

Personal Retirement Savings Account

Policy holder guide

Helping people build
better futures



Irish Experience. Global Strength.



Irish Life is one of Ireland's leading financial services companies with over 1 million customers. For over 75 years, we've been helping people in Ireland look after their pensions, investments and life insurance. So when we say 'We know Irish life. We are Irish Life', we mean it.

And because we look after close to 4,000 company pension plans, we know Irish businesses too.*

- > Irish Life Investment Managers have €103.8bn of assets under management.*
- > We manage pensions for 9 of the 10 biggest Irish companies and 8 of the 10 biggest US companies based in Ireland.*

*Source: Irish Life Investment Managers, 2022.



Irish Life is part of Great-West Lifeco group of companies, a global leader in financial services. This means we have access to experience and expertise on a global scale, to bring you the best mix of local knowledge and international experience.

Solvency and Financial Condition Report

Irish Life's current Solvency and Financial Condition Report is available on our website at

www.irishlifeemployersolutions.ie/about-us

Data Privacy Notice

The Irish Life Data Privacy Notice is always available on our website at <https://www.irishlife.ie/ila-privacy-notice/> or you can ask us for a copy.

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Introduction | 1

Introduction

This member guide explains your Personal Retirement Savings Account (PRSA) in short and simple terms.

What is a pension plan?

A pension plan is an arrangement which is established to provide an individual with an income when they are no longer earning a regular income from employment i.e. when the individual retires.

A pension plan is one of the most valuable benefits you are likely to have in your lifetime.



The importance of a pension plan

Have you ever wondered what you might do when you stop working? Let's face it we all have! The reality is however that the majority of us will need to save a significant amount just to maintain our existing standard of living in retirement.

With advances in modern medicine and improved standards of living, people are generally living longer and can look forward to 20 or 30 years in retirement. This is a long time in which to enjoy the finer aspects of life. Work priorities can be replaced with relaxing,

enjoying new hobbies and spending more time with family and friends. Whatever your goals, one thing is for certain, you will wish to maintain the standard of living that you enjoyed while you were working.

Nobody wants to feel restricted or impoverished in retirement but this may be the reality for many people if they do not take the time and make an effort to adequately plan for their retirement.

The importance of adequate retirement benefits

When you start saving to a Personal Retirement Savings Account (PRSA), it's important that you take the time to understand the level of retirement benefits which are likely to become available to you and your dependants under your PRSA plan. The reality is that although some expenses may decrease in retirement others, such as electricity bills, heating bills and medical expenses, may actually increase as you get older.

Only you can decide exactly how much money you will need during retirement. Chances are that you will need more than you think if you want to maintain your current lifestyle.



Ask yourself what percentage of your current salary you would need to live comfortably in retirement?

Everyone wants to enjoy a financially secure retirement, so it is important that you begin planning for it now. When you start preparing as early as possible, you'll find it easier to build up a fund that can provide you with the type of lifestyle you are looking forward to enjoying in retirement.

If you are in your 20s or 30s, the easiest way to establish your PRSA is to start small and build your fund gradually. So, whenever you get a pay rise, commit to putting part of the increase into your PRSA, before you get used to spending it.

If you are in your 40s or 50s when you begin saving into your PRSA, you will naturally have more ground to make up, so you should commit yourself to saving a higher amount.

Warning: If you invest in this product you will not have access to your money before you reach age 60 or until you retire.



PRSAs explained | 2

PRSAs explained

What is a personal retirement savings account?

A Personal Retirement Savings Account (PRSA) is a type of pension plan which offers flexibility, convenience and value for money. Employees can make monthly savings and they are also free to make once-off contributions which go towards their Standard PRSA Plan (Revenue limits apply. See section 5 for details).



A PRSA plan is a contract between an individual and an authorised PRSA provider in the form of an investment account. This contract is provided through a policy with Irish Life Assurance plc who is an authorised PRSA provider.

How does a PRSA work?

A PRSA pension plan allows you to save into your Irish Life Standard PRSA plan for retirement with monthly or once-off contributions. Your PRSA can also be invested in whatever investment fund you choose from the available funds. Tax relief may be available on contributions and is not automatically guaranteed. Any tax relief you may qualify for will be subject to Revenue Limits (see Section 5).

The funds built up will become available when you retire or when you reach age 60.

The aim of a PRSA is to provide you with a pension fund at retirement. From this fund, you have a number of choices in terms of what form of retirement benefits you take. These benefits can be taken in the same way as a personal pension plan.

Please see Section 7 of this booklet for more details.

Standard PRSAs offer a more flexible type of retirement provision for people who want a flexible way to save for their future.

Who can take out a PRSA?

Anyone can take out a PRSA!

Further details of the terms and conditions and investment product information in respect of Irish Life PRSAs can be viewed at



<https://www.irishlifeemployersolutions.ie/consumer-protection-code> and decide exactly how much money you will need during retirement. Chances are that you will need more than you think if you want to maintain your current lifestyle.



Contributions | 3

Contributions

How are my contributions invested?

Contributions which are paid into your PRSA are invested in what is called a 'fund'.

The purpose of this fund is to ensure that the money has an opportunity to accumulate growth – usually called an investment return.

The fund when you come to retirement, subject to economic conditions, should therefore be larger than just the sum of the contributions paid into the fund i.e. the fund is then made up of the total amount of contributions plus the investment growth (less any applicable charges).

Contributions can be made by deduction from your wages or salary by the company payroll. They are very flexible and can be fixed or varied and can stop and start without any penalty.

The minimum annual contribution to a PRSA is €300. There is also a salary cap of €115,000 p.a. for tax relief purposes on contributions (December 2022). The entitlement to tax relief is not automatically guaranteed.



What should I consider when deciding on my investment options?

There are a few essential issues that you should consider when deciding on your investment options:

- > How much time do you have to save and invest before retirement?
- > How much risk are you comfortable with?
- > How much money will you need when you retire?
- > What combination of benefits are you going to take when you reach retirement?

