

Get to know your options when saving for your retirement



Allow us to introduce ourselves.

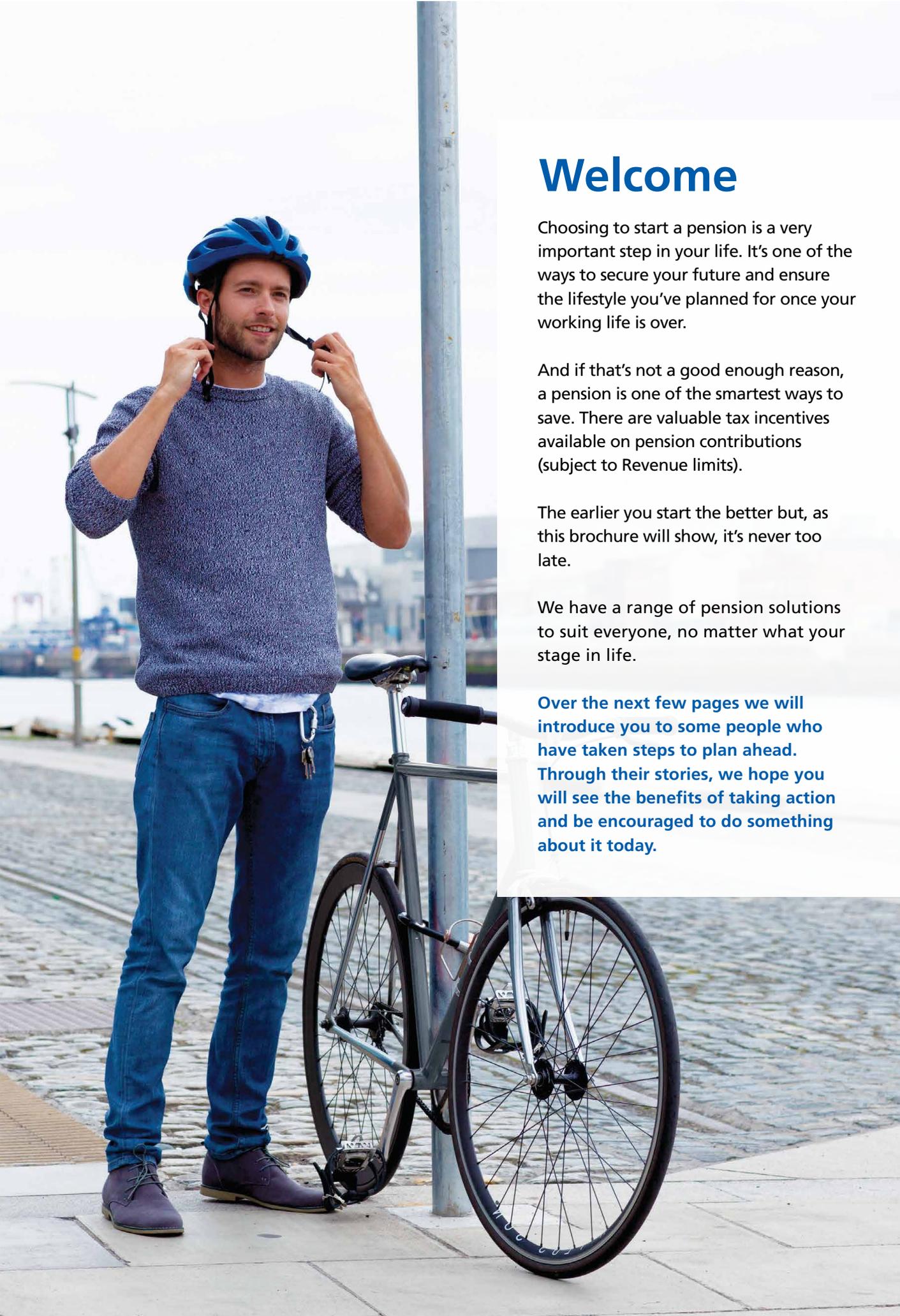
We are Zurich. We are part of a global insurance group with Swiss roots. We are one of Ireland's most successful life and pension providers.

