



life



Personal Retirement Bond

Brochure

Fund your retirement

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IMPORTANT NOTICE: This brochure is designed to help you understand our Personal Retirement Bond policy. To make it easier to read, we haven't included all of the technical details which apply to your policy here.

You can find the full details in your policy conditions, which form part of your legal contract with us. This contract is provided by AIB life and governed by Irish law. This brochure doesn't form part of any contract between you and AIB life, and if there's any conflict between this brochure and your policy conditions, your policy conditions apply.

SECTION 1

AIB LIFE PRB AT A GLANCE

WHY CHOOSE AIB LIFE?

We all want to feel financially secure, but it can be hard to know if you're on track. At AIB life, we help you feel better about your future.

We put power into your plans, whether you're looking to prepare for retirement, protect your loved ones or invest your money in a flexible way. If you run a business, we can support you too.

As a partnership between AIB and Great-West Lifeco, we're built on over a century of experience. Now we're taking that experience further, with the help of AIB's Financial Advisors and smart financial tools that live on the AIB Mobile Banking app.

WHAT'S THE DIFFERENCE BETWEEN AIB AND AIB LIFE?

Allied Irish Banks, p.l.c. (AIB) is a separate company from AIB life, which was launched in 2023. AIB life provides protection, pension and investment products. AIB provides advice on these products.



WHO'S THIS BROCHURE FOR?

Perhaps you've built up retirement savings through your occupational pension scheme and you're leaving that job, or the scheme is winding up. Maybe you're familiar with Personal Retirement Bonds and you have one already. Either way, if you're looking for a long-term policy for investing your retirement savings, this brochure is for you.

WHAT IS A PERSONAL RETIREMENT BOND?

A Personal Retirement Bond (PRB) is a type of pension policy where you make just one contribution. This contribution is a transfer of the value of your retirement savings from an occupational pension scheme or another PRB. PRBs are also called “buy-out bonds”.

WHAT DO I NEED TO KNOW?

The AIB life PRB is for people who live in Ireland, aged between 18 and 69. It can only accept transfers from an occupational pension scheme or an existing PRB. This will generally be a once-off contribution paid at the start of the policy, with no further contributions. The contribution must be at least €3,000. If the transfer is being made from your occupational pension scheme, the trustees of that scheme will make this transfer. They will have no further involvement once your policy is set up.

You can decide how to invest the money in your policy. When it comes to investing, we can do all the hard work for you, give you more control or offer you a mixture of both. We explain your investment options in section 3.

Charges will apply to your policy and depend on the funds you are invested in. We explain the charges in section 4.

When you reach retirement, you can start withdrawing money from your pension pot, which we call “taking your retirement benefits”. You’ll be able to choose from several options when you retire, which we explain in section 5.



Your retirement is normally between age 60 and 70, so you need to be comfortable putting this money away until then. There are two exceptions where you can take your retirement benefits early. We explain these and answer a range of other commonly asked questions in section 6.

Your AIB Advisor can guide you through deciding whether this product is for you.

WARNING: If you invest in this product you will not have any access to your money until age 60 and/or you retire.

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

SECTION 2

KEY BENEFITS OF THE AIB LIFE PRB

1. TAX EFFICIENCY

The following is a general summary of the tax reliefs available with the AIB life PRB, based on current legislation. The precise tax treatment will vary depending on your circumstances so you should discuss the tax implications of all investment decisions with a tax specialist.

TAX-FREE GROWTH

The growth on your money is generally tax-free with a PRB. Your pension savings can continue to grow without paying Capital Gains Tax (CGT), Deposit Interest Retention Tax (DIRT) or exit tax on investments.

TAX-FREE CASH ON RETIREMENT

You're normally able to take a retirement lump sum from the value of your policy when you retire. Some or all of this amount may be tax-free.

Here's how tax limits work, depending on the amount of money taken from your pension pot:

- The first €200,000 is tax-free
- The next €300,000 will be taxed at the standard rate
- Anything more than €500,000 will be taxed at your marginal rate and PRSI (if applicable) and Universal Social Charge will also be deducted

The above are lifetime limits and apply to the total of all retirement lump sums taken across all of your pension arrangements.

2. CONTROL

Your AIB life PRB is personally owned by you, so you have complete control over the decisions made about it.