Over the years you will have invested a large amount of money into your PRSA therefore it makes sense to understand what your investment options are and make informed choices which will bring you increased financial benefits when you reach retirement.



Irish Life offers a wide range of funds, ranging from straightforward cash funds (low risk funds) to equity funds (high risk funds) which are effectively invested in shares in the stock market. They are called high risk because, unlike a secure cash fund, these markets

are unpredictable – they can offer very high returns but they can also give you a return less than the amount you invested, if the stocks do not perform well.

Factors which influence the size of your retirement fund

1	The amount contributed to your PRSA fund each month. The bigger the contributions, the bigger the pension is expected to be.
2	The performance of the investment fund in which your PRSA is invested.
3	The length of time the investment has to grow before retirement.
4	The PRSA charges.

Obviously the more you contribute to your PRSA, the bigger the fund is likely to be, but choosing the right investment fund to suit your situation and appetite for risk will help you get the optimum return on your investment.

What are my investment options?

Equities

Equities are also known as company shares. There are varying levels of risk and possible return associated with different company shares depending on factors such as, the company's expected performance, the economy's expected performance, the industry's expected performance, etc.

The higher the level of risk associated with a share or an industry sector etc, the higher the potential gain or loss on the investment.

With a low risk share the return is also expected to be lower, as potentially, there is more certainty involved in investing into it.

Gilds or Bonds

These are loans to governments or large companies which are generally available for a specified length of time and associated with a specified rate of return. The amount of risk attached is therefore lower than with shares. However, they can fall in value if interest rates rise.

Property

Pension funds can invest in offices and commercial property. The risks and return can vary depending on the rent gained on the property and the appreciation or depreciation of the underlying asset.

Property assets may not be as liquid as equities. For example, it is not as easy to buy and sell property as it is to trade in and out of the other assets.

Cash

Leaving funds in cash deposit form is very low risk but the return is also low due to the high level of certainty involved and low interest rates. The potential downside here is that returns could be so low that the value of the money is eroded by inflation over a period of time.

What is the Fund Manager's role?

The fund manager's job is to collect different combinations of assets into a fund in order to offer different levels of potential risk and return to pension investors. The overall fund is divided into units. The price of the units reflect the value of the assets in the fund.

This is known as a unit-linked fund. As a result members don't have to choose specific shares to invest in. Investing in a range of assets helps spread the risk so that investors are not over-exposed to fluctuations in individual shares.

Allowing all PRSA holders to pool their contributions into one fund provides certain advantages. It means that members will receive better value. For example, the fund will pay lower charges for purchasing shares than if each individual member had to purchase shares in their own name.

What investment funds are available to me?

Investment funds

One of the first decisions that you will need to make is whether to invest your PRSA contributions in an actively managed fund or an indexed/passively managed fund.

Active fund management

Actively managed funds will contain both market risk and fund manager risk. Market risk is present because the fund is invested in equities and there is also a level of manager risk due to the fact that the fund manager makes all of the investment decisions. Therefore, the level of risk associated with actively managed funds is generally higher than indexed/passively managed funds.

This also means that the level of expected returns or losses may be greater. There is the potential for higher returns but there is also more potential risk associated with the returns over time.

Indexed fund management

To avoid the risk of choosing a fund manager whose funds perform below the rest of the market, pension funds can be invested in indexed managed funds (also called passively managed funds).

With indexed managed funds, the fund manager does not choose which shares to invest in. Instead the fund manager replicates the returns of a particular benchmark index by investing in shares in the same proportion as they are contained within the index. This means

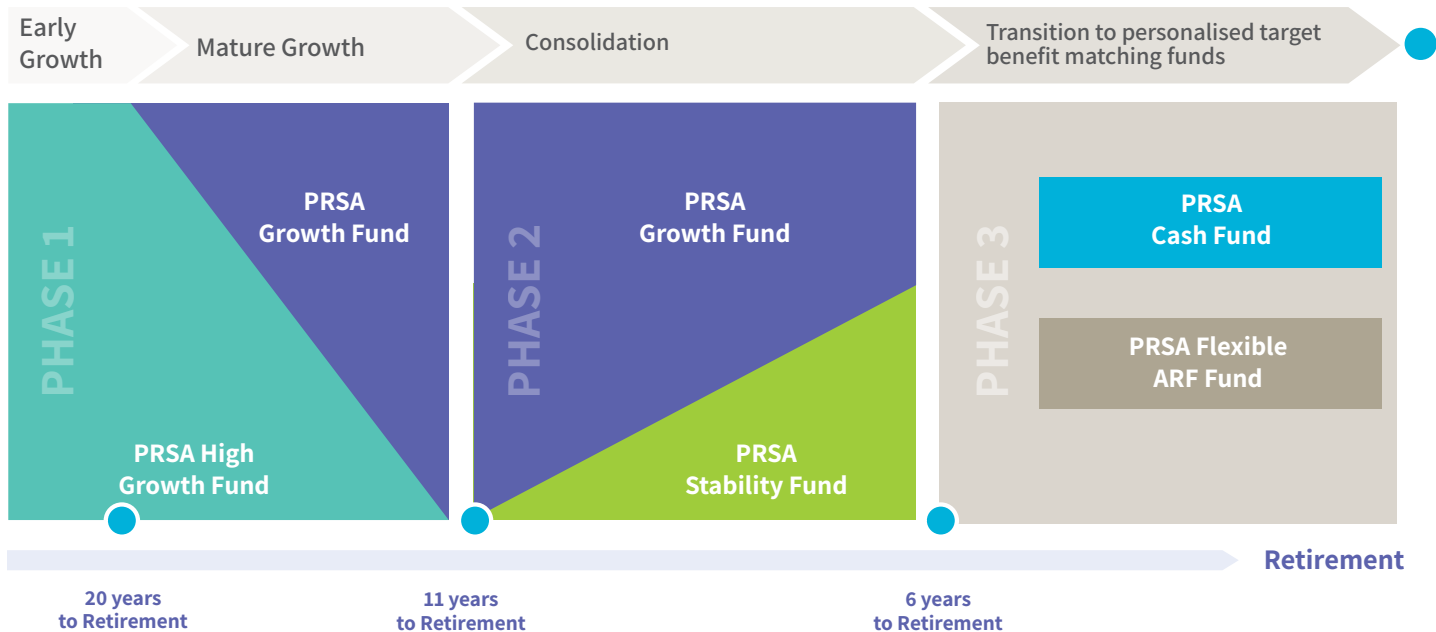
that the performance of the fund will always be very similar to the performance of the rest of the market and close to the average performance of other fund managers.