We believe in building a life long trust with our customers. We are passionate about protecting our customers and the things they truly value.

At Zurich, you are at the heart of what we do.

This brochure is designed to give you a clear understanding of our range of pension solutions. If you have any questions please get in touch.

Talk to a financial broker, advisor or call us today and see how we can help you.



Welcome

Choosing to start a pension is a very important step in your life. It's one of the ways to secure your future and ensure the lifestyle you've planned for once your working life is over.

And if that's not a good enough reason, a pension is one of the smartest ways to save. There are valuable tax incentives available on pension contributions (subject to Revenue limits).

The earlier you start the better but, as this brochure will show, it's never too late.

We have a range of pension solutions to suit everyone, no matter what your stage in life.

Over the next few pages we will introduce you to some people who have taken steps to plan ahead. Through their stories, we hope you will see the benefits of taking action and be encouraged to do something about it today.

“I’m only 27, the last thing on my mind was a pension.”

MEET DAVID

Like most people in their twenties David’s thoughts were far from retirement. In fact, his career as a digital applications developer is just getting started. And while it’s important for him to enjoy life now, there are good reasons to look after his future at this stage in life too.

Between David’s rent, car loan repayments and bills he can only afford to save a small amount, but starting so early in life is a big plus.

He chose a Zurich PRSA (Personal Retirement Savings Account), which is flexible enough for him now and will grow with him as his career moves ahead.

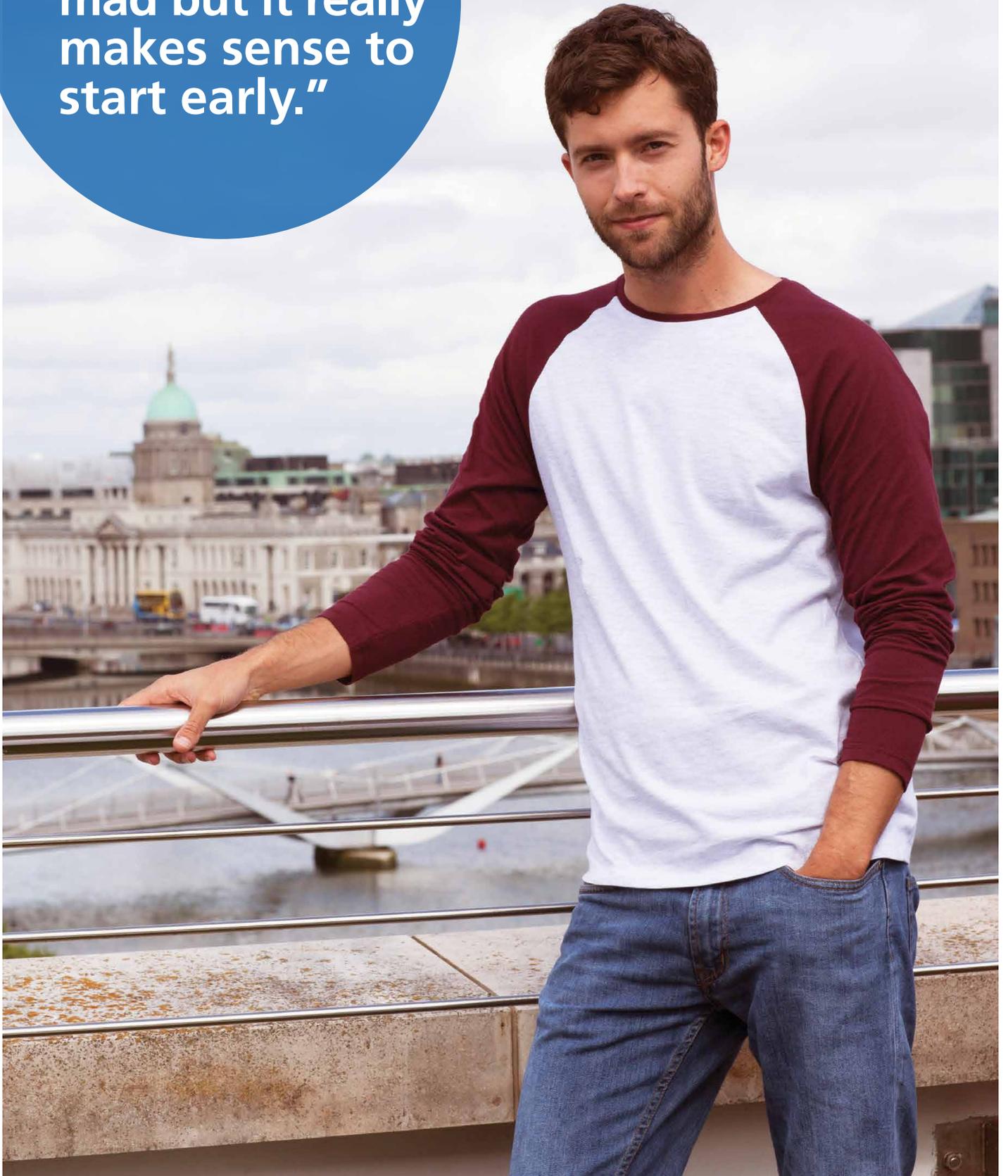
“It was a small sacrifice in the beginning, but I quickly got used to it. There’s a lot of satisfaction knowing your pension is underway.”

