Your future starts now

Sensible information about retirement planning from Zurich Life

Those things in life you love now...

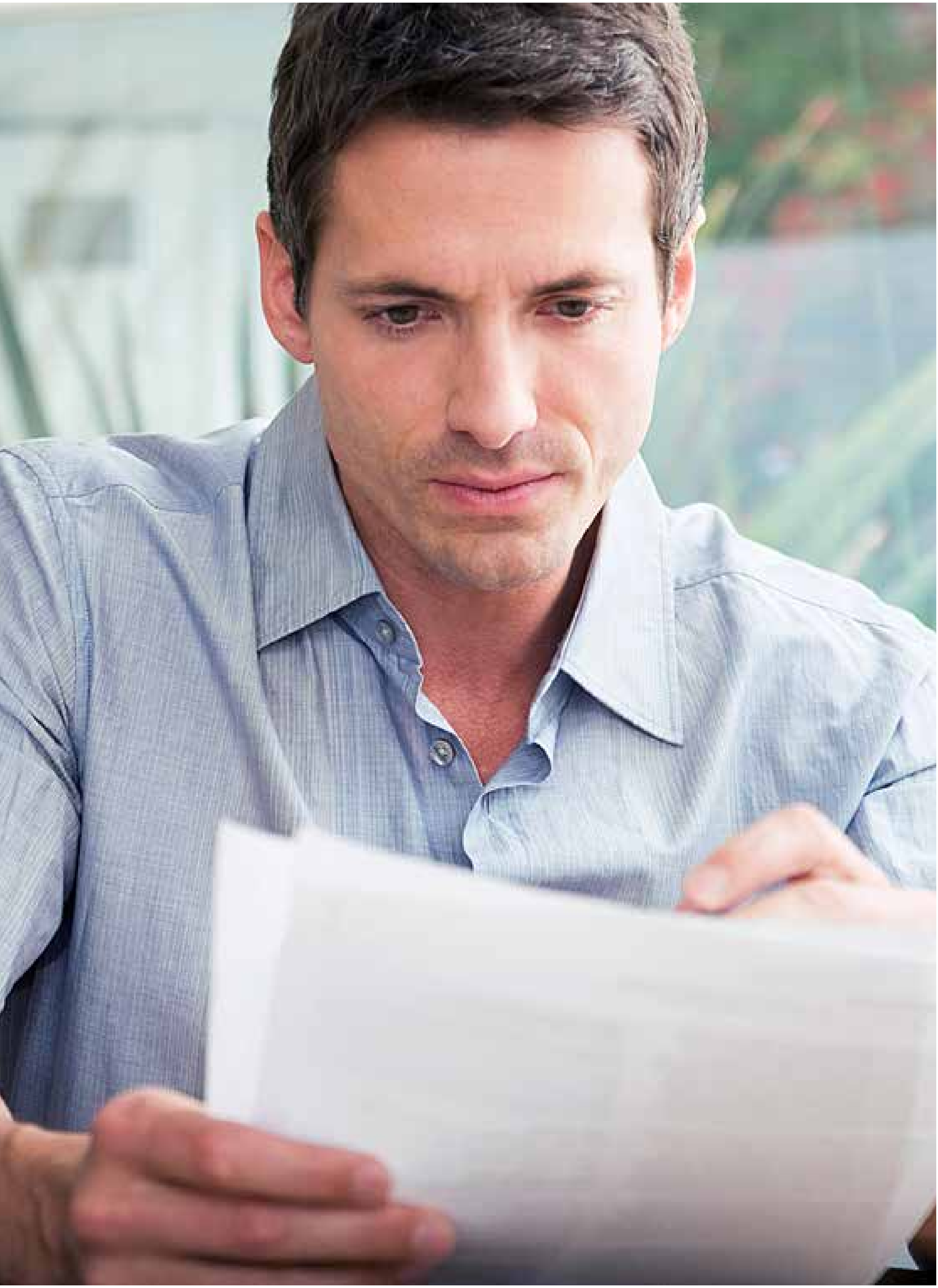
...you'll truly love in retirement. So support it in the best way.

