to take out this policy in complete or partial replacement of an existing policy, please take special care to satisfy yourself that this policy meets your needs. In particular, please make sure that you are aware of the financial consequences of replacing your existing policy. If you are in doubt about this, please consult your insurer or insurance intermediary.**

### **What happens if you want to cash in the policy early?**

You can cash in your ARF at any time. If you have an AMRF, by law, only the growth of your capital can be withdrawn before age 75. You can transfer the AMRF to another AMRF, or buy a retirement annuity at any time.

Encashment/transfer values, particularly in the early years of the policy, may be less than your original investment.

### **Extra 1% for investments of €100,000 or more**

If you invest €100,000 or more, we will add an extra 1% to your initial investment. Should you make an additional investment to your policy that brings your total investment to €100,000 or more, we will add an extra 1% to that additional investment. If you cash in units or assets within ten years of them being allocated, the value of that extra 1% will be reclaimed. This reclaim does not apply to any regular withdrawals you make, or if a claim is made on your death. Your Personal Illustration will show the portion of your allocation rate that is subject to this reclaim.

## What are the projected benefits under the policy?

Refer to your Personal Illustration for details.

**Warning: The figures in your Personal Illustration are estimates only. They are not a reliable guide to the future performance of this investment**

## What intermediary/sales remuneration is payable?

Refer to your Personal Illustration for details.

## Are returns guaranteed and can the premium be reviewed?

The figures in your Personal Illustration are only examples and are not guaranteed, they are not minimum or maximum amounts. You could get back more or less than the projected benefits. What you get back depends on a number of factors, including how your investments grow and any withdrawals you make.

## Can the policy be cancelled or amended by the insurer?

If you make withdrawals from your policy to such an extent that the value left would be less than €2,500, we can cancel your policy and pay you its value. We will monitor your policy and let you know if this is likely to happen and explain the choice you need to make at that time.

If it becomes impossible or impracticable to carry out any of the policy terms because of:

- ▶ a change in the law or other circumstances beyond our control,
- ▶ the tax treatment of Standard Life or this contract is altered,
- ▶ we have to pay a government levy, or
- ▶ the Revenue Commissioners remove their approval of the contract,

then we may alter the contract, but only as allowed by law. Before we alter your policy, we will send you a notice explaining the change and your options.

## Information on taxation issues

Investments into approved retirement funds do not qualify for any personal tax relief.

Any withdrawal you make is subject to PAYE income tax, PRSI and Universal Social Charge.

If you cash in your fund to buy a retirement annuity or invest in another approved retirement fund, there is no tax, PRSI, or Universal Social Charge liability on that transaction.

Tax legislation may change in the future.

On death, the tax assessment varies, depending on who benefits:

Beneficiary	Inheritance tax	Income tax
Child aged 21 or over	No	Yes – but only at standard rate
Child aged under 21	Yes	No
Spouse (direct)	No	Yes – treated as income paid to you during the tax year of your death
Spouse's ARF	No	No – but any subsequent withdrawal by your Spouse is subject to PAYE, PRSI and/or the Universal Social Charge on their income in the relevant tax year
Other	Yes	Yes

Tax legislation may change in the future.

## Additional information in relation to your policy

### The policy cash account

If you invest in any of the Self-Directed Options, a policy cash account will be set up within your policy to hold the money you pay to us in respect of these Self-Directed Options and from which payments are made and deductions are taken. The policy cash account is a bank account provided by a third party.

We may alter the provider of the policy cash account from time to time. Please contact your financial adviser or Standard Life should you wish to know the details of the policy cash account provider at any time.

We will not be liable for any loss suffered by you in the event that the provider of the policy cash account defaults. Please be aware that in the event of default of the policy cash account provider, you will not be eligible to make a claim to the Financial Services Compensation Scheme (because we are the account holder). This means that you bear the risk in the event of default of the policy cash account provider and if you have money in the policy cash account, should the provider of the account default, you will bear any loss from your policy.