3. OUR CHOICE OF FUNDS

Our funds cover a variety of risk levels, asset classes and investments, so there's an option for most types of investor. Some funds keep investment risk low and generally offer low returns, while others aim for higher returns and are riskier. Most of all, we ensure your money is looked after by continually monitoring the performance of our funds and fund managers.

SECTION 3

YOUR INVESTMENT OPTIONS

The AIB life PRB offers a range of funds to choose from. Each of these funds will invest your money in assets like shares, property and government bonds, with different levels of risk and expected growth. This allows you to invest your money in a way that reflects the amount of risk you're comfortable with.

There are two main ways you can invest the money in your policy:

- 1. Use our Lifestages investment strategy:** This is a lifestyling strategy where we determine where to invest your contribution, based on how far you are from your retirement. We automatically switch your money between funds to lower the amount of risk as you near your retirement.
- 2. Choose your own funds:** You pick the fund(s) your contribution is invested into and decide if and when you want to switch money between funds.

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 may lose some or all of the money you invest.

WHAT IS THE LIFESTAGES INVESTMENT STRATEGY?

We recognise that your investment needs change as you get closer to retirement, in that you'll have less time to recover from any losses. That's why our Lifestages investment strategy adjusts the risk of your investments as you approach your normal retirement age. We'll invest your money in a mix of different asset classes, which we'll automatically make less risky as you near retirement.

When you're a long way from retirement, we'll invest a higher proportion of your savings in funds which invest predominantly in riskier assets which have a greater potential return. As you approach your normal retirement age, we'll gradually move you to funds which invest in less risky assets. This shift aims to protect your savings against market drops, which can impact any fund regardless of its level of risk. We make these changes automatically, so you can rest assured that your investment should remain suitable for your needs, without you having to make investment decisions.

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

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The Lifestages investment strategy is intended to meet your needs if you intend to purchase an Approved Retirement Fund (ARF) at retirement. You can find out more about ARFs in section 5 where we explain your retirement options. If you intend to purchase an annuity at retirement, you may wish to consider other investment options as Lifestages may not be the most suitable strategy for your needs.

Further detail on the Lifestages investment strategy can be found in our AIB life Fund Guide.

WHAT OTHER INVESTMENT OPTIONS ARE AVAILABLE?

We have a variety of fund options to choose from, if you want to choose your own funds.

Your AIB Advisor can explain our fund range to you and help you choose a fund that suits your needs. Further detail on the funds can be found in our AIB life Fund Guide and at aiblife-fundcentre.saolassuranc.ie.

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SECTION 4

HOW WE CHARGE

We've made sure the charges on our AIB life PRB are simple and transparent. Here are the charges to be aware of and how they work:

- 1. Contribution charges:** A contribution charge may apply to the money you put into your policy, reducing the amount invested into your selected funds
- 2. Annual management charges:** An annual management charge will apply for each fund your policy is invested in. Each month we take one twelfth of the annual management charge by deducting units from your policy
- 3. Early exit charges:** An early exit charge may apply if you end your policy in the first five years. This charge is taken from the value of your policy and may vary depending on what year of your policy you are in at that time

We want to make it easy for you to see what charges you are paying:

- Before you take out your policy, you'll see the charges which will apply to your policy in your quotation. When you take out your policy, we'll provide you with these charges again in your Policy Schedule
- You can find details of the annual management charges for all available funds in our AIB life Fund Guide

We don't charge you for switching between funds. However, different funds may have different annual management charges, so you should consider those before you make a fund switch.



SECTION 5

YOUR RETIREMENT OPTIONS

We've summarised the options for taking your retirement benefits below. These options are subject to requirements of the Revenue Commissioners. You don't need to make any decisions yet and we'll give you more information about these options closer to your retirement. An AIB Advisor can also guide you through the whole process, recommend the options they expect to best meet your needs and objectives in retirement and help you understand any regulatory limits and tax implications for your circumstances.

OPTION 1:

- Take a retirement lump sum of up to one and a half times your retirement salary
- Use the rest of your policy value to buy an annuity

The maximum retirement lump sum available to you may be lower than this.

If you made Annual Voluntary Contributions (AVCs), you may have other options for taking the value of those retirement savings.

