

**Standard Life**  
There's a lot to look forward to

# Your Pension. Your Way.

A guide to planning your  
pension on your terms



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# Introduction

In another life, I'd prefer to live:

- a) in a cottage tucked away on the Wild Atlantic Way**
- b) on a boat docked somewhere along the Adriatic Coast**
- c) in an apartment in Downtown Manhattan**

It's questions like this that can lead many of us to contemplate a Second Life. A life lived on our terms.

Whether you're three or thirty years from retirement, it's never too early or too late to start planning for your life after the current 9 to 5. Today's retirees can look forward to enjoying two to three decades of life after work. That's a lot to look forward to!

Making simple choices today can help you plan for the life you want to live in retirement, like choosing a trusted financial adviser to help you get started. They can help you make the best decisions for you and your pension.



# The basics

## **What's a pension?**

A pension is a tax efficient way to save long term so that you can fund the life you want in retirement.

## **Why is it tax efficient?**

You can avail of tax relief on the contributions you make to your pension (subject to Revenue limits), so your pension doesn't cost as much as you think.

Your contributions grow tax free, and when you do retire, you can take a tax-free lump sum (subject to Revenue limits).

## **Do I really need one?**

The great news is that our generation is generally healthier and fitter than those gone before us. Today's retirees can look forward to enjoying two to three decades of life after work. But, with that comes great responsibility.

You might be entitled to a State pension, but that's unlikely to be enough to fund your Second Life, a life in retirement in which you can thrive. It's responsible and smart to plan ahead for your retirement – a pension is a good place to start.



### How does it work?

It's simple really. Once you start a pension, you can choose to contribute a portion of your earnings each month, each year or whenever you like.

You can claim tax relief on your contributions. Your age, employment status, salary and the amount you contribute will factor in to just how much tax relief you can get.

For example, let's say your gross income is currently taxed at 40%, then you may be entitled to 40% tax relief on your contributions. So for every €100 saved to your pension, the actual cost to you could be just €60.



Or, if you're currently paying tax at a rate of 20%, then for every contribution of €100, the actual cost to you could be just €80.

The more you choose to contribute, the more tax relief you can get, within Revenue age and earnings limits. Check the table to see what percentage of your earnings qualify for tax relief.

Your age now	% of your net relevant earnings*
Under 30	15%
30 to 39	20%
40 to 49	25%
50 to 54	30%
55 to 59	35%
60 and over	40%

\*For the 2019 tax year, the net relevant earnings are subject to a ceiling of €115,000 for the purpose of calculating tax relief. These percentage limits represent a total figure, including any contributions you may be making to other pension arrangements.

So the sooner you start to save, and the more you choose to save, the more you have to look forward to.

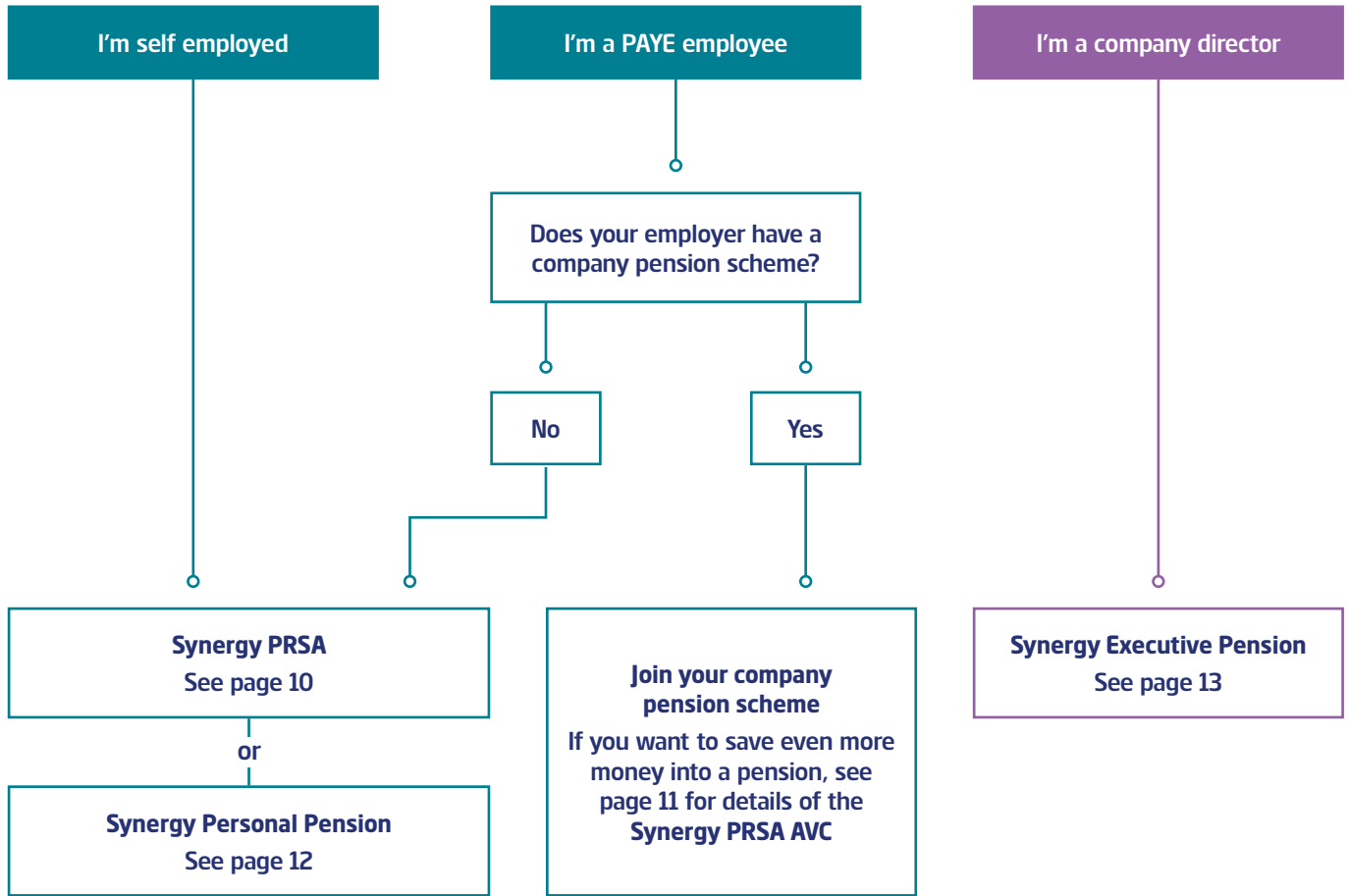
Laws and tax rules may change in the future. The information here is based on our understanding of current Revenue rules and regulations in February 2019.