Key reasons for David to start a pension now:

- Saving even a small amount now can add up to a lot later on.
- Quickly getting used to saving money as soon as he starts earning it.
- Government tax relief is available on any money he saves into a pension.

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**“My friends
thought I was
mad but it really
makes sense to
start early.”**



“I want to have greater control over my own financial future.”



“As my childcare costs reduce, hopefully I’ll be able to increase my pension contributions.”

MEET SARAH

Sarah, 34, is about to return to work after the birth of her first child. Now she wants to refocus on her career.

Sarah already has a pension plan from a previous employer and is considering her options with her current employer.

“I split all the household costs with my husband. Adding childcare costs to our mortgage and bills will take most of our salary so I wasn’t sure if I could commit to a regular pension contribution.”

Sarah chose to consolidate her previous pension into a Zurich Personal Retirement Bond and join her current employer’s scheme.

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Sarah considered the following when choosing a pension plan:

- Her current age.
- The age she’d like to retire.
- Her expected lifestyle in retirement.
- Any existing pensions from a previous employer.
- How much she can afford to save.
- The benefits offered by her current employer’s scheme.

“ I have around 20 years left to build up my retirement fund. That concentrates the mind.”

MEET BRENDAN

Brendan is a 45 year old owner of a hardware store. Like many businesses, the recession has had a big impact. “We treaded water for a number of years just to stay open and we’ve had to make a few sacrifices.”

With a reduced income and a family of three to support, Brendan had to sacrifice his pension payments. So the Zurich Personal Pension Plan he started in his thirties has remained in limbo for the last few years. Now that things are more stable he wants to get back on track.

A financial advisor explained that his existing plan gives him the flexibility to increase and decrease his contributions without penalty. So he has chosen to stick with it, restarting his contributions now with a view to increasing his payments over the next few years.

“I want to retire as early as possible. That now depends on how well my pension performs.”

Brendan considered the following before choosing a pension plan:

- He will want to make up for the years he couldn't contribute to his pension plan.
- He should set a target retirement age so he can plan ahead properly.
- He needs to decide what kind of lifestyle he expects in retirement.

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**“Speaking
to a financial
advisor really
helped.”**



**“At my age
I don’t want
to take any
risks with my
retirement
fund.”**



“I’ve a few years to go before I retire. I don’t know whether to be anxious or excited.”

MEET DECLAN

At 56 years of age Declan is facing the last few years of his working life. “I work in a mechanical engineering firm so details are my thing, big and small. That’s why I’m taking a closer look at my pension now.”