OPTION 2:

- Take a retirement lump sum of up to 25% of the value of your policy
- Use the rest of your policy value to buy an annuity, buy an Approved Retirement Fund (ARF) or take a taxable lump sum payment (you can choose one or more of these options)



Some or all of your retirement lump sum may be tax-free, as we explain in section 2.

There's also a limit on the maximum pension fund you're allowed tax relief on at retirement. This is called the Standard Fund Threshold (SFT) and is currently €2,000,000. It applies to the total value of all your pension arrangements. Unless you have a higher Personal Fund Threshold, any value in excess of the SFT will be liable to a once-off income tax charge at the higher rate of tax when it is drawn down on retirement.

Buy an annuity

An annuity provides a regular pension income in retirement until you die. This pension income is subject to income tax and other relevant taxes. Some annuity products will have additional features such as a guaranteed period of payment and/or payment to your spouse in the event of your death.

Buy an Approved Retirement Fund (ARF)

An ARF allows you to continue to invest your pension fund once you're retired and to take a flexible withdrawal from it. Under current legislation, a minimum withdrawal must be taken from your ARF every year. Withdrawals from an ARF are subject to income tax and other relevant taxes.

SECTION 6

QUESTIONS AND ANSWERS

WHAT IS MY NORMAL RETIREMENT AGE?

We need to be told your normal retirement age before we start the policy. This is the age selected to take your retirement benefits and will be between age 60 and 70. If you choose our Lifestages investment strategy, this is also the age we'll assume for retirement when adjusting the risk of your investments.

WHAT HAPPENS IF I WANT TO RETIRE EARLY?

You may be able to take your retirement benefits from age 50 if you're retired.

If you can no longer work because of a serious illness or disability, you may be able to take your retirement benefits immediately, regardless of age.

These are subject to Revenue Commissioners' rules and we'll ask you to provide evidence before you take your retirement benefits.

WHAT ARE MY OPTIONS IF I WANT TO CONTINUE WORKING AFTER MY NORMAL RETIREMENT AGE?

You can take your retirement benefits at your normal retirement age and continue to work. Alternatively, you can delay taking your retirement benefits until you retire, up to age 70.

You must take your retirement benefits at your normal retirement age if you stop working.

WHAT HAPPENS TO MY MONEY IF I DIE BEFORE RETIRING?

If you die before retirement, your estate will receive the value of your policy. This money may be subject to tax in the hands of your beneficiaries. For example, Capital Acquisitions Tax (CAT).

CAN I TRANSFER MY AIB LIFE PRB TO ANOTHER PENSION ARRANGEMENT?

You can transfer the value of your policy to another approved occupational pension scheme or PRB. This is subject to certain controls and legal restrictions, which we'll explain to you before the transfer happens. One such restriction is that your entire policy value must be transferred.

CAN I HAVE MULTIPLE PRBS?

Yes, you can have more than one PRB. If you have two or more PRBs that relate to the same employment, you must take the retirement benefits from these at the same time and you can only take a retirement lump sum from one of these.

EUROPEAN COMMUNITIES (DISTANCE MARKETING OF CONSUMER FINANCIAL SERVICES) REGULATIONS, 2004

A financial service or product being provided on a distance basis means that it didn't involve face-to-face contact. If we provide a product on a distance basis, we're obliged to provide certain information. We have included this information under various sections in the documents we have provided to you, including this brochure. All information we provide will be written in English.

SECTION 7

CONTACTING US

We're always on hand to help. But who you contact will depend on what you're trying to do.

If you want to speak to an AIB Advisor:



Book a callback: aib.ie/make-a-plan



Visit a branch: aib.ie/branchlocator



or Call: 01 771 5867 | Mon – Fri, 09:00 - 17:00

For all other queries speak to AIB life:

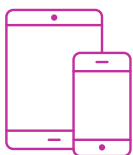


Email: hello@help.aiblife.ie



or Call: 01 912 4455 | Mon – Fri, 08:00 - 18:00

If you want to update your contact details or view your documents, it's easy in the AIB Mobile Banking app:



Just click **AIB life** in the **Products** tab or directly from your accounts list, then either of the below:

- 1. Update details:** Visit **AIB life Changes** tab and make a request
- 2. View documents:** Visit **AIB Advice** tab to download your brochure or policy conditions

In the interest of customer service we will record and monitor calls.



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