

HEALTH WEALTH CAREER

ZURICH ENHANCED TRANSFER VALUE (ETV) OFFER



MAKE TOMORROW, TODAY



OFFER FROM ZURICH

Zurich are making an offer to the deferred members of Zurich Ireland Group Pension Scheme.

Zurich will offer and fund for an enhancement on top of the transfer value of the pension benefits held in the Pension Scheme.

Transfer available to either Personal Retirement Bond or Employer's Pension Scheme or Early retirement, as applicable.

Requirement to attend individual 1-2-1 financial advice meeting with a Zurich appointed Independent Financial Adviser.

WHAT IS THE INDEPENDENT FINANCIAL ADVISER'S (IFA) ROLE?

1

An Independent Financial Adviser (IFA) is appointed by Zurich to advise members on whether remaining in the DB scheme or transferring is in your best interest – so the IFA is acting on your behalf

2

The IFA is authorised by the Central Bank of Ireland under the Investment Intermediaries Act, 1995 to provide broad based investment advice

3

The advice will be based on your personal circumstances

4

Zurich will cover the costs of this 1-2-1 financial advice meeting



WHO IS LIKELY TO BE INTERESTED IN THE OFFER



PEOPLE WHO MAY WANT TO TRANSFER

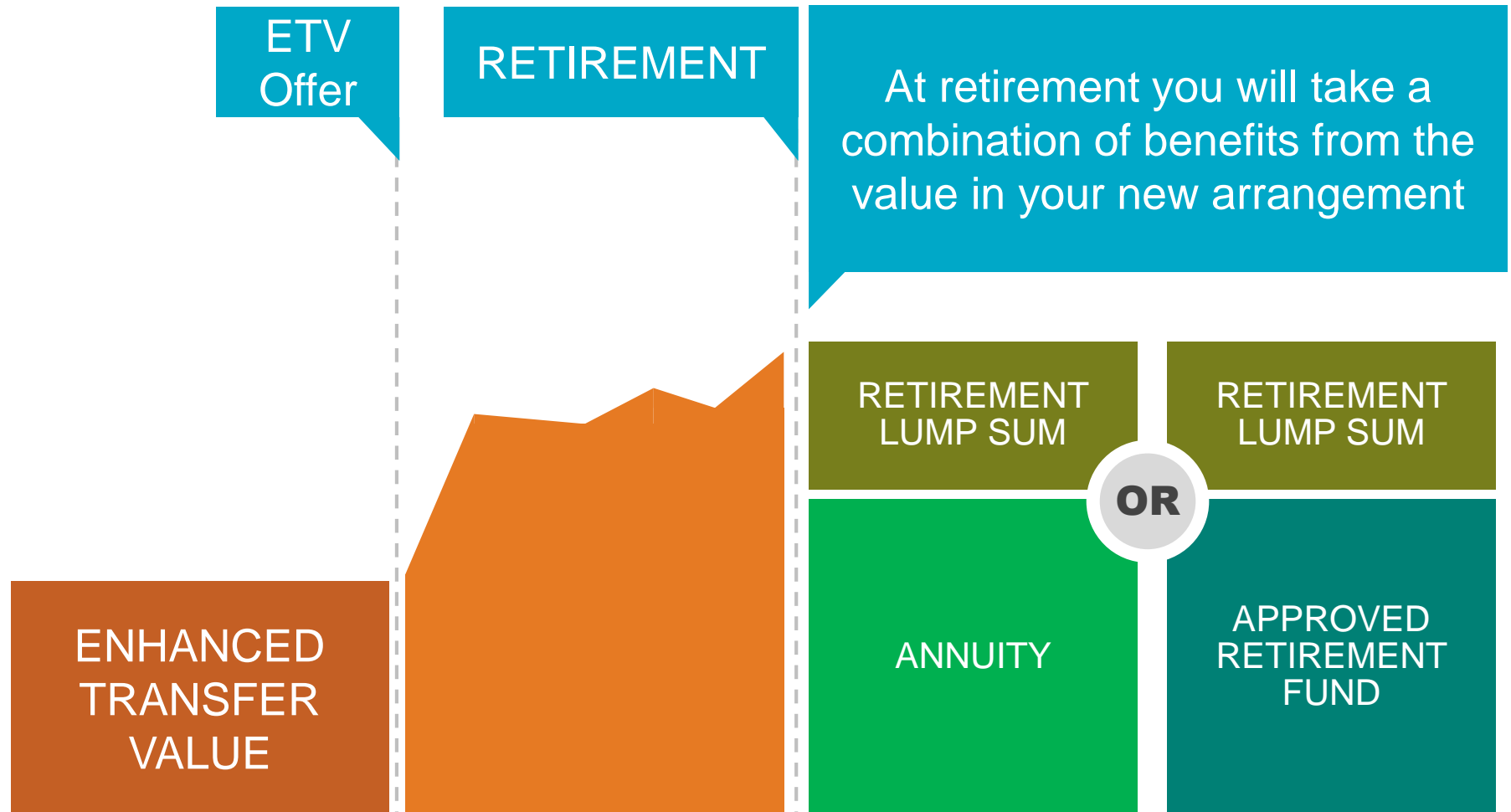
- ✓ May want control over the investment of all of your Zurich pension benefits
- ✓ May want more flexibility over the form of your pension benefits
- ✓ Find that their projected benefits are higher if they claim the ETV
- ✓ Believe they will live a shorter than average life span