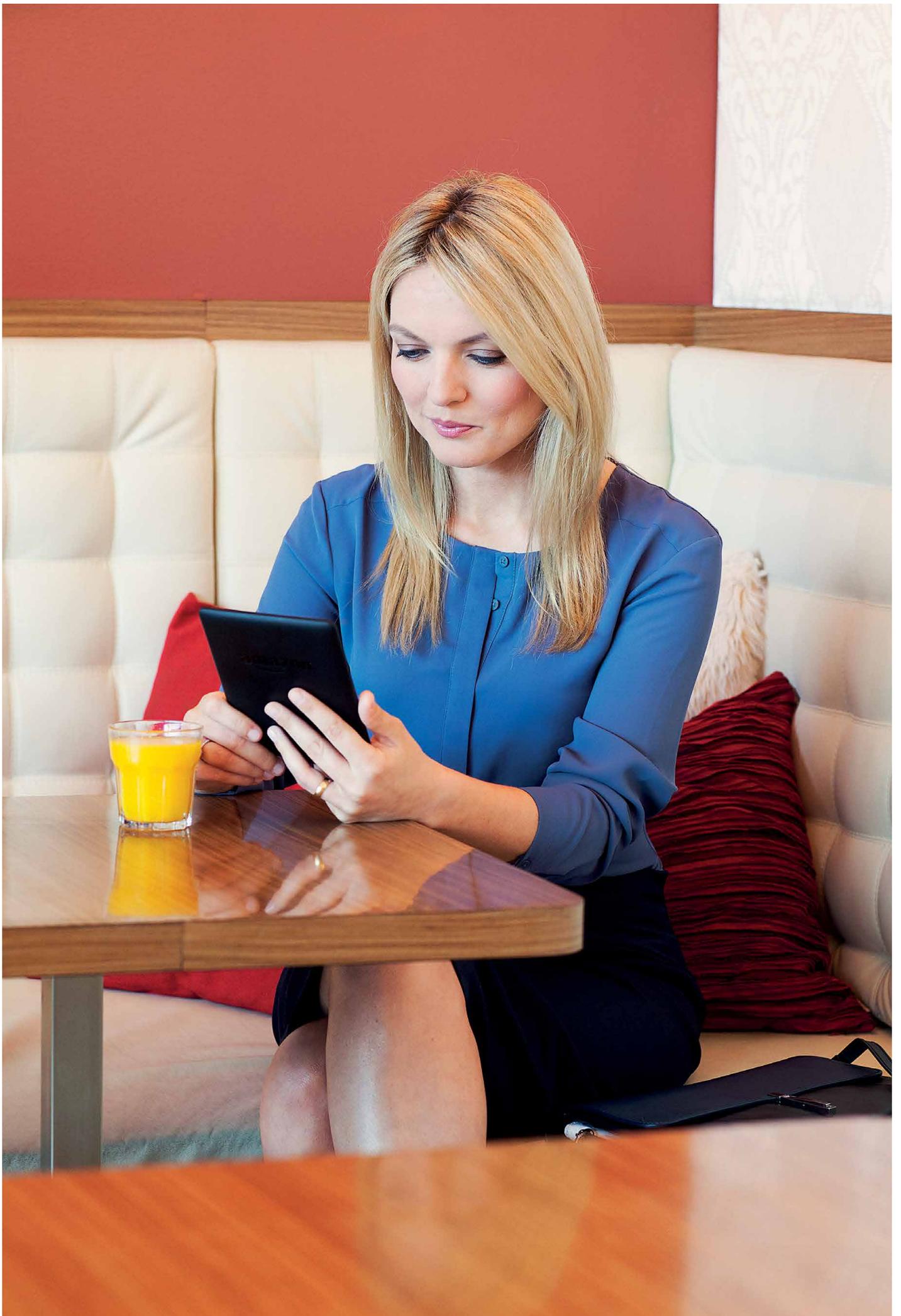
A recent promotion to the board of directors came with a bump up in salary. This means Declan can now afford to increase his pension contributions. After looking at how well his Executive Pension has performed he has decided to set up an AVC Pension Plan (Additional Voluntary Contribution) with Zurich. This gives him the added security of affording a lifestyle that will live up to his expectations.

Declan has other plans for his retirement too, “I’m a bit of a petrol head so I’m always tinkering with engines. I imagine I’ll spend most of my time in the garage and out of my wife’s hair!”