### Deductions from the policy cash account

The following will be deducted from the policy cash account if applicable to your investments:

- ▶ Management charge
- ▶ Deposit Account Charge
- ▶ Discretionary, Advisory or Execution only Stockbroker Charges
- ▶ Renewal charge
- ▶ Regular withdrawals
- ▶ One off withdrawals or surrenders
- ▶ Any fixed regular charges
- ▶ Any initial administration fees

There may be other charges which will be deducted from the policy cash account. These charges will be dependent on your chosen Self-Directed Options.

It is possible you may be charged to operate the policy cash account. This may be because, for example, the policy cash account provider may charge us to operate the policy cash account. If an additional charge is payable by you we will give you as much notice as possible. We may not be able to give you one month notice if the policy cash account provider changes the terms without giving us sufficient notice.

Where you invest in Synergy funds, all charges and withdrawals will be applied by cancellation of units from those funds.

### Credits to the policy cash account

The following may be credited to the policy cash account if applicable to your investments:

- ▶ Interest and dividends
- ▶ Transfers of money from your Self-Directed Options or Synergy funds
- ▶ Interest payments on balances in the policy cash account

The interest rate payable on positive balances in the policy cash account is not guaranteed and can change. Depending on economic circumstances, it is possible that no interest will be payable on money held in the policy cash account.

To find out the current rate of interest on the policy cash account please contact your financial adviser or us.

### Maintaining the policy cash account

It is important to keep funds in the policy cash account to cover the costs of managing the investments held in the policy.

Your holding in the policy cash account can't fall below a minimum as set out by us. This minimum depends on which investment option you choose and the commission taken by your financial adviser. The relevant thresholds at any point in time are available by contacting us. If the holdings in the policy cash account falls below the minimum set by us, we may sell some of the holdings which make up your policy in order to bring the holding in the policy cash account up to the minimum level set by us.

## Risk

All investment choices are made at your own risk so it is important to seek appropriate financial advice. Standard Life is not responsible for the performance or solvency of the providers of the investments available through the Synergy product range. For example, Standard Life is not responsible for the performance or solvency of the stockbrokers accessed through our Self-Directed Options.

Note that some types of investment available through the Synergy product range are not covered by compensation schemes such as the Financial Services Compensation Scheme (FSCS) or the Irish Government's scheme to protect bank deposits.

Should you choose to invest in deposit accounts through our Self-Directed Options, we will not be liable for any loss suffered by you in the event that the provider of the deposit account defaults. Please be aware that in the event of default of the deposit account provider, you will not be eligible to make a claim to the Financial Services Compensation Scheme (because we are the account holder). This means that you bear the risk in the event of default of the deposit account provider and if you have money in a deposit account, should the provider of the account default, you will bear any resulting loss.

When you take out your policy, you decide on the proportion of your contribution to be invested in your choice of investments.

These proportions and the allocation rates are shown on your Personal Illustration. You can also switch your existing investments at any time.

**Warning: The value of your investment may go down as well as up**

## Charges

The charges that apply to your policy are outlined in your Personal Illustration.

Where your investment has received the extra 1% allocation rate, if you cash in units or assets within ten years of them being allocated, the value of that extra 1% will be reclaimed (see earlier section "What happens if you want to cash in the policy early?").

Switching between the Synergy funds is free for the first 12 switches in any 12 month period. Subsequent switches cost €60 each. These are our charges at August 2011. They may change in the future.

## Withdrawals

If you are 60 or over, you must make withdrawals from your ARF each year. In 2011, you must withdraw at least 5% of the value of your policy and each subsequent year.

If you don't make withdrawals of at least this amount during each year, in December, we will make a withdrawal and pay it into your account.

Regular income, occasional withdrawals or a full surrender can be requested at any time and will be deducted on the 6th day (or the next business day) of the month. A request must be received three working days before the 6<sup>th</sup> day of the month in order to be paid that month.

**Warning: The income you get from this investment may go down as well as up**

### **Occasional withdrawals**

The minimum occasional withdrawal is €900 (before taxes are deducted).

If you make withdrawals from your policy to such an extent that the value left would be less than €2,500, we can cancel your policy and pay you its value.

Occasional withdrawals can also be made from your AMRF, but, by law, withdrawals are restricted to the gains on your original investment, until you are 75 years of age or older.