How do you see yourself during your retirement? Relaxing in a restaurant with friends? Travelling the world or maybe just spending more time with the grandchildren?

You'll truly love these things in retirement, but you need to make sure that you prepare for it in the best way.

If you've yet to start your pension, now is the time to stop putting it off and start planning for retirement today. And if you are thinking of starting, consider a Zurich pension as you'll have the backing of an award winning investment team* to help you save for your retirement.

**Awarded Best Investment Performance 2014 & 2015 as voted by members of the Irish Brokers Association.*



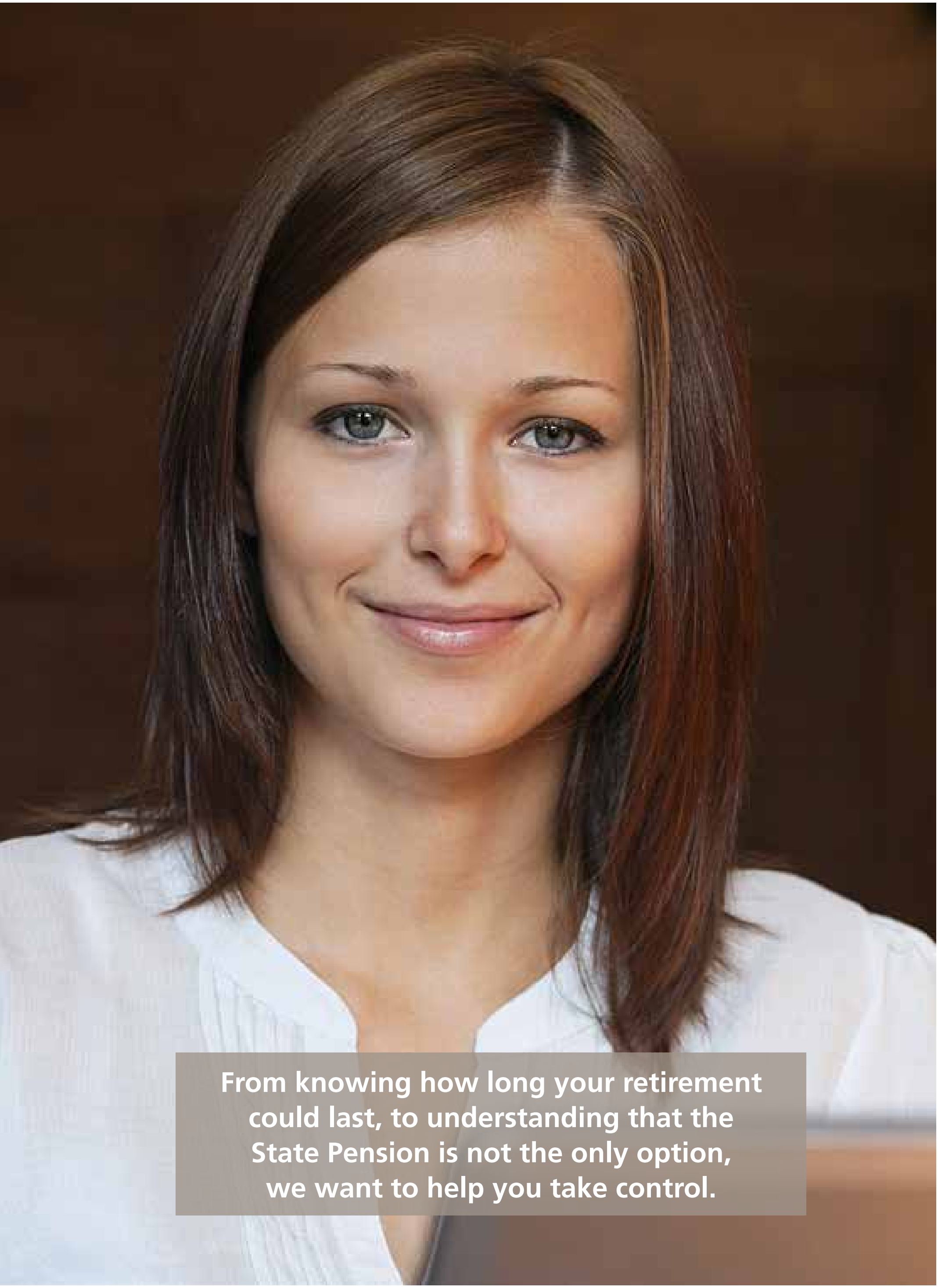
You’re never too young

We know talking about pensions won’t get your pulse racing. And of course, you’d rather be living your life than worrying about your retirement.