Default investment strategy

Unless you request otherwise, we will invest your money in line with the Default Investment Strategy, which is our Personal Lifestyle Strategy for PRSAs.

The Personal Lifestyle Strategy for PRSAs is designed to meet important needs for pension scheme members: it initially invests in assets that are expected to achieve a return that is greater than inflation. It helps protect your pension fund value against market movements as you get closer to your retirement date and it also directs your investment into appropriate funds that best match how you are likely to take your benefits on your retirement.

Please see the graph overleaf.



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

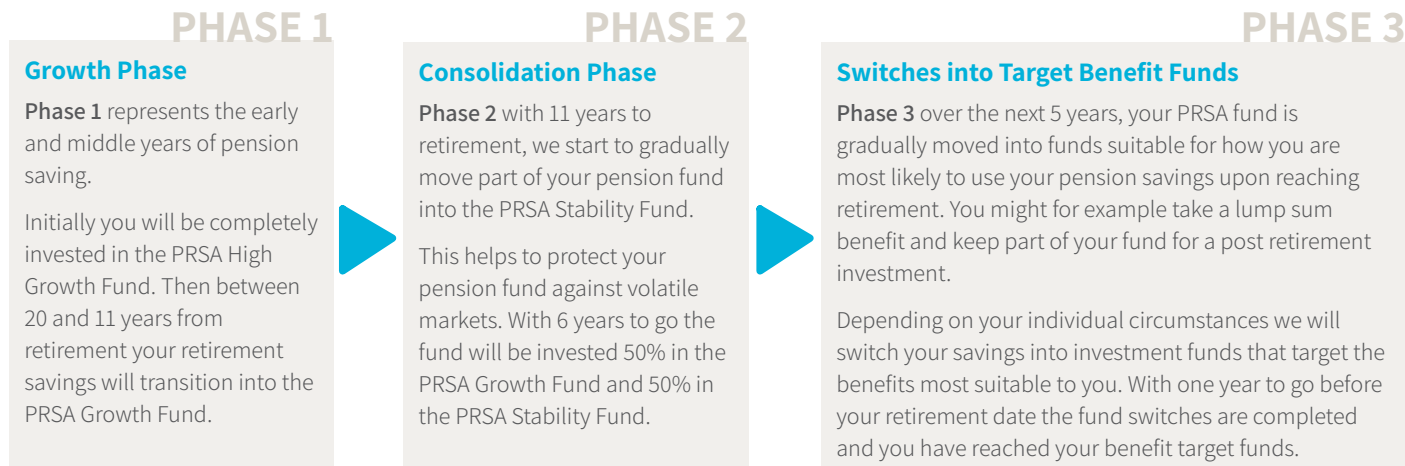
Warning: If you invest in this product you may lose some or all of the money you invest.

Warning: These funds may be affected by changes in currency exchange rates.

Warning: If you invest in this product you will not have any access to your money until you retire.

Securities Lending: The assets in these funds (except the PRSA Cash Fund) may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return.

The strategy consists of three phases which span the years of your pension savings.



The Default Investment Strategy does not intend to be free from risk or volatility but we believe that it represents a good compromise between maximising investment returns in the early and middle years of pension saving and providing security in the years immediately before retirement to protect the fund which has been built up.

The mixture of funds and the timing of fund switches in the Default Investment Strategy are reviewed from time to time by the PRSA Actuary, in order to ensure that the strategy continues to suit current investment conditions. Therefore, the period of switching is subject to review.

This strategy will also be reviewed on a regular basis to look at such areas as regulatory changes or to review the investment funds used. The strategy will automatically be updated as a result of any such changes.






Other fund choices

Should you choose not to invest in the Default Investment Strategy, you can invest in any of the available PRSA funds, subject to a maximum of 5 funds.







Our investment funds are categorised by the level of risk involved by investing in them.

We have a risk rating system from 1 to 7, with 1 being the lowest and 7 the highest risk level.



Fund facts key symbols		
	Objective	
	Investment Style	 Fund Type
	Who manages it	
	Risk Rating - Ranging from 1-7	

A. Low Risk - PRSA Cash Fund

Fund facts			
	Invests 100% in bank deposits and short-term investments on international money markets and aims to give investors a stable and predictable return.		
	Active		Cash
	Irish Life Investment Managers		
			

The PRSA Cash Fund invests 100% in bank deposits and short-term investments on international money markets and aims to give investors a stable and predictable return.

The PRSA Cash Fund can be used to protect the value of members' funds against market movements. For members who are close to retirement it is particularly useful for that element of the fund that will be taken as a tax-free lump sum.

These funds are intended to be low risk investments but investors should be aware that the funds could fall in value.

This could happen if, for example, a bank the fund has a deposit with cannot repay that deposit, or if the fund charges are greater than the growth rate of the assets in the fund.

This is a very low risk fund. While there will be a very low level of volatility in fund returns, there is also only a very low potential for gains. It is suitable for investors who are very close to retirement or have a very low appetite for risk.

Source: Irish Life Investment Managers.