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Warning: Past performance is not a reliable guide to future performance.

Declan had to take into account the following before making a decision:

- The lifestyle he and his wife would like to have in retirement.
- The target age for his retirement. If he wants to retire early he may have to increase his contributions significantly.
- How his salary bump will affect his pension contributions.



Key thoughts when planning your retirement

Can you rely on the State Pension?

The State Contributory Pension is currently worth about €1,000 a month (Citizens Information Board, July 2014). It's helpful but it's not going to give you a comfortable life on its own. The State Pension is funded by taxes paid by Ireland's workforce. But Ireland's population is ageing, so in the future there will be more retirees sharing a smaller pot. In short, you should not rely on the State to provide your pension. The only way to ensure the retirement you want is to take ownership of it now.

You're never too young or too old to start

You can start a pension at any time. The older you are the bigger the contribution you will have to make to guarantee a healthy retirement fund. Obviously, it helps to start early. The sooner you start making pension contributions the better off you will be when you finally retire.

How much to save?

This is, perhaps, the single most important consideration. Of course, it's up to you but it usually depends on these main factors - when you would like to retire, what lifestyle you would like in retirement and how much can you afford to save. This may vary for lots of reasons throughout your working life. A simple way to check how much you should save is to use our Pension Calculator at zurichlife.ie.

A pension is the most tax efficient way to save

The government encourages us to save for our future by offering valuable tax relief on retirement funds. Other forms of saving, like bank accounts or savings plans, do not attract such incentives.

The table below shows the actual cost of pension contributions when tax relief is taken into account. As you can see it is significantly lower.

Your monthly pension contribution	Less tax relief	Actual cost to you
€200	41% tax relief*	€118
€200	20% tax relief*	€160

* Based on income tax rates as at July 2014. Source: Revenue.ie. These rates may change in the future.

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What's your attitude towards risk?

All of your pension contributions will be invested in an investment fund or a combination of investment funds, with a view to growing your retirement pot. How that money is invested depends on how much risk you are prepared to accept. Everyone's attitude to risk is different. Choosing your own investment strategy will involve deciding on the level of return you are looking for and balancing it against the level of risk you are comfortable with. We call it your Risk Profile.

As a general rule of thumb, the further you are from retirement, the more adventurous you can be with your investment choices. Zurich offers a wide range of innovative investment solutions depending on the level of investment risk that you are comfortable with. The full choice of available investment funds are listed on our website and in our Fund Guide.

You can ask your financial broker or advisor to help you with your investment decisions. Or you can let us do it for you by selecting an automatic strategy. This automatically reduces your investment risk by moving into lower-risk investment funds as your retirement approaches.

What happens when I retire?

On retirement you can take a cash lump sum that is tax free, subject to Revenue limits. You'll want the remainder of your retirement fund to see you through the rest of your life, so it's important to consider options that will suit your personal circumstances best.

There are two main choices:

(i) An income for life (Annuity)

This is a secure retirement option that provides a steady cash flow until you die. The benefit dies with you and you can't pass it on to your estate.

(ii) A retirement fund you can control (ARF)

An Approved Retirement Fund (ARF) gives you extra control over your pension fund when you retire. Basically, you continue to invest your retirement fund and draw down a regular income at the same time.

The ARF is yours to invest and budget as you see fit (making sure it doesn't run out) and you can pass it on to your estate when you die.

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Warning: The income you get from this investment may go down as well as up.

Both options have pros and cons and you can find out more about them in our dedicated post retirement brochure.





Picking the right pension

Zurich pension solutions

Planning for the retirement you want doesn't have to be complicated. This pension guide will arm you with the basic facts about the range of solutions we offer at Zurich. Once you have had time to consider your options you should speak to a financial broker, advisor or Zurich.

Personal Pension

A personal pension plan is suitable if you are self-employed or have not joined a company pension scheme. You keep control over how much you contribute.

Choose if:

- You are self-employed or have not joined a company pension scheme.
- You change jobs regularly.
- You want more investment fund options than you might find in a PRSA.