# Choosing your pension

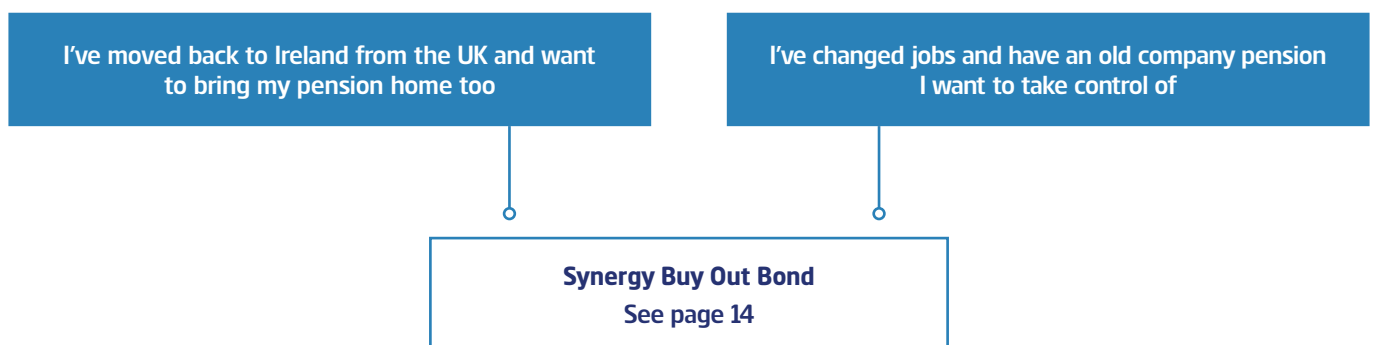


There's a range of options available when it comes to choosing a pension. Though it might seem daunting, it just takes a few simple questions, to start you on the right path.

## 1. Let's start with your employment status:



## 2. Has anything changed recently?









# Life is full of choices

Together with your financial adviser, we're here to support you with the choices you can make now to help you get the most out of your life savings.

Over the next few pages, we'll help you understand the pensions available to you.

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# Synergy Personal Retirement Savings Account (PRSA)

## What's a PRSA?

A PRSA is a flexible way to save for your retirement that allows you to choose where your money is invested. Both you and your employer (if applicable) can contribute. As you move through your working life, your PRSA moves with you so that you can keep track of your investment. You can:

- make single, monthly or yearly contributions
- stop, restart and change your contributions at any time that suits you
- get tax relief on your contributions
- contribute from €25 per month – a minimum €300 in each policy year.

## Who is this for?

Anyone can take out a PRSA regardless of their employment situation. It may suit you if you are

- self-employed or
- if your employer doesn't have a company pension scheme.

## I have another pension. Can I transfer it into this one?

Yes from personal pensions and PRSAs. Also from company pension schemes if you have pensionable service of 15 years or less.

