Irish Life

Personal Retirement **Savings Account**

A pension is one of the most important investments you can make in your life. Personal Retirement Savings Account (PRSAs) are a type of pension plan designed to offer flexibility, convenience and value for money to people saving for their retirement. A PRSA is a personal policy in your name and the proceeds of your PRSA are available to provide you with retirement benefits when you retire or reach age 60.

What are the advantages of a PRSA?

Tax relief and tax free growth

PRSAs are a very tax efficient way of saving for your retirement. Payments you make to your PRSA can qualify for generous tax relief so that they will cost you less than you may think.

The tables below shows how much investing €100 into your PRSA every month will actually cost you depending on your tax rate. Entitlement to Income Tax relief is not automatically guaranteed.

If you pay tax at 40%	
Total Investment	€100
Less tax saved	-€40
Net cost to you	€60

If you pay tax at 20%	
Total Investment	€100
Less tax saved	-€20
Net cost to you	€80

The rates of 20% and 40% are the current tax rates and are subject to change. If you are a PAYE person these are the rates that apply to you.

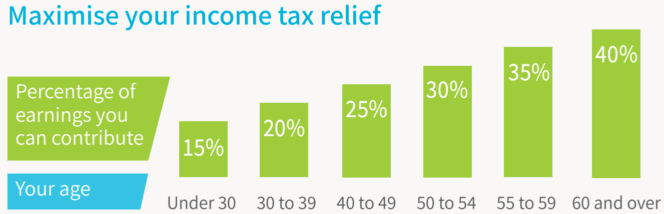
Tax relief is normally given at source through the Net Pay arrangement.

Alternatively you may need to contact your local Inspector of Taxes if you make a single premium/once-off contribution.

Revenue allows full tax relief for PRSA contributions up to the limits as shown in the table below. Note: Total earnings include all taxable income.

The maximum earnings limit for tax relief on pension contributions for 2022 is €115,000.

Maximise your income tax relief



Your contributions are invested in a fund which grows tax free.

Flexibility

> Contributions to a PRSA are very flexible, you can vary your regular contributions or make once-off contributions. They can be deducted from your wages by the company payroll and you can stop and start contributing without any charges.

> If you move jobs or employment status you can transfer your PRSA fund to your new employer or to an individual PRSA and continue contributing. There are no transfer charges.

> Employers can contribute to a PRSA plan if they wish to and help to increase your fund.

More retirement options

A PRSA builds up a fund which is available to you at retirement, at any stage between age 60 and 75 and you can decide at the time what you wish to do with your fund.

You can take up to 25% of the fund as a tax free lump sum (subject to a maximum lifetime limit of €200,000 effective from December 2005).

With the rest you can choose from the following options below.

Option 1

Pension Income

Use the balance to buy a pension income that is payable for the rest of your life.

The level of pension obtained depends on the annuity rates at the time of retirement.

Option 2

ARF

Keep your fund invested in a special fund called Approved Retirement Fund (ARF) and take money out of this fund when it suits you.*

Option 3

PRSA Post Retirement

You can keep your PRSA invested as a PRSA post retirement.*

Option 4

Taxable Lump Sum

Take a taxable lump sum.*

*Subject to certain conditions. Please talk to your financial advisor for more details of these conditions or go on to our website **www.irishlifeemployersolutions.ie**

Value for money

The maximum charges for Standard PRSAs are capped by the Government at 1% a year of the fund value (called annual management charge) and 5% of each contribution.

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

What information will I get with my PRSA?

Irish Life is committed to providing you with all the information you need before and when you start your PRSA and during the years of being a PRSA holder.

> Before you start your PRSA you will get a document called **Preliminary Disclosure Certificate** that will outline the benefits in broad terms.

> When you start your PRSA you will get a year by year projection of your contributions, information on fund growth, charges and your likely pension on retirement. You will also receive a PRSA net pay certificate and detailed Policy Terms and Conditions.

> During the life of your PRSA plan you will receive statements every half year outlining how much was paid into your PRSA over the last half year 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 similar to the one you received at the start of your PRSA.

> In addition, you can find out the value of your fund seven days a week by using our dedicated online service Member Portal.

For more information please contact your Financial Advisor. Details of PRSAs are available on **www.irishlifeemployersolutions.ie**

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

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

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

Warning: If you invest in this product you will not have access to your money before you reach age 60 or until you retire. If you use your PRSA purely for Additional Voluntary Contributions you will not have 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.

Information correct as at June 2024.

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