

# Synergy approved retirement funds

## Key features

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

For new policies and top ups from 3 September 2018.

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



The key features of our Synergy approved retirement fund (ARF) and approved minimum retirement fund (AMRF) are described in this document, which must be read with

- **Your Personal Illustration**
- **Investment Options guide (SYIO1)**
- **Self-Directed Options guide (SYSDO1)**

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/single premiums. 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
- a defined contribution occupational pension scheme, or
- a defined contribution occupational pension scheme buy out bond.

To invest in an ARF you must have a guaranteed minimum pension in payment of at least €12,700 a year for life. If this minimum is not in place then €63,500 must be invested in an Approved Minimum Retirement Fund (AMRF) or be used to purchase an Annuity payable immediately. An AMRF is an ARF with a Revenue restriction on withdrawals. You may take one withdrawal of up to 4% of the value of your AMRF in each tax year. You cannot withdraw additional amounts from your AMRF until age 75 or meet the guaranteed minimum pension in payment for life. If either event happens the AMRF automatically becomes an ARF.

This ARF is designed to provide an income and you may have to make withdrawals each year. Refer to the Withdrawals section for more detail.

Your policy is linked to a mixture of assets. You pay a premium to purchase the policy which gives you rights to receive the policy proceeds or death benefits. The amount of money you get back will depend on the investment performance of the assets linked to the policy less charges and taxes applied. The assets linked to the policy 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. Standard Life recommends that the minimum investment period for this policy is five years.

**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 make a withdrawal or transfer your ARF at any time. If you have an AMRF, by law, you may only take one withdrawal of up to 4% of the value in each tax year. You can transfer the AMRF to another AMRF or buy an annuity at any time.

The value of your policy may be less than what you paid in especially in the early years.

#### Early encashment charge

If you make a withdrawal or transfer your policy before the third or fifth anniversary of the date your premium is allocated, this charge may apply depending on what you've agreed with your financial adviser. Any additional single premiums may also be subject to this charge, if you choose to transfer or surrender from your policy.

This charge does not apply in the following circumstances:

- exercising your right to cancel the policy in the cooling-off period (please refer to **Your right of cancellation**)
- on regular income withdrawals

- a claim on death
- switches
- if agreed with your financial adviser

The early encashment charge is:

Early encashment within		Charge* (as a % of value cashed in)
5 years	3 years	
Year 1		5%
Year 2		4%
Year 3	Year 1	3%
Year 4	Year 2	2%
Year 5	Year 3	1%

\*This charge applies on a first in first out basis.

### What are the projected benefits under the policy?

Please refer to your Personal Illustration for details.

### What intermediary/sales remuneration is payable?

Please 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 the investment performance of the assets linked to your policy less charges and taxes applied.

## 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 may change the terms of the policy (or issue another in its place) if;

the the Revenue amends or requires Standard Life to amend this policy; or

- it becomes impossible or impracticable to carry out any of the Policy provisions because of a change in the law or other circumstances beyond our control; or
- the tax rules have changed or are due to change; or
- we have to pay a government levy; or
- the type of assets which may be linked to the policy is varied with the effect that there may be a different range of assets which the holdings can be composed of.

Before we alter the policy, we will give you at least one month's notice explaining the change and your options.

You must provide any information or evidence which we need to set up and administer the policy. The policy may be ended if you withhold material information or make an incorrect statement in your application form.

## Information on taxation issues

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

If you transfer the policy proceeds to buy an annuity or invest in another approved retirement fund, there is no tax payable.

Any withdrawals made from your policy are treated as income and taxed under the PAYE system.

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

Beneficiary	Inheritance tax	Income tax
Child aged 21 or over	No	Yes – 30%
Child aged under 21	Yes	No
Spouse/Civil partner (direct)	No	Yes, treated as income paid to you during the year of your death and taxed under the PAYE system
Spouse/Civil Partner's ARF	No	No, but subsequent withdrawals by your spouse/Civil Partner's are treated as income paid to them and taxed under the PAYE system
Other	Yes	Yes



Tax rules may change in the future.

## Additional information in relation to your policy

You can invest in a choice of:

- Funds, or
- Self-Directed Options, or
- a combination of the above

Please refer to your Investment Options guide (SYIO1) and Self-Directed Options Guide (SYSDO1) for more information.

If you only invest in Funds, all charges and withdrawals will be made from those funds.

If you choose to invest in a Self-Directed Option, a policy cash account will be set up to manage the charges, investment transactions and withdrawals.

## The policy cash account

If you invest in a Self-Directed Option, a policy cash account will be set up within your policy to facilitate your Self-Directed Options and from which payments are credited and deducted.

The policy cash account is a deposit 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.