## What can I invest my Synergy PRSA in

Funds	✓
Deposits	✓
Execution-only stockbroking	✓ Company shares, government and corporate bonds only

## What are my options at retirement?

It's your decision how you take your money at retirement. You can take a cash lump sum and with the balance, subject to Revenue rules you can:

- buy a guaranteed pension income for life (an annuity), or
- invest in an Approved (Minimum) Retirement Fund, or
- take taxable cash, or
- choose a combination of these options.

With an annuity, if your income is just for your own lifetime, the money you used to buy the annuity will not be available to your family when you're gone.

With an approved retirement fund, you can keep control of your retirement fund and enjoy much wider investment choice, while having greater freedom to withdraw some of your retirement fund when you need to.

As a general rule, you need to be between 60 and 75 years to take your pension benefits, but in certain circumstances it could be lower. Make sure you get financial advice when you are retiring.

## Death benefit

On your death, we will pay the value of your Synergy PRSA to your estate. Depending on who you leave it to, different taxes may apply.

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

**Warning: If you invest in a pension you will not have access to your money until you retire.**

**Warning: If you invest in a pension you may lose some or all of the money you invest.**

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

# Boost your pension savings with a Synergy PRSA AVC

## What's a PRSA AVC?

An Additional Voluntary Contribution (AVC) is an extra payment you can make on top of the payments into your existing company pension and another way to save even more for your retirement fund.

- If you have a company pension scheme, your employer may also be able to facilitate AVC payments through your salary.

Alternatively, you can set up your own Synergy PRSA AVC. You can pay your AVCs from your bank account or through your employer.

- You can claim tax relief on your AVCs. So if you have extra cash, such as a bonus, using it as an AVC can increase the size of your overall pension pot and will help towards providing extra benefits in retirement.

## Who is this for?

This is for an employee who is in a company pension scheme who would like to make additional savings into a pension.

## What can I invest my Synergy PRSA AVC in?

Funds	✓
Deposits	✓
Execution-only stockbroking	✓
Company shares, government and corporate bonds only	

## What are my options at retirement?

It's your decision how you take your money at retirement. You can take a cash lump sum and with the balance, subject to Revenue rules you can:

- buy a guaranteed pension income for life (an annuity), or
- invest in an Approved (Minimum) Retirement Fund, or
- take taxable cash, or
- choose a combination of these options.

With an annuity, if your income is just for your own lifetime, the money you used to buy the annuity will not be available to your family when you're gone.

With an approved retirement fund, you can keep control of your retirement fund and enjoy much wider investment choice, while having greater freedom to withdraw some of your retirement fund when you need to.

As a general rule, you need to be between 60 and 75 years to take your pension benefits, but in certain circumstances it could be lower. Make sure you get financial advice when you are retiring.

## Death benefit

On your death, we will pay the value of your Synergy PRSA AVC to your estate. Depending on who you leave it to, different taxes will apply.

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# Synergy Personal Pension

## What's a personal pension?

A personal pension is a flexible way to save for your retirement that allows you to choose where your money is invested. You can:

- make single, monthly or yearly contributions
- stop, restart and change your contributions at any time that suits you
- get tax relief on your contributions
- contribute from €175 per month.

## Who is this for?

It's a retirement plan for individuals. It may suit you if you are self-employed.

## I have another pension.

### Can I transfer it into this one?

Yes you can, if it's another personal pension.

## What can I invest my Synergy Personal Pension in?

Funds	✓
Deposits	✓
Buy-to-let residential property	✓
Execution-only stockbroking	✓

## What are my options at retirement?

It's your decision how you take your money at retirement. You can take a cash lump sum and with the balance, subject to Revenue rules you can:

- buy a guaranteed pension income for life (an annuity), or
- invest in an Approved (Minimum) Retirement Fund, or
- take taxable cash, or
- choose a combination of these options.

With an annuity, if your income is just for your own lifetime, the money you used to buy the annuity will not be available to your family when you're gone.

With an approved retirement fund, you can keep control of your retirement fund and enjoy much wider investment choice, while having greater freedom to withdraw some of your retirement fund when you need to.

As a general rule, you need to be between 60 and 75 years to take your pension benefits, but in certain circumstances it could be lower. Make sure you get financial advice when you are retiring.

## Death benefit

On your death, we will pay the value of your Synergy Personal Pension to your estate. Depending on who you leave it to, different taxes may apply.

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**Warning: If you invest in a pension you will not have access to your money until you retire.**

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# Synergy Executive Pension

## What's an executive pension?

An executive pension is a company pension policy set up by an employer to save for a key employee's retirement.

- both you and your employer can make pension contributions
- any contributions you or your company make (within Revenue limits) qualify for tax relief
- stop, restart and change your contributions at any time that suits you
- you can contribute from €175 per month.