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B. Medium Risk - PRSA Growth Fund

Fund facts			
	Predominantly invested in international equities with some holdings in bonds, cash and property.		
	Indexed Multi Strategy		Mixed Assets
	Irish Life Investment Managers		
			

The PRSA Growth Fund is predominantly invested in international equities with some holdings in bonds, cash and property.

This is a medium risk fund for balanced investors, which aims to have a moderate allocation to higher risk assets such as shares and property.

The fund objective is to achieve returns managed within a range of volatility.

This is a medium to high risk fund with expected volatility in the medium to high range. Therefore it may not be suitable for investors who have less than 7 years to retirement.

Source: Irish Life Investment Managers.

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Securities Lending: The assets in these funds (except the PRSA Cash Fund) may be used for the purposes of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within the fund it also provides an opportunity to increase the investment return.

C. High Risk - PRSA Indexed World Equity Fund

Fund facts		
	Passively managed equity fund that aims to track the MSCI World Index on a consistent basis.	
	Indexed	 Equities
	Irish Life Investment Managers	
		

This is a very high risk fund which can have a very high level of volatility. Therefore it may not be suitable for investors who have less than 13 years to retirement. The fund is most suitable for long term investment.

Source: Irish Life Investment Managers.

The PRSA Indexed World Equity Fund is a passively managed equity fund that aims to track the MSCI World Index thereby achieving global market equity returns on a consistent basis.

We achieve this by investing in the same equity stocks as those of the index in the same weightings. This removes the risk of poor stock choice.

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Fund Switches

- > You can switch your money into a different fund at any time.
- > Fund switches are free of charge.
- > When switching from one fund to another you must send a written instruction to us.

Please note that if you choose to switch out of the Default Investment Strategy, your fund and any future contributions are no longer invested in this strategy and therefore no automatic switching of funds as part of the strategy will apply.

For more information visit the Investment Centre of our website:



www.irishlifeemployersolutions.ie/investment-centre

- > Details on PRSA funds.
- > Full list of available PRSA funds.
- > PRSA fund returns graphing.
- > Monthly PRSA fund returns flyer for download.

You should always consult your financial advisor for expert advice before making any decisions which may affect your benefits under the plan or before acting on any of the matters covered in this booklet.



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Do right by your money -
responsible investing

4

Do right by your money - responsible investing

You've worked hard for the money you invest

You've worked hard for the money you invest. At Irish Life we are working hard to make the most of it for you. With Irish Life Investment Managers (ILIM), we are committed to growing your money and doing it responsibly.

That means investing less in companies which are harmful to the environment or society and investing more in companies which try to help it (versus the relevant broad market benchmark).

Why we do right by your money

We believe in a sustainable future for all so we invest your pension savings in a way that does right by you and the planet. That means investing less in companies which are harmful to the environment or society and investing more in companies which try to help it (versus the relevant broad market benchmark).

We do this because we believe these investments should perform better over time as a result.



Mitigating climate change



As climate change poses a significant risk to all assets, we are actively reducing our investment exposure to carbon risk, as set out by the Paris agreement.

Targeting good corporate behaviour



We also target companies that can demonstrate good corporate behaviour both internally and externally e.g., with employees, in communities and with suppliers and shareholders. We also invest in companies that generate revenues from more sustainable practices.

ILIM manage almost €40bn* in responsible investments

With ILIM, we support companies with good Environmental, Social and Governance ratings through our ESG Framework.

Source: Irish Life Investment Managers.

What is the ESG framework?



We actively engage on the climate by investing less in companies which are harmful to the environment or society and investing more in companies which try to help it (versus the relevant broad market benchmark). When it comes to those companies we've invested in, we also positively influence them on all ESG matters

*€39.5bn as at 31 July 2022



We invest less in companies exhibiting poor behaviour

We reduce exposure to companies that are harmful to the environment or the social objectives of a sustainable society.

And we exclude those whose:

- > products cause harm when used as intended such as weapons, tobacco, and thermal coal
- > production causes significant harm such as tar sands and arctic oil
- > behaviour is shown to be harmful

We help raise corporate standards through responsible ownership

We adhere to the principle of active ownership and exercise our right to vote on issues submitted for shareholder vote.

Our active engagement policy promotes constructive engagement, strong corporate governance, and effects positive change at an ESG level.

We promote best practices, like protecting rights, preventing corruption and encouraging diversity.

We voted at 6,631 meetings in 2021 – 11.4% against management – to promote better ESG practices in the companies in which we invest.

Source: Irish Life Investment Managers.

Continually doing right by your money

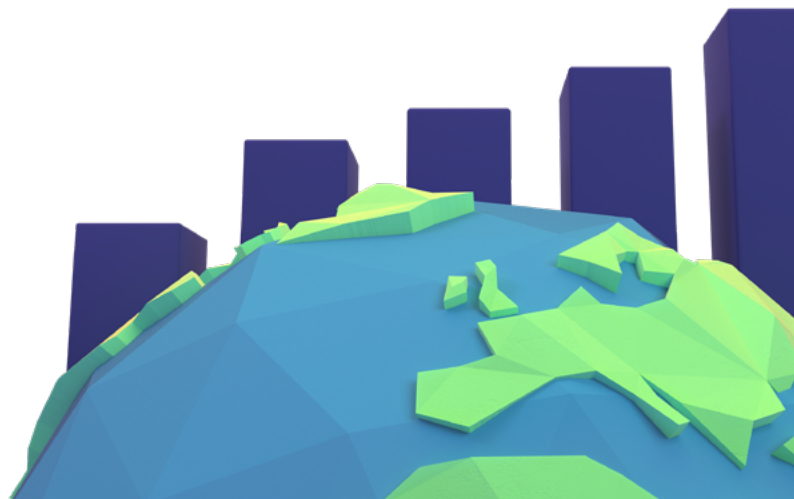
Being responsible investors also means striving towards the highest standards ourselves. Here's some of what we are doing:

United Nations Principles for Responsible Investing (UNPRI)

Irish Life Investment Managers was one of the first asset managers in Ireland to sign up to the UNPRI for responsible investing.