### **Deductions from the policy cash account**

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

- Switches between investment options
- Policy Cash Account management charge
- Deposit management charge
- Execution only Stock-broking management charge
- Property set up charge
- Property renewal charge
- Property sale charge
- Third party property charges
- Allocation rate charge
- Fund based charge
- Withdrawals
- Early encashment charge
- Switch charge

Please refer to your Personal Illustration and the Self Directed Options Guide (SYSDO1) for more information on these charges.

### **Credits to the policy cash account**

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

- Switches between investment options
- Rental Income
- Annual management charge rebate
- Interest payments on balances in the policy cash account
- Interest payments on balances on deposits

The interest rate payable on balances in the policy cash account is variable. Depending on economic circumstances, it is possible that interest may not be payable on money held in the policy cash account.

It is also possible that instead of interest being payable you may be charged to operate the policy cash account. This may be because, for example, the policy cash account provider may charge Standard Life 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 Standard Life sufficient notice.

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

### **Maintaining the policy cash account**

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

There is a minimum balance set by Standard Life to be held in the policy cash account. It depends on which investment option you choose, regular income withdrawals and the commission you have agreed with your financial adviser. The relevant minimum balance required at any time is available by contacting Standard Life.

If the policy cash account falls below the minimum set by Standard Life, we will contact you requesting you to pay additional premiums; failing this we may sell some of the assets of your policy in order to bring the policy cash account up to the minimum balance set by Standard Life.

### **Risks**

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 providers of the investments available through the policy.

Should you invest in a Self-Directed Option, or have money in the policy cash account, we will not be liable for any loss suffered by you in the event that a provider defaults. This means that you bear the risk in the event of default of a provider of the Self-Directed Options or the policy cash account.

External investment managers are responsible for the management of Funds, including what they invest in. This means that Standard Life is not responsible for the performance of these Funds, or the solvency of the external investment manager.

In order to maintain fairness between those remaining in and those leaving a Fund, we may in exceptional circumstances,

- change the pricing basis of a fund to reflect cashflows in and out. If it's a property based fund, due to the high transaction charges associated with the assets, this can result in a significant movement of the fund price
- we may also wait before we carry out your request to switch your funds, transfer or cash in your policy. This delay could be for up to a month. But for some funds, the delay could be longer, for example, if it's a property based fund, it may be up to 12 months because property and land can take longer to sell

- If we have to delay switching, transferring or cashing in, we'll use the fund prices on the day the transaction takes place – these prices could be very different from the prices on the day you made the request.

The value of investments linked to this policy may be affected by fluctuations in interest rates, exchange rates and/or economic and political situations.

### Premiums and switching

At the start of your policy, you decide on the proportion of each premium to be invested in your choice of investments.

These proportions and the allocation rate are shown on your Personal Illustration. You can change your existing investments at any time.

See the Investment Options guide (SYIO1) for more information on your investment choices.

This policy only accepts single premium payments. You can add further single premiums subject to our minimum levels. For details of the minimums, please contact your financial adviser or Standard Life.

Premiums must be paid by cheque or by credit transfer.

### Charges

The charges that apply to your policy are outlined in your Personal Illustration. For the charges that may apply to Self Directed Options, please see the Self Directed Options Guide (SYSDO1).

Switching between assets is free for the first 12 switches in any 12 month period. Currently, each subsequent switch within the same period costs €60.

If you choose to make an occasional withdrawal or transfer your policy there may be a charge. Please see **'What happens if you want to cash in the policy early or stop paying premiums?'** for more information.

If you invest in Funds, an Annual Management Charge will be deducted each day before the fund price is calculated. See the Investment Options Guide (SYIO1) for the charge that applies.

We may also deduct charges based on the type of commission you have agreed with your financial adviser:

- An allocation rate charge may apply
- A fund based charge may be payable.

These charges are shown in your Personal Illustration.

These are our charges as at August 2018. We regularly review our charges and sometimes we need to increase them to reflect changes in our overall costs or assumptions. Any increase will be fair and reasonable and we will notify you of such changes.

### Annual management charge rebate

This rebate applies to Funds and Self Directed Options and the policy cash account.

### Withdrawals

You can request a withdrawal at any time and it 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 6th day of the month in order to be paid that month.

Withdrawals can also be made from your AMRF but, by law, you may only take one withdrawal of up to 4% of the value in each tax year.

Withdrawals will only be paid to your own or your jointly owned personal bank account, and may take up to 5 working days to reach your account.

You must withdraw a percentage of your policy based on its value (as at 30 November), the percentage is:

- 4%, if you are 60 years of age or over for the full tax year, or
- 5%, if you are 70 years of age or over for the full tax year, or
- 6%, if you have combined ARF and vested PRSA assets of €2 million or more, and are aged 60 or over for the full tax 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 bank account.

See the **'Information on taxation issues'** section for information on taxation of withdrawals.