## Who is this for?

An executive pension can be set up for company directors or key employees of a company.

## I have another pension, can I transfer it into this one?

Yes, from PRSAs, PRSA AVCs, buy out bonds and other company pension schemes.

## What can I invest my Synergy Executive Pension in?

Funds	✓
Deposits	✓
Execution-only stockbroking	✓

## What are my options at retirement?

It's your decision how you take your money at retirement. You can take a cash lump sum and with the balance, subject to Revenue rules, you can:

- buy a guaranteed pension income for life (an annuity), or
- invest in an Approved (Minimum) Retirement Fund, or
- take taxable cash, or
- choose a combination of these options.

With an annuity, if your income is just for your own lifetime the money you used to buy the annuity will not be available to your family when you're gone.

With an approved retirement fund, you can keep control of your retirement fund and enjoy much wider investment choice while having greater freedom to withdraw some of your retirement fund when you need to.

As a general rule, you need to be between 60 and 70 to take your pension benefits, but in certain circumstances it could be lower. Make sure you get financial advice when you are retiring.

## Death benefit

On your death, the trustees will pay out the benefits of your Synergy Executive Pension in line with the pension scheme and Revenue rules.

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# Synergy Buy Out Bond

## What's a Buy Out Bond?

A buy out bond (also known as a personal retirement bond) is a policy that is used as a new 'home' for certain types of old pensions. Transferring a pension (say from a previous employer) into a buy out bond gives you more control over how and where your money is invested.

You can:

- transfer €5,000 or more
- take full control over your investment
- get access to your retirement fund from age 50.

## Who is this for?

You can transfer your pension to a buy out bond if you have one of the following:

- a previous employer's pension scheme
- your current employer's pension scheme if it's being wound up
- a UK pension and you're now living in Ireland.

## I have another pension.

### Can I transfer it into this one?

Yes, that is what a buy out bond is for. You can transfer a pension from a company scheme (on the basis that you have left service or the company scheme has been wound up) or another buy out bond. If you've moved back to Ireland from the UK and want to bring your pension home too, talk to your financial adviser.

## What can I invest my Synergy Buy Out Bond in?

Funds	✓
Deposits	✓
Buy-to-let residential property	✓ Not available on pensions transferred from the UK
Execution-only stockbroking	✓

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## What are my options at retirement?

It's your decision how you take your money at retirement. You can take a cash lump sum and with the balance, subject to Revenue rules, you can:

- buy a guaranteed pension income for life (an annuity), or
- invest in an Approved (Minimum) Retirement Fund, or
- take taxable cash, or
- choose a combination of these options.

With an annuity, if your income is just for your own lifetime the money you used to buy the annuity will not be available to your family when you're gone.

With an approved retirement fund, you can keep control of your retirement fund and enjoy much wider investment choice while having greater freedom to withdraw some of your retirement fund when you need to.

You may be able to access your buy out bond from age 50 if it's not related to your current employment. Make sure you get financial advice when you are retiring.

## Death benefit

On your death we will pay the value of your Synergy Buy Out Bond to your estate. Depending on who you leave it to, different taxes may apply.

# You decide how your money is invested

Paying into a pension is a long-term investment so it's important to know that you have choice and flexibility.

- You can top up your pension, stop, restart and change your contributions at any time if you need to.
- You have a number of investment options and you can switch your investment choices when your needs change.

With Standard Life you get many investment choices so you can be as adventurous or as conservative as you like. To see the range of investment options you can choose for your pension, you can:

- Talk to your financial adviser – because these investment options carry different levels of risk we would always recommend you do this
- Visit the fund centre at [www.standardlife.ie/funds](http://www.standardlife.ie/funds)
- Request a copy of Your Investment Options guide.

## Nearer retirement

As you move closer to retirement it's important to talk to your financial adviser about how to access your money and the best way to use your pension pot. Read more about planning for retirement in our guide *Your Second Life. Your Way.*

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# Start planning your Second Life this second

Now that you have an understanding of the pension options available to you, a qualified financial adviser can help you make the choice that's best for your future. Talk to your financial adviser today.

# Why Standard Life?

## There's a lot to look forward to

Standard Life is a life savings company. That means we provide pensions, retirement solutions, savings, investments and funds for each stage of your life journey.

We've been working in partnership with financial advisers helping people plan and enjoy their futures for more than 180 years in Ireland.

Operating internationally, our team of 400 people in Ireland delivers products and services to support customers and advisers.

## It's all about choice

We work with our strategic partners in Aberdeen Standard Investments, as well as other carefully selected fund managers, to offer you a choice of investment funds to suit your needs. We also give you options that allow you to invest in deposits, exchange traded funds and buy-to-let residential property.

## We're here to help

Our customer service team is only a phone call away on (01) 639 7000.





# 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.**

**(01) 639 7000**

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

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