The benefits:

- Tax relief on your contributions.
- Any investment growth is also tax free.
- Flexibility - you decide how much to contribute to your pension and you can stop and restart making contributions at any time without penalty.

PRSA

A Personal Retirement Savings Account (PRSA) is different to a Personal Pension because your employer can also make contributions.

For a more detailed description of a Zurich PRSA and its many advantages please see our dedicated PRSA brochure.

Choose if:

- You want your employer to be able to make contributions.
- You want a simple pension product.
- You change jobs regularly.

The benefits:

- Tax relief on your contributions.
- Any investment growth is also tax free.
- Your employer can also make contributions.
- Flexibility - you decide how much to contribute to your PRSA and you can stop and restart making contributions at any time without penalty.

Company Pension Scheme

This is a pension plan designed especially for company owners, directors and employees.

Choose if:

- You want both yourself and your employer to make contributions.
- You want to take a tax-free cash lump sum, depending on length of service, salary and fund size.

The benefits:

- Tax relief on your contributions.
- Tax-free investment growth.
- Your employer can make very generous contributions.
- Contributions are deducted straight from your salary.
- Flexibility - you decide how much to contribute to your pension and you can stop and restart making contributions at any time without penalty.

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Executive Pension

This is a pension plan designed especially for company owners and directors.

Choose if:

- You and your employer want to make tax-free contributions.
- You want to take a tax-free cash lump sum depending on length of service, salary and fund size.

The benefits:

- Tax relief on a your contributions.
- Your employer can make very generous contributions.
- Any investment growth is tax free.
- Flexibility - you decide how much to contribute to your pension. You can stop and restart at any time without penalty.

AVCs

Additional Voluntary Contributions (AVCs) are extra contributions you can make alongside your existing pension plan to increase your pension fund. Before you decide on an AVC you should first find out what you will be entitled to when you retire.

Choose if:

- You would like a better lifestyle when you retire.
- You would like to catch up on contributions due to a pause or reduction in payments during your working life.
- You are getting close to retiring and want to maximise the funds available at retirement.

The benefits:

- Tax relief - maximise the income tax and Pay Related Social Insurance (PRSI) relief on contributions.
- Most investment growth is tax free.
- Choose from a wide range of investment funds.
- Increase your projected pension benefits.

Personal Retirement Bond

A Personal Retirement Bond consolidates your pension into a lump sum. You can use it to take your entitlement with you when changing jobs without having to transfer to your new employer's pension scheme.