Award-winning Investment Managers

ILIM has been independently recognised as Investment Manager of the Year at the Irish Pension Awards for 6 of the last 8 years (Irish Pensions Awards 2013, 2014, 2015, 2017, 2019, 2020).



Responsible investing across our fund range

Our core EMPOWER and MAPS funds are committed to responsible investing by investing in responsible strategies.

ESG rating

Our overall ESG fund ratings are better than regular funds due to the enhanced exposure to more sustainable companies or those that pose less risk to our climate.

Carbon intensity

Our funds have less exposure to companies whose business activity causes significant carbon emissions/causes pollution.

Fossil fuel

Our funds have less exposure to companies whose business model is based on coal extraction, oil and gas activities.

Do right by your money today

To learn more about how we can help you do right by your money visit our website:

www.irishlifeemployersolutions.ie/responsibleinvesting

To find out more see the fund factsheets on our website:

www.irishlifeemployersolutions.ie

The Sustainable Finance Disclosure Regulation (SFDR)

This PRSA offers a range of fund options for PRSA holders to choose from. Some of these fund options promote environmental or social characteristics. Whether your plan attains these environmental or social characteristics depends on whether you invest in one or more of these funds during the recommended holding period.

Under SFDR, we make available pre-contractual disclosures for fund options categorised as meeting the provisions set out in Article 8 or Article 9 of that regulation. This categorisation applies to funds which promote environmental and / or social characteristics or which have sustainable investments as their objective. These disclosures, which are produced by the fund manager in accordance with SFDR, provide further details on how the sustainability related ambitions of each fund are met.



The current Article 8 funds available under the PRSA are:

Fund Name	Primary Fund Name
PRSA Stability Fund	EMPOWER Stability Fund
PRSA Cautious Fund	EMPOWER Cautious Growth fund
PRSA Flexible ARF Fund	EMPOWER Flexible ARF fund
PRSA Growth Fund	EMPOWER Growth fund
PRSA High Growth Fund	EMPOWER High Growth Fund
PRSA Consensus Fund	Consensus Fund
PRSA Active Managed Fund	Active Managed Fund
Indexed Global Equity Fund Fund	Indexed Global Equity Fund Fund

The total number of funds that are available for PRSA holders to invest in is 22, of which 8 are Article 8. The Article 8 funds represent 83% of assets managed within Irish Life PRSAs (as of December 2022).

The Personal Lifestyle Strategy for PRSA invests in Article 8 funds during both the Growth (PRSA High Growth Fund and PRSA Growth Fund) and Consolidation Phases (PRSA Growth Fund and PRSA Stability Fund). During Phase 3 the majority of your PRSA will continue to be invested in an Article 8 fund (PRSA Flexible ARF Fund) until you reach retirement.

All of the up-to-date important information you need, including access to the latest disclosures published by the fund manager, can be found by following this link <https://www.irishlifeemployersolutions.ie/sfdr> and by selecting the Primary Fund Name(s) associated with your fund(s), if applicable.

Please note that the funds that fall within the scope of SFDR, and that are available through the PRSA, can change. For further information please contact us.





Tax advantages of PRSA | 5

Tax advantages of PRSA

Tax advantages of paying into a PRSA


PRSAs are an extremely tax-efficient method of saving. The Government provides workers with tax relief at their highest tax rate as a way to encourage pension saving. In other words, if your income levels categorise you into the higher income-tax bracket, then you may receive tax relief at that rate.

Likewise, if your income levels categorise you into the lower rate tax-bracket only, then this is the rate at which you may receive the tax relief.

How tax relief works

When you contribute to a PRSA, the net cost or the 'real' cost to you isn't as high as you would initially think.

A €100 contribution to a PRSA may actually cost you

	€80	If you pay tax at 20%
	€60	If you pay tax at the top rate of 40%

The figures shown in this example are based on tax rates as at December 2022. The entitlement to tax relief is not automatically guaranteed.*

When you decide how much you need to contribute to your PRSA to provide you with a comfortable retirement, your payroll area will arrange all the rest.

What this means is that if you decided to save €100 a month into your PRSA, your payroll department will arrange for that amount to be paid into your PRSA directly from your salary.

They will also calculate and apply the tax relief that you are entitled to. Your take-home pay will be reduced by your contributions minus the tax relief and your tax bill will be reduced by the tax relief applied. (See example overleaf).

Deductions from your salary will be made through the PAYE system.



Some examples are shown in the table below.

Examples of income tax relief

Contributions invested in your PRSA may get full tax relief.

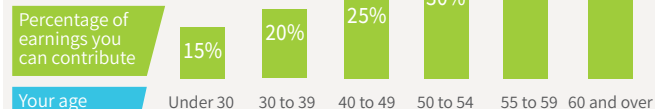
If you pay tax at 40%		If you pay tax at 20%
€100	Total Investment to your pension	€100
€40	Less tax saved	€20
€60	Net cost to you	€80

Limits on pension saving

It would be great if you could save unlimited amounts into your PRSA and still receive tax relief, but because the tax breaks are so good, the Government has established limits. These limits are based on your income and they are subject to a maximum earnings limit.

The table displays the percentage of your income that you can receive tax relief for when contributing to a PRSA. There are also limits on the benefits that may be provided at retirement.

Maximise your income tax relief



Tax relief is available on annual contribution of €1,525 paid, even if this exceeds the normal income based limit. If an individual pays more than the tax relief limit allowed in that year, he/she can carry forward the excess to future tax years and possibly have it offset against relevant earnings (within limits imposed by the Revenue).



Contributions to Retirement Annuity contracts and to PRSAs are aggregated when calculating the maximum tax relief.