But we also know that the sooner you deal with it, the better off you’ll be come retirement. In this guide, we lay out the important facts you need to consider when it comes to planning your retirement.

From knowing how long your retirement could last, to understanding that the State Pension is not the only option, we want to help you take control. You’ll also find five key steps to planning a better retirement (see page 11 to 15), a must read for anyone planning their financial future.

So read on, it won’t take long, and it might make you think about what you want from your future.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‘70 is the new 50’

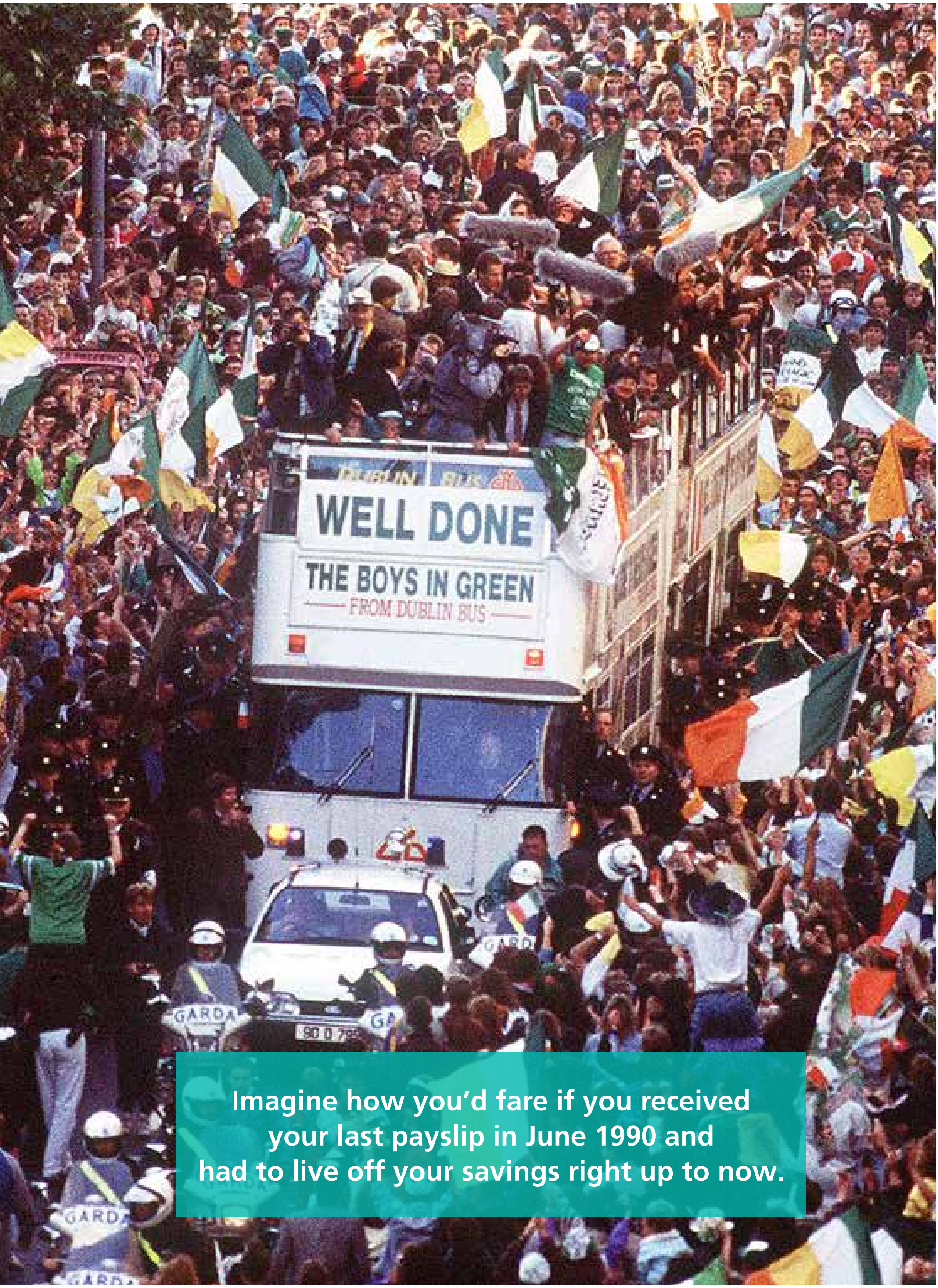
That’s what they say, anyway. In other words, you could be really enjoying retirement for longer than you think.

