

# AVCs from Zurich Life



If you want to be free to do what you like later in life you will need to **start planning for it now**. AVCs or Additional Voluntary Contributions are extra contributions you can make to your existing pension plan to increase your pension fund and achieve this aim.

## Benefits

- **Increasing your retirement income** The more you put away now, the more you should have when you retire.
- **Support from the taxman!** Your contributions are allowable against income tax and PRSI. You benefit from the taxman's contribution immediately if your AVC's are paid through salary deduction.

Monthly AVC	41% tax rate and 8% PRSI		20% tax rate and 8% PRSI	
	Taxman Pays	You Pay	Taxman Pays	You Pay
€50	€24.50	€25.50	€14	€36
€100	€49	€51	€28	€72
€200	€98	€102	€56	€144

Note: For individuals earning more than €75,036 in 2009, PRSI relief is available at a rate of 5%.

Age-related tax limits						
Age	Under 30	30 to 39	40 to 49	50 to 54	55 to 59	60 plus
% of net relevant earnings†	15%	20%	25%	30%	35%	40%

† Net Relevant Earnings, e.g. gross salary plus overtime, are subject to a ceiling of €150,000 in 2009 for the purpose of calculating tax relief. These limits include any other contributions you are making to your employer's pension scheme and any current AVCs.

- **Return on your investment** The table below shows the return on a gross contribution of €200 per month over a 25 year period – assuming 41% tax relief and 8% PRSI relief.

Your Contribution	The Taxmans Contribution	Total Contribution	Additional Retirement Fund
€30,600	€29,400	€60,000	€102,911

Assumptions: This example is based on 95% allocation, 1.5% annual management charge and level contributions. The charges on your AVC scheme may be different to those stated and therefore the projected Additional Retirement Fund may be higher or lower than that shown. This assumes an illustrative investment return before retirement of 6% p.a.

**Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment. The value of your investment may go down as well as up. This product may be affected by changes in currency exchange rates.**

- **Tax-free lump sum** You are entitled to 150% of your final year's earnings as a tax-free lump sum\* when you reach retirement age. This is subject to certain legislative requirements. \* The maximum amount of tax-free lump sum currently stands at €1,354,521.
- **Peace of mind** In a world of financial uncertainty it is good to deal with a company you can trust. Zurich is one of the world's largest financial companies. It is an internationally trusted name with highly-rated financial strength (AA-)\* and stability. \* Source: Standard & Poor's as at 12th February 2010
- **More control of your fund** AVC Retirement Funds give you more control. You can:
  - (1) Increase the retirement fund your employer provides for you and your spouse; or
  - (2) Invest your AVC fund into an Approved Retirement Fund (ARF). This means you can draw down retirement capital whenever you like. Also, any unused capital can be passed on to your family or dependants when you die.
- **Retire early** Revenue rules allow you to retire early any time after age 50 with your employers permission – so making AVCs is a great way of planning for early retirement.

**Making or increasing AVCs is easy!**  
**Contact your Financial Advisor or call Zurich Life on 1850 202 202.**

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The information contained herein is based on Zurich Life's understanding of current Practice as at February 2010 and may change in the future.