See Page 2 for when an allocation rate reclaim applies.

### **Regular income withdrawals (ARF only)**

Regular income withdrawals can be made

- ▶ Monthly
- ▶ Quarterly
- ▶ Half-yearly
- ▶ Yearly

You can take a regular income as a fixed amount before tax (maximum 5% per annum of Portfolio ARF investment) or as a percentage of policy value before tax (maximum 5% per annum of policy value).

The minimum regular withdrawal (before tax) is €900 per annum.

Regular income withdrawals are not subject to the reclaim of any enhancement to the allocation rate.

If you choose to take fixed amount, you cannot switch to percentage of bond value regular withdrawals at a later stage or vice versa.

If you have invested in Synergy funds only, or in a combination of Synergy funds and Self-Directed Options, regular income withdrawals are taken from all of the Synergy funds in which you are invested, in proportion to the value of your holdings in the funds on the date of withdrawal.

If you have invested in one of our Self-Directed Options only, regular income withdrawals are taken from your policy's cash account.

### **Death benefit**

On your death, the full value of your fund is payable to your estate.

### **Your right of cancellation**

If you invest in an approved retirement fund and you change your mind about keeping it, you can simply cancel the policy within 30 days and a refund will be made to your originating pension provider or Qualifying Fund Manager.

If the asset values of your chosen funds have fallen between the time your investment was paid and your instruction to cancel is received, we will make a deduction to cover any fall in value.

### **Handling complaints**

If you have a complaint that relates to your financial adviser, please ask them about their own procedures and those of their regulatory body, (e.g. the Central Bank of Ireland).

Standard Life adheres to the Consumer Protection Code issued by the Central Bank of Ireland. If you have a complaint which relates to Standard Life please write to

Head of Customer Service,  
Standard Life, 90 St Stephen's Green, Dublin 2.

You can also lodge a complaint with the Financial Services Ombudsman.

These procedures do not prejudice your right to take legal proceedings.

## Data Protection Notice

All parties named on your application form have a right to know that Standard Life holds personal data about them and what purposes it will be used for. Please ensure they read this notice.

Personal data and information provided in connection with your application will be processed by Standard Life (and other companies within the Standard Life group) to set up and administer the policy. We will keep your personal data confidential, and will not disclose it to any third party unless it is lawful to do so or required by law to be disclosed. If your application does not proceed, your personal data will be held on our records for six years and then it will be deleted.

Your personal data will be held on our records for six years after you cease to be a policyholder and then it will be deleted.

If you have chosen a Self-Directed Option, we will pass relevant information to third parties for the purposes of administering your investment. You should be aware that they may use your personal data in accordance with their data protection notice.

If you have appointed a financial adviser, we will give them information about your policy and, where appropriate, send copies of correspondence to them to enable them to give you advice. You should be aware that your financial adviser (in addition to Standard Life) may retain and use your personal data in accordance with their data protection notice.

We regret that if you do not explicitly consent to the use of your personal data in accordance with this notice, we will be unable to process your application. You have the right to request a copy of the personal data we hold about you and the right to rectify that personal data by writing to Standard Life's Data Protection Coordinator. We may charge a fee for providing the information.

## General information

The Synergy Portfolio Approved Retirement Fund and the Synergy Portfolio Approved Minimum Retirement Fund are underwritten by Standard Life. Standard Life in Ireland is a branch of Standard Life Assurance Limited, whose Head Office is based in Scotland.

During the term of your policy, Standard Life will tell you if we change

- ▶ our name,
- ▶ our legal form,
- ▶ our main address, or
- ▶ your policy, which results in a significant change to the information contained in this document (with the exception of the taxation issues).

Each year, we will send you a statement detailing the value of your policy.

The ARF and AMRF are subject to the laws of Ireland and all references to tax and legislation are based on Standard Life's understanding of law and practice as at August 2011.

If you take out an ARF or an AMRF, the terms and conditions of your contract with us will be in your Policy Schedule and Policy Provisions. It is very important that you take the time to read these documents.

If you need more information, please ask your financial adviser.

## 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)**