PEOPLE WHO MAY NOT WANT TO TRANSFER

- ✗ Prefer not to have direct control or responsibility over pension investment
- ✗ May value relative certainty of retirement income from the DB Scheme
- ✗ Find that their projected benefits are higher if they remain in the DB Scheme
- ✗ Believe they will live a longer than average life span

FUTURE BENEFIT OPTIONS AFTER ACCEPTING ETV



WHAT IS AN APPROVED RETIREMENT FUND (ARF)

- An ARF provides a means of keeping your pension invested after taking your retirement lump sum. It is a retirement income alternative to an annuity.
- Investment growth within ARF is tax-free, similar to your PRB or DC scheme
- Income withdrawn is taxable – income tax, USC & PRSI until age 66.
- If you do not have €12,700 p.a. guaranteed annual pension income the you must invest €63,500 in an Approved Minimum Retirement Fund (AMRF)
- Minimum withdrawal from ARF is 4% per annum between age 60 & 70, 5% thereafter or 6% if your ARF is above €2 million
- Maximum withdrawal from AMRF is 4% per annum up until age 75 when your AMRF becomes an ARF

ACCESSING AN APPROVED RETIREMENT FUND (ARF)



ARF ADVANTAGES

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- ✓ Possibility of investment growth
- ✓ Inheritable on advantageous terms:
 - ✓ Spouse, as an ARF in own right
 - ✓ Children over 21, at 30% tax rate, exempt from CAT
- ✓ Choice of a very broad range of investments and ARF providers
- ✓ Flexibility of Income: subject to minimum 4% of value per annum from age 60, 5% from age 70
- ✓ Control of investment