The average person in Ireland can expect to live approximately 20 years in retirement*. That’s great news. Especially if you’ve planned for it.

Remember Italia ‘90? It’s hard to believe the heroics that brought Ireland to the quarter-finals of the World Cup actually happened over 26 years ago. But a lot of life gets lived in that time. Now imagine how you’d fare if you received your last payslip in June 1990 and had to live off your savings right up to now.

That’s the reality facing people retiring today. They have lots of their life still to live, and they want to live it to the full. But that will largely depend on the income they have saved for their retirement.

* Source: Central Statistics Office, September 2016.



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You can't rely on the State Pension alone

Today's State Pension is worth about €1,000 a month*. It's like a lifeboat: great in an emergency but you wouldn't want to cross the Atlantic in it!

And that's the State Pension paid to people retiring today. In the future, as Ireland's population ages, the provision of a State Pension will come under even greater pressure as it is primarily funded by taxes paid by working people.

By 2050, less than 40 years from now, it is predicted that there will be less than two people working for every one retired person**, putting even greater strain on the funding of the State Pension.

We can't be sure how the future will unfold but what we do know is that there will be a greater need for you to take ownership of your own future.

* Source: Department of Social Protection, September 2016 (Personal Rate 2016 €233.30 p/w).

** Source: National Pensions Framework, 2010.

By 2050 it is predicted that there will be less than two people working for every one retired person**

When I'm ~~6~~4, ~~6~~5… 68!