**The maximum earnings limit for 2022 is €115,000. The earnings limit is subject to change. There is no maximum payment that can be made, but you may only claim tax relief within the above limits. There are also limits on the benefits that may be provided. Under current legislation, the maximum pension fund allowable for tax purposes is €2.0 million (this maximum amount includes any pension benefits already taken together with pension benefits yet to be taken).

Any fund in excess of this amount will be liable to a once-off income tax charge at the top rate of tax (currently 40%) when it is drawn down on retirement. This limit is subject to change.

Continued overleaf.

Please note: The Revenue Commissioners have also placed limits on the total amount that can be contributed by you and your employer to your PRSA.



However, if you are concerned by these limits please consult your financial advisor for further details.



Your questions answered
what happens if... | 6

Your questions answered what happens if...

I am unable to work due to ill health?

If you are forced to retire early on the grounds of ill health (permanent incapacity which prevents you from carrying on in your occupation or any other occupation for which you are suited or trained) you can draw on your PRSA immediately regardless of your age.

Irish Life will not however, pay the amount or value of any PRSA assets on the grounds of permanent incapacity without obtaining appropriate supporting evidence.



I want to retire early?

The earliest that you can avail of benefits is on your 60th birthday. However, if you are working for an employer and you retire on or after age 50 you can avail of your benefits immediately. If you stop paying into your PRSA for more than 2 years and the value of the fund is less than €650, you may be permitted to avail of the fund at that stage (subject to certain conditions).

If I die before I retire?

Should you die before you reach retirement age your accumulated PRSA fund will be made payable to your estate as a lump sum.

How much should I save to my PRSA?

When you start saving to a PRSA, you need to make a decision on how much you need to save into it as the amount that is contributed, combined with the investment growth, will determine the size of the fund you will receive in retirement. This in turn will influence your standard of living after you retire.

If you will not have another form of income in retirement apart from your pension, then the general rule of thumb is to aim for a pension that is equal to about half of your current salary allowing for your state pension entitlement.



However, the State Pension that you should be entitled to at retirement will be also paid in addition to your own pension. When aiming for a particular level of pension in retirement, the amount you need to save right now will depend on how close you are to retirement.

The table overleaf highlights the estimated total percentage of salary that will need to be saved into your PRSA, based on age, in order to take a cash lump sum of 25% of your fund and then purchase a pension which will equal 25% or 33.3% of your salary when you retire.

This percentage can be made up of your contributions as well as your employer's contribution (if applicable).

When you start preparing as early as possible, you'll find it easier to build up a fund that can provide you with the type of lifestyle you are looking forward to enjoying in retirement.

If you put off saving for your pension, the cost may become prohibitive and you may have no option but to settle for an inadequate pension. Please note that the State Pension is paid in addition to your own PRSA.

Should you wish to retire earlier than 65 years of age, it is expected your contributions would need to be greater than the percentages displayed in the table.



Retiring at age 65

Starting Age	% cont for 25% of income	% cont for 33.3% of income
25	17%	23%
30	20%	27%
35	24%	32%
40	30%	40%
45	38%	51%
50	52%	69%
55	78%	103%
60	155%	206%

Please see the following page for the assumptions behind the illustrations.

Note Assumptions



These illustrations assume an investment return of 5.95% per year up until 20 years before retirement.

The assumed rate of return for the next 19 years decreases monthly, starting at 5.95% and reducing to 3.86% for the final year. This reduction reflects the gradual movement in asset mix initially from the PRSA High Growth Fund to the PRSA Growth Fund, then from the PRSA Growth Fund towards 50% in the PRSA Growth Fund and 50% in the PRSA Stability Fund and then to the PRSA Cash Fund and PRSA Flexible ARF Fund as targeted by the Default Investment Strategy. For short term projections, lower growth rates are used.

Salary/contribution growth of 3% per annum is also assumed.

These rates are for illustration purposes only and are not guaranteed. Actual investment growth will depend on the performance of the underlying investments and may be more or less than illustrated. This illustrated income is assumed to only pay benefits to you, to be paid for the rest of your life or for 5 years, whichever is greater, to be payable monthly in advance, and to increase by 2% each year while in payment. The cost of an income at your retirement date will depend on long-term interest rates and life expectancy assumptions at that time and is likely to be different from that used in the illustration.

This table is based on annuity rates calculated in line with the Actuarial Standards of Practice - PRSA 2.



Are PRSAs transferable?

PRSAs are very flexible; a PRSA fund with one financial institution may be transferred to another PRSA fund with another institution without any penalty or charge.

If you change jobs, or become self-employed, you can leave your PRSA where it is (but you cannot keep paying into it). You can transfer the value of your PRSA into a new PRSA (for example, an individual PRSA with Irish Life) and then continue making contributions.



What charges apply to a PRSA?

The charges for PRSAs cannot be defined in monetary terms but can only be expressed as a percentage of the fund value and/or percentage of contributions. The maximum for a Standard PRSA is capped each year at 1% p.a. of the fund value (management charge) and 5% of each contribution. Irish Life reserve the right to apply any other charges that may arise as a result of changes to taxation by the Revenue Commissioners or any other changes to legislation.

Your Preliminary Disclosure Certificate will detail the product's specific charges. The Policy Terms and Conditions will also detail these specific charges.

Irish Life commit to giving 2 months prior notification of any increase to charges.

What are my employer's obligations?

Your employer is permitted to contribute to your PRSA but they are not obliged to do so. However they must put a Standard PRSA in place for any employees who want to save for their retirement and do not have access to their company pension plan with certain exceptions (e.g. company pension schemes are allowed to have a waiting period of up to 6 months). You can choose whether or not to invest in this Standard PRSA. Your employer must then remit any contributions to Irish Life.

Employers must:

- > Notify any employees who do not have access to a pension scheme of their right to contribute to a Standard PRSA.
- > Allow a PRSA provider reasonable access during working hours to employees in order for them to open a PRSA.
- > Deduct any contributions you wish to pay to your PRSA from your salary and forward to the PRSA provider. This must be carried out within 21 days of the end of the month in which the contribution was deducted from salary.
- > Notify you on a monthly basis of the contribution that was deducted (this could be indicated on your payslip) and forward that amount to Irish Life.