### 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.

Please refer to the earlier section **'What happens if you want to cash in the policy early or stop paying premiums?'** to see when an early encashment charge and/or an allocation rate reclaim applies.

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

You can take a regular income either as a fixed amount after tax (maximum 10% per annum of investment), or as a percentage of your policy value before tax (maximum 10% per annum of value).

Regular income can be paid monthly, quarterly, half-yearly or yearly. The minimum income you can withdraw is €900 per annum.

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

If you have invested in the Self-Directed Options only, regular income withdrawals are taken from your policy cash account.

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

### **Death benefit**

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

### **Your right of cancellation**

If you take out a Synergy approved retirement fund and you change your mind about keeping it, you can cancel the policy within 30 days from when you get your policy schedule and statement of reasonable projection. A refund will be made to your originating pension provider or Qualifying Fund Manager.

If the value of the assets linked to it has fallen between the time your premium was invested and your instructions to cancel are received, there will be a deduction to cover this fall in value. If applicable, the deposit or stockbroking provider may also deduct their early withdrawal charge or dealing charge before we refund any payment. Any property related charges will also be deducted, if applicable.

### **Handling complaints**

If you have a complaint please write to the Operations Director, Standard Life, 90 St Stephen's Green, Dublin 2. If you want information on our complaint handling procedure, please ask us.

If you aren't satisfied with our reply, you can refer your complaint to the Financial Services and Pensions Ombudsman. This won't affect your legal rights.

### **Data Protection Notice - Using your personal information**

We will collect and use personal information about you such as your name, date of birth and address in order to provide this product or service and manage our relationship with you. It may be necessary as part of this product or service to collect and use personal information which is defined as 'sensitive' by data protection law. Any sensitive personal information will only be collected and used where it's needed to provide the product or service you have requested or to comply with our legal and regulatory obligations and where we have obtained your explicit consent to process such information.

To provide this product or service and meet our legal and regulatory obligations, we will keep your personal information and copies of records we create (for example, phone calls with us) while you are a customer of ours. Even when you no longer have a relationship with us, we are required to keep information for different legal and regulatory reasons. The length of time will vary and we regularly review our retention periods to make sure they comply with all laws and regulations.

The information collected may be shared with other parts of the Phoenix Group and other companies we work with to support us in the provision of the product or service you have with us. We may also share your information with our regulators (for example, the Central Bank of Ireland), the Revenue Commissioners, your financial adviser, and for applicable products and services, your employer where necessary and lawful to do so. Whenever we share your personal information, we will do so in line with our obligations to keep your information safe and secure.



The majority of your information is processed in Ireland and European Economic Area (EEA). However, some of your information may be processed by us or the third parties we work with outside of the EEA, including countries such as the United States. Where your information is being processed outside of the EEA, we take additional steps to ensure that your information is protected to at least an equivalent level as would be applied by EEA data privacy laws, for example, we will put in place legal agreements with our third party suppliers and do regular checks to ensure they meet these obligations.

For more information on how Standard Life International dac or Standard Life Assurance Limited (Irish branch) process your personal information and what your rights are, please read our Privacy Policy at [www.standardlife.ie/privacy](http://www.standardlife.ie/privacy) or write to the Data Protection Officer, Standard Life, 90 St Stephen's Green, Dublin 2.

We may make changes to this notice. If we do, we will update our Privacy Policy on [www.standardlife.ie/privacy](http://www.standardlife.ie/privacy)

### General information

The Synergy approved retirement funds are underwritten by Standard Life Assurance Limited in Ireland, a branch of Standard Life Assurance Limited, whose Head Office is based in Scotland.

Standard Life Assurance Limited is owned by the Phoenix Group and uses the Standard Life brand under licence from the Standard Life Aberdeen Group. You can find out more information about Standard Life Aberdeen plc's strategic partnership with Phoenix at [www.standardlife.com/partnership](http://www.standardlife.com/partnership)

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, (with the exception of taxation issues, please refer to the earlier section '**Information on Taxation issues**').

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

The Synergy approved retirement funds are subject to the laws of Ireland. This Key Features document aims to give you information on the main features, benefits and risks of the Synergy approved retirement funds. The Terms and conditions of your policy will be contained in your policy schedule, policy provisions (SYARF60) and statement of reasonable projection, which you will receive when the policy is set up.

Laws and tax rules may change in the future. The information here is based on our understanding in August 2018. Your personal circumstances also have an impact on tax treatment.

# Find out more

Talk to your financial adviser about how to plan for your future, they'll give you the information you need to get you started. Also, you can call us or visit our website.

## Call us on (01) 639 7000

Mon-Fri, 9am to 5pm. Calls may be monitored and/or recorded to protect both you and us and help with our training. Call charges will vary.

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

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