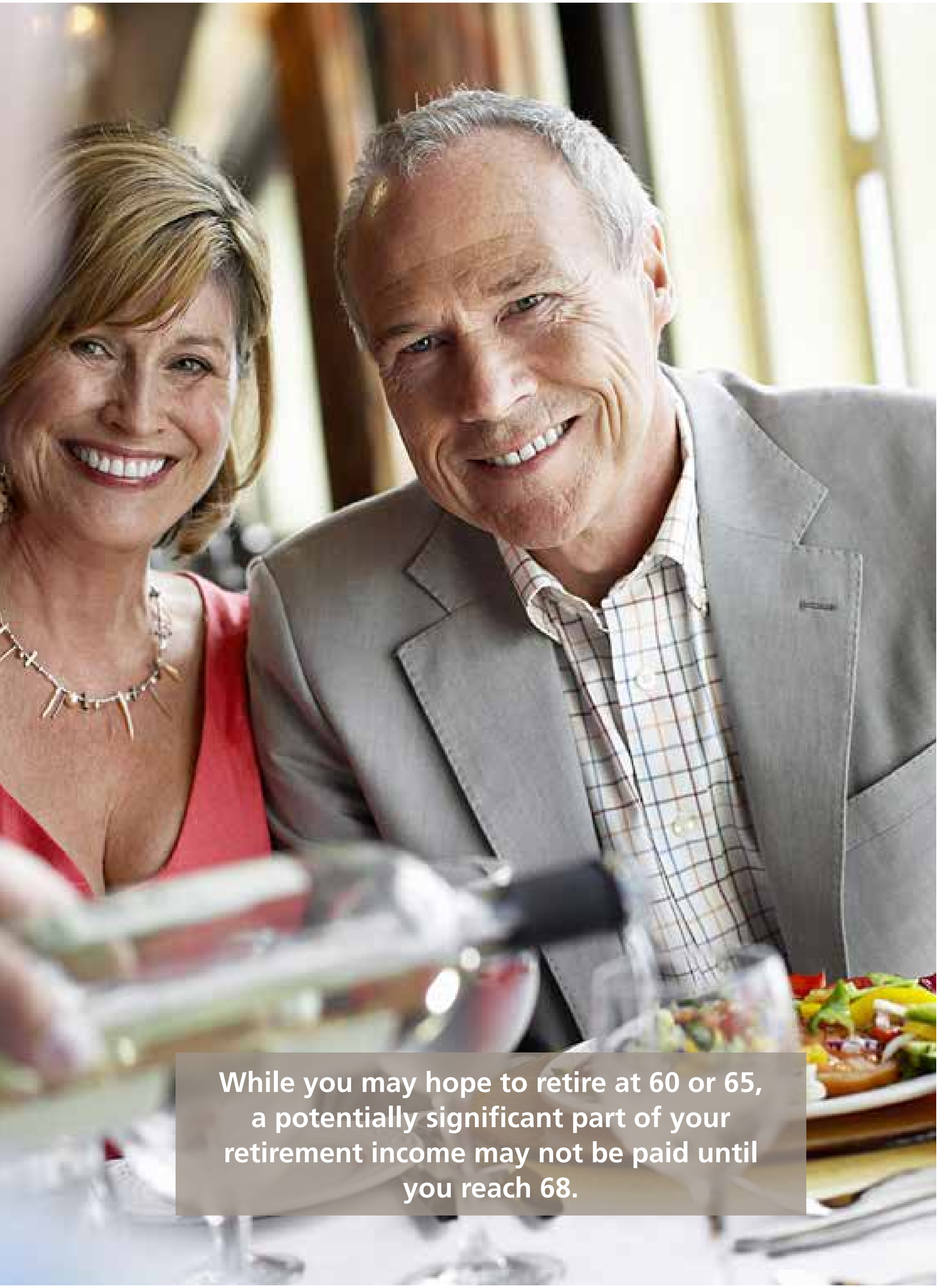
Governments around Europe are looking for a long term solution to the problems facing State Pensions.

And the Irish government is no exception. It has already taken measures to begin addressing the issue: by increasing the age at which the State Pension is paid.

This means that if you were born in 1961 or later you won't qualify for the State Pension until you're 68!*

So while you may hope to retire at 60 or 65, a potentially significant part of your retirement income may not be paid until you reach 68. The question you need to ask yourself is, if you hope to retire at 60, how are you going to provide for yourself in those intervening eight years?

* Source: Department of Social Protection, September 2016.



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Five key steps to a better retirement

Planning for retirement is an important step to take, and you need to have the facts at your fingertips. Here are some important things that you need to know when deciding your retirement goals.

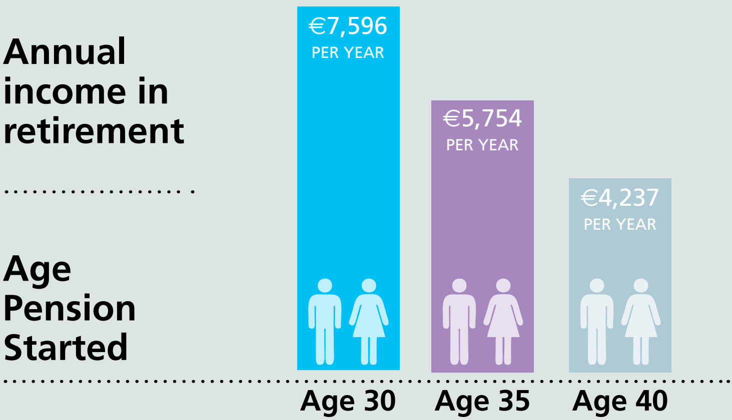
1. Don't delay, start your retirement plan today

It's important to start saving for your retirement as soon as you can. It will get you into the habit of saving, and the earlier you start, the more comfortable your retirement is likely to be. Any delay in saving for your retirement significantly affects what you'll have to live off at retirement.