An Employer is not obliged to:

- > Contribute to your PRSA but they can do so if they wish to.
- > Give any advice regarding PRSAs to their employees but they must allow a PRSA provider reasonable access to the employees in order to brief them on the PRSA.



Retirement benefit options

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Retirement benefit options

What will I get at retirement?

PRSA benefit options

It is important to understand that PRSAs do not guarantee a particular level of pension. Instead, they aim to build up a fund which becomes accessible upon retirement.

The PRSA fund can be drawn on at any stage between the age of 60 and 75. All benefit limits are subject to tax rules as they apply at that time and are subject to change. Employees can take early retirement benefits at or after the age of 50.

Please note that it is necessary that an employee leaves service before they are permitted to take early retirement benefits.

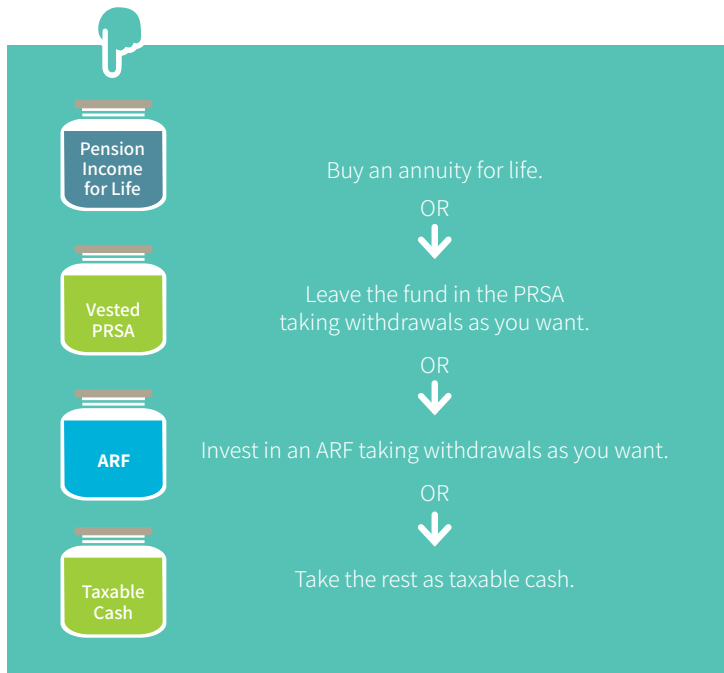
Cash lump sum

The maximum cash lump sum that can be taken tax free is 25% of your pension fund with the following restrictions:

- > The lifetime limit from 5th December 2005 is €200,000.
- > If the value of 25% of your pension fund is greater than €200,000, the excess over €200,000, up to an additional €300,000 can be taken, taxed at the standard rate, currently 20%.

The total benefit that can be taken as an immediate lump sum is therefore €500,000. Individuals with a personal fund threshold may take additional lump sum benefits above €500,000 up to a total of 25% of the pension fund. Under current legislation, the Standard Fund Threshold allowable for tax relief purposes is €2.0 million (this maximum amount includes any pension benefits already taken together with pension benefits yet to be taken). In this case, any lump sum amount taken in excess of €500,000 is taxed at the individual's marginal rate of tax (including Universal Social Charge and PRSI charges).

PRSA benefit options after you have taken your cash lump sum



ARFs and vested PRSAs are explained overleaf.

You will have to pay income tax, USC and PRSI, if applicable on any income you receive either from an annuity or withdrawals from an ARF or vested PRSA.



What is an ARF?

ARF stands for Approved Retirement Fund. An ARF is a tax-free investment fund held in your own name and managed by a Qualifying Fund Manager. Money can be transferred from one ARF to another if you have more than one.

You will have to pay income tax, USC and PRSI, if applicable on any income you receive either from an annuity or withdrawals from an ARF or vested PRSA.



The total benefit that can be taken as an immediate lump sum is therefore €500,000. Individuals with a personal fund threshold may take additional lump sum benefits above €500,000 up to a total of 25% of the pension fund.

Under current legislation, the Standard Fund Threshold allowable for tax relief purposes is €2.0 million (this maximum amount includes any pension benefits already taken together with pension benefits yet to be taken).

In this case, any lump sum amount taken in excess of €500,000 is taxed at the individual's marginal rate of tax (including Universal Social Charge and PRSI charges).

Please note the following Revenue regulations



- > From the year you turn 61, tax is payable on a minimum withdrawal on the 30 November each year of 4% of the value of the fund at that date. This withdrawal is liable to Income tax, Universal Social Charge and PRSI, if applicable. From the year you turn 71 the minimum withdrawal is increased to 5%.
- > Where the fund value is greater than €2 million the minimum withdrawal will be 6%.
- > If you have more than one Approved Retirement Fund (ARF) and these are with different managers then you must appoint a nominee Qualified Fund Manager (QFM) who will be responsible for ensuring a withdrawal of 6% is taken from the total value of your ARF's. It is your responsibility to let your ARF providers know if you have other Approved Retirement Funds and Vested Personal Savings Accounts with a total value of greater than €2 million.
- > Where a greater withdrawal is made during the year, tax will be paid on the greater withdrawal amount. The minimum withdrawal rate is set in line with the required imputed distribution amount which may be altered to reflect changes in legislation. You can choose to take a higher withdrawal amount if you wish.

*The Government have indicated that these limits may be reviewed in future Finance Acts. The amounts quoted are correct as at December 2022.

One of the benefits of investing your retirement capital in an ARF is that, on death any balance becomes part of your estate. However, capital acquisitions or capital gains tax may apply (income tax may apply in certain circumstances), depending on who inherits your ARF capital.