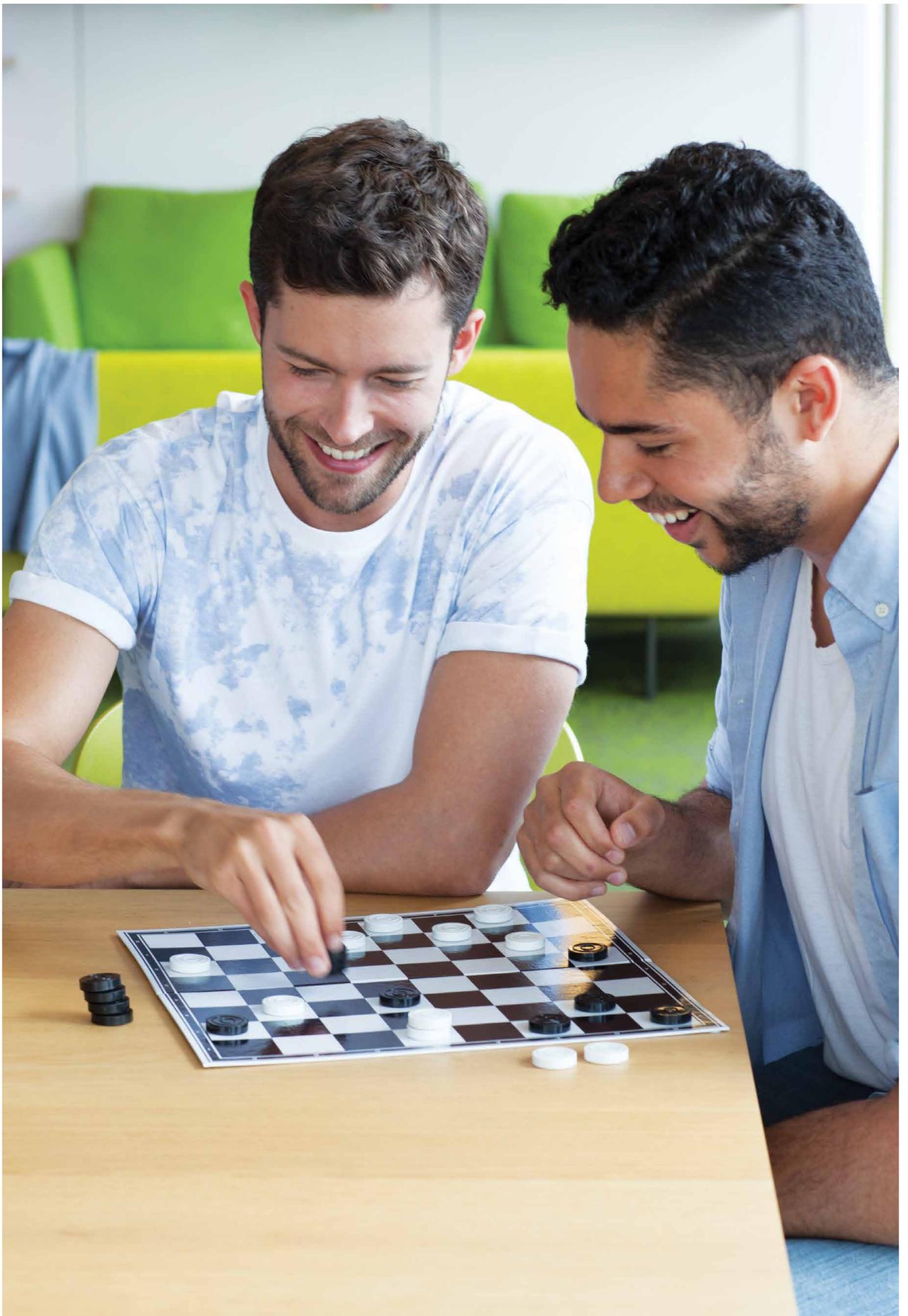
Choose if:

- You are happy to take full responsibility for stock selection and investment of your money within your own portfolio.

The benefits:

- There's no need to transfer to your new employer's scheme.
- You choose the investment fund(s) that your money is invested in.
- You choose when to take your benefits, subject to Revenue rules.
- Any investment growth is tax free.

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Online tools to help you choose

Making financial decisions about retirement planning is important. But you don't have to do it alone. We are here to help however we can. We have lots of useful planning tools at zurichlife.ie

Our Pensions Video

will give you some practical information to help you make the right choice.

Our Customer Dashboard

gives you an overview of your Zurich pension. Simply log on if you want to check the value of your pension, review your investment choices, get a snapshot of your current investment funds and find out how your investment funds are performing.

Our Pension Calculator

can help you decide how much you need to put away to get the retirement you want.

Our Pension Tax Relief Calculator

will show the benefit of tax relief on your pension contribution.

Our Maximum Pension Contribution Calculator

will tell you the amount you can personally contribute to your pension for tax relief purposes.

Our Dual Income Sources Calculator

shows you the amount you can personally contribute to pension plans for tax relief purposes if you have more than one source of income.

Our Risk Profiler

helps you to work out your attitude towards investment risk.

Get started with our range of planning tools, visit zurichlife.ie



Take the next step

When it comes to pensions, Zurich is committed to doing the best we can for our customers. That's why people choose us for their retirement savings. So if you'd like to take the next step, get in touch today.

Talk to your financial broker or advisor

Call us directly on **1850 202 102**

Email us at **customerservices@zurich.com**

Visit our website at **zurichlife.ie**



Zurich offers you a wide range of financial products from life insurance cover, savings & investment solutions to pension and retirement planning. Check out a brochure for more information.

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Visit our website at **zurichlife.ie**

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The information contained herein is based on Zurich Life's understanding of current Revenue practice as at July 2014 and may change in the future.