The chart opposite illustrates respectively someone who is saving €200 a month from ages 30, 35 and 40, and hoping to retire at 65.

As you can see, a delay of just ten years can significantly reduce your potential retirement income. Think about how this could affect your lifestyle in retirement: a 65 year old who started their pension at the age of 30 could have approximately €3,300 a year extra income compared to someone who started their pension at the age of 40 – a significant amount.

The cost of delay



This chart shows contributions of €200 per month escalating at 2.5% per annum payable from exact age 30, 35 and 40 to age 65. The projected annual income payable is based on a single life, with a 5 year guarantee, 1.5% escalation of income payable monthly in advance. Contributions are assumed to commence on 1 September 2016. For the purposes of providing the projections we have assumed a product allocation rate of 95%, with a 1% annual management charge and investment growth of 4.2%p.a. This information is correct as per 1 September 2016.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.

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

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

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

2. Work out how much you should be saving

How much should you be putting away? It's a question we're often asked. Of course, it's up to you. But a simple way to check is to use our Pension Calculator on **zurichlife.ie.** Just input your details, set your retirement goal and you'll quickly work out what you may need to start putting away for your retirement.

3. Earn tax breaks as you save

Saving for your retirement is down to you, but to encourage us to save for our future, you will receive valuable support from the government in the form of tax relief. It's one of the most compelling reasons to save through a pension. Other forms of savings, like bank accounts or savings plans, do not attract such generous incentives.

Every contribution you make to a pension plan receives tax relief based on the rate of income tax you pay (most of us pay income tax at a rate of either 20% or 40%). The table below illustrates what sort of savings you could be making.

Rate you pay income tax at	Your pension contribution before tax relief	Your pension contribution after tax relief	Your Tax Saving
20%	€200	€160	€40
40%	€200	€120	€80

Source: Zurich Life, September 2016.

4. Investing in your pension

A key factor in helping you grow your retirement pot is the investment return you could earn on your pension contributions. Any contributions you make into a pension will be invested in a fund, with a view to growing your money.

Where your money is invested and how much risk you are prepared to accept is completely up to you. However, a general rule of thumb is the further you are from your retirement, the more adventurous you can be with your investment choice. An expert such as a Financial Broker or Advisor will be able to help you work out what investment choice might best suit you.

Zurich Life offers you access to a wide range of investment funds and choices – from very low risk options such as cash funds, medium risk options like multi-asset or managed funds, and higher risk options such as equity and property funds.

We make it easy for you to keep track of how your pension is performing, just visit **zurichlife.ie** where you will find all the up to date fund information you need – including the value of your pension.

5. Make sure your pension can change with you

Setting up a pension is the first step on a journey – but it's a journey that could last for over 40 years. As you and your career change, make sure you keep your pension in mind.

A pension from Zurich Life is fully flexible and you can increase, decrease or even take a break from paying contributions – it really is a pension built with you in mind. So as you get older you can alter your contributions as your circumstances change, topping up when you can. And if you change jobs or even career, it's not a problem, as your pension could move with you.

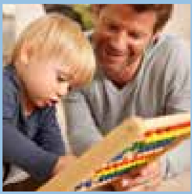
Start planning today

Planning is key to your future retirement, but you don’t have to do it alone. At Zurich Life, we’re happy to help in any way that we can.