Irish Life ARF

Due to the imputed distribution requirements introduced by the Finance Act 2006, Irish Life will deduct a minimum withdrawal of 4%/5% (whichever is applicable) of the value of the ARF during December each year.

This is automatically deducted from your ARF and paid to you net of income tax, PRSI (if applicable), Universal Social Charge (USC) and any other charges or levies (tax) due at the time on the withdrawals you make.

This applies from the year you turn 61. Where the total value of your ARFs and vested PRSAs exceed €2 million then a withdrawal of 6% from your ARF must be made each year. It is your responsibility to let us know if you have other ARFs and vested PRSAs with a total value greater than €2 million.

For more information please speak to your financial adviser.

Vested PRSA

Once you have taken some benefits from your PRSA or reached age 75, it becomes a vested PRSA and any remaining PRSA fund is treated in the following way for taking benefits and for imputed distribution.

- > You can make withdrawals as you like.
- > The deemed distribution rules apply to the full value of your vested PRSA.
- > Money withdrawn from a vested PRSA is subject to income tax, the universal social charge and PRSI (if applicable).

While contributing to the PRSA, you can keep track of the size of your fund through our Pension Planet Interactive online facility and regular benefit statements, which you will receive as a PRSA holder.



Further details on these services are explained in section 8.



Our service to you | 8

Our service to you

Information on your PRSA

Before you begin saving into an Irish Life PRSA you will receive a document called a 'Preliminary Disclosure Certificate' which will outline information about your policy and the projected level of benefits in broad terms.

Within 7 days of starting the PRSA you will then receive a detailed year by year projection of your contributions, fund growth, charges and your likely pension on retirement.

Irish Life will provide you with the following various sources of information, allowing you to continually monitor your pension situation:

- > PRSA net pay certificate which you will need to pass on to your employer in order for them to pay your contribution through the net pay arrangement (your employer may already have received this from Irish Life).
- > Detailed policy terms and conditions. You will then have another 30 days to decide whether you wish to continue with your PRSA or take a refund of your money.

When you are a member of an Irish Life PRSA, we will provide you with all the information you need in order to keep up to date on your PRSAs progress and make informed decisions on what choices work best for you.

This is a very important document and should be kept in a safe place, as you will need to refer to it in the future.



PRSA benefit statement

Every six months we will send you a statement outlining how much was paid into the PRSA over the last six months and the value of your PRSA at that point. You will also get an investment report on all of the funds your contributions have been invested in. Every year you will get a projection of your contributions, fund growth, charges and your likely pension on retirement.

Online information on your pension plan

www.pensionplanetinteractive.ie

Pension Planet Interactive is an easy to use online tool that gives you access to your pension plan information. It helps you manage your retirement planning more effectively and efficiently.

Pension Planet Interactive gives you the following information:

- > Key PRSA plan information.
- > Your account value.
- > Your transactions.
- > Your fund selection.
- > Fund price history.
- > Documents such as benefit statements and correspondence in the document library.
- > Retirement planning tools and information about investment choices.

Investment updates

For fund returns and investment fund information visit the investment centre of our website.

www.irishlifeemployersolutions.ie

Pension education

Worksite presentations

At Irish Life, we are aware that you need as much information on your PRSA as you can get, in order for you to fully understand your PRSA details and what level of contribution you need to carry on making in order to maintain your current standard of living in retirement.

Our member team provide worksite presentations and individual consultations to employees, on site as well as online, to help employees get the most from their plan. Worksite visits can be arranged in conjunction with your Pension Consultant.



Contact information | 9

Contact information

If you have any queries concerning your PRSA please contact Irish Life at:

Write to: Irish Life,
Lower Abbey Street,
Dublin 1.

Phone: 01 704 2000

Fax: 01 704 1957

Email: code@irishlife.ie

Website: www.irishlifeemployersolutions.ie

Contact information for complaints

We endeavour to do our best in order to resolve any complaint you may have. However, if you have a complaint and are not satisfied that we have dealt with the matter properly or adequately you may wish to refer the matter to The Pensions Authority, they can be contacted at:

Write to: The Pensions Authority,
Verschoyle House,
28/30 Lower Mount Street,
Dublin 2.

Phone: 01 613 1900

Lo-call: 1890 65 65 65

Email: info@pensionsauthority.ie

Website: www.pensionsauthority.ie

What if you are not satisfied with the outcome?

If you are not satisfied with the outcome of your complaint you may refer the matter to the Financial Services and Pensions Ombudsman who will decide if the matter falls within their terms of reference.

The Financial Services and Pensions Ombudsman can be contacted at:

Write to: Financial Services and Pensions Ombudsman,
Lincoln House,
Lincoln Place,
Dublin 2,
D02 VH29.

Phone: 01 567 7000

Email: info@fspo.ie

Website: www.fspo.ie

Your policy is provided by Irish Life Assurance plc and will set out the details of your contract with us.



This brochure is intended as a guide to help you to understand your Standard PRSA and does not give all the details regarding your policy. These details are included in your policy schedule. More specific details and rules will be included in your policy terms and conditions, which you should also read carefully.

Your application form and policy will be your legal contract with us. The contract will be governed by Irish law. The Irish courts are the only courts which are entitled to hear disputes.

The contribution and benefit limits, tax relief and other details set out in this booklet are based on our understanding of the law at the time that this booklet was prepared. When reading this booklet you should consider that the law can change at any time.

This booklet is a general guide to these matters only; therefore you should always get expert advice when you make any decisions which may affect your benefits under the PRSA plan.

Contact us

Phone 01 704 2000
Fax 01 704 1905
Email code@irishlife.ie
Website www.irishlifeemployersolutions.ie
Write to Irish Life, Irish Life Centre, Lower Abbey Street, Dublin 1.

Irish Life Assurance plc, trading as Irish Life, is regulated by the Central Bank of Ireland.
In the interest of customer service we will monitor calls.
Irish Life Assurance plc, Registered in Ireland number 152576, VAT number 9F55923G.