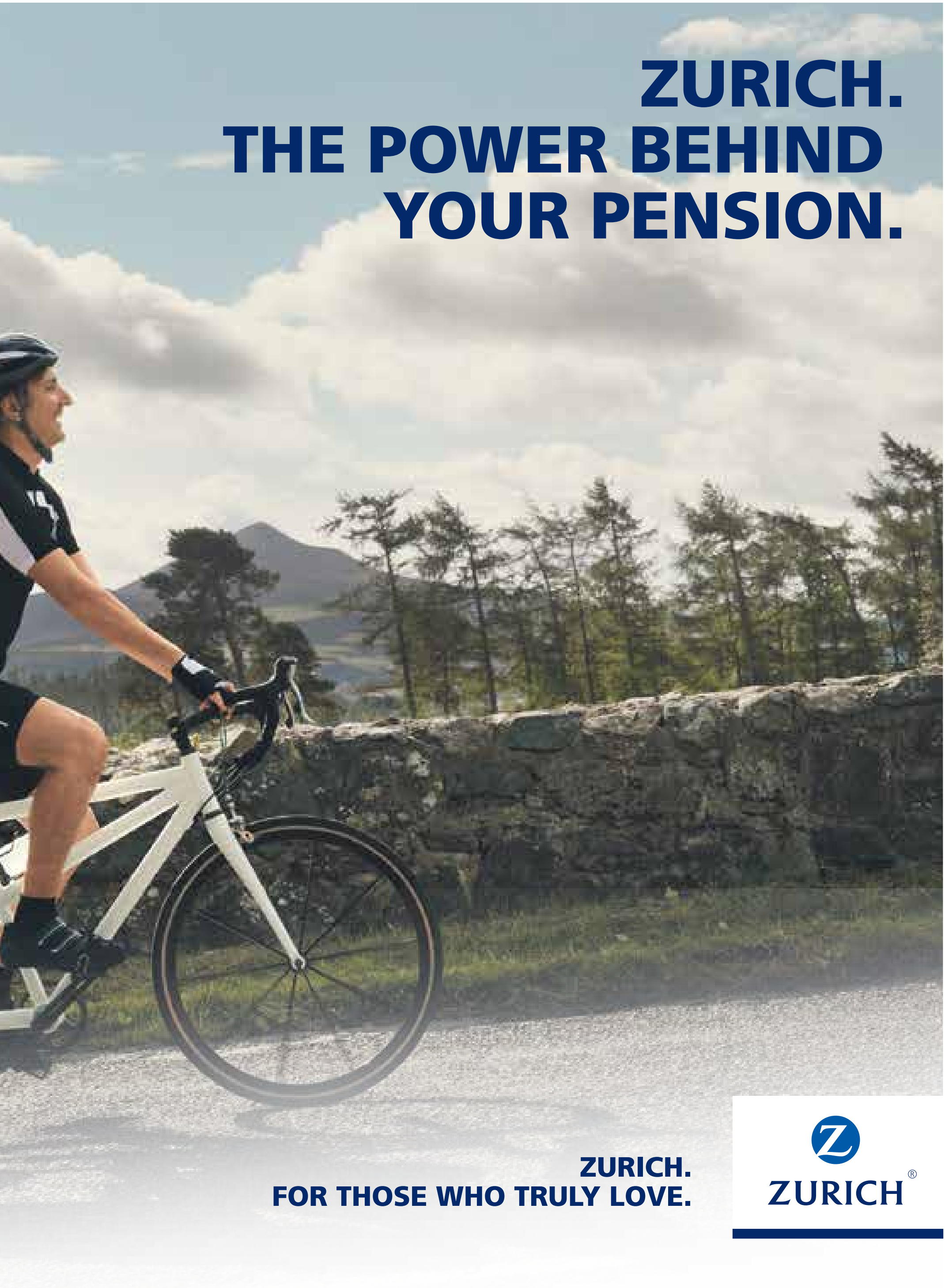
For all the information you’ll need on your retirement journey, just visit **zurichlife.ie.** Our website is a valuable resource that will help you to plan your next step.

Once you arm yourself with all the facts and figures, you should consider speaking to an expert. We always recommend that you speak to a **Financial Broker** or **Advisor** for their help and guidance with your retirement planning. They are experts in their field and can help guide you into making the right decision.

If you don’t have an advisor, just check out **advisorfinder.ie** and find an advisor in your local area.




Zurich Life Assurance plc is regulated by the Central Bank of Ireland.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THE POWER BEHIND
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FOR THOSE WHO TRULY LOVE.
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