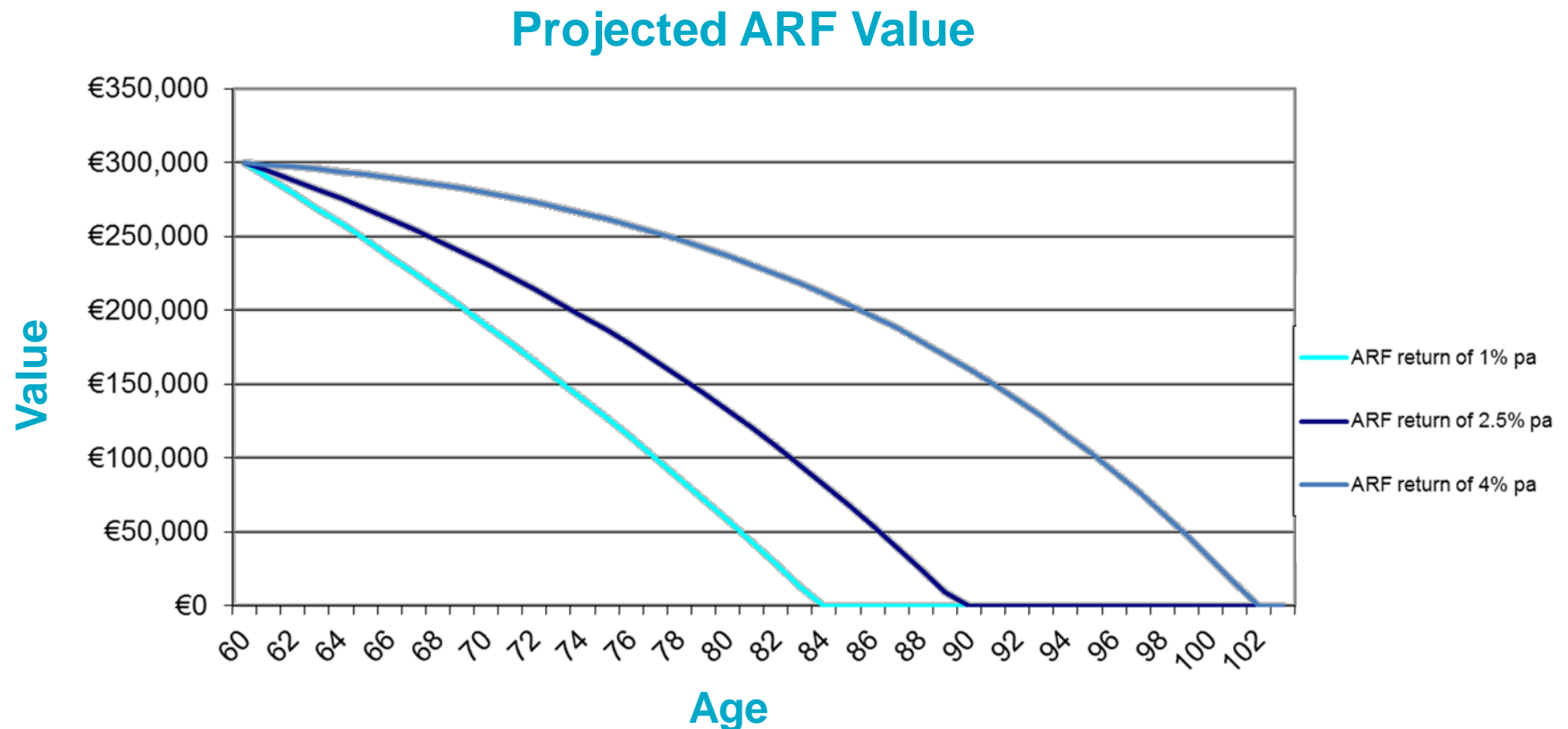
ARF DISADVANTAGES

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- ✗ Possibility of investment losses
- ✗ Can be exhausted due to:
 - ✗ Investment losses, and/or
 - ✗ Excessive withdrawals
 - ✗ Living longer than anticipated
- ✗ Responsibility for investment
- ✗ Restrictions apply where individual does not have €12,700 p.a. guaranteed annual income (AMRF requirement)

HOW AN ARF FUND VALUE IS PROJECTED TO EVOLVE

- Assuming an income of €13,000 per annum is drawn from an ARF which commences with a value of €300,000



OPTIONS FOR RECEIVING YOUR TRANSFER VALUE

PERSONAL RETIREMENT BOND

- Annual management charge 0.35% per annum for core funds
- 100% allocation – all funds invested
- No encashment charge if you retire immediately or transfer away
- No commission paid to IFA
- PRB arranged by IFA who will be available to support you after transferring
- You can draw the PRB at any time after age 50 (once you have left Zurich)

DEFINED CONTRIBUTION SCHEME

- If you are a member of a Defined Contribution (DC) scheme, you can transfer to that arrangement
- Your transfer value will be linked with the benefit options under the DC scheme

EARLY RETIREMENT

- The Trustee is currently providing consent for Scheme members to take benefits from age 50
- The pension will be reduced to allow for the early payment of the pension before Normal Retirement Date
- The consent to provide Early Retirement will be reviewed on a regular basis and the Trustee reserves its right to not consent to early retirement requests in the future

TRANSFER CONSIDERATIONS

WHAT TO CONSIDER BEFORE TRANSFERRING?

- Value for money – Benefits likely to receive at and after retirement from the DB Scheme compared with the benefits after transferring?
- What investment return is needed to make transfer viable and can you generate the investment return?
- Do you want control/responsibility for the investment?
- Could you have a more suitable benefit combination at retirement?:
 - Do you want a single life/level pension rather than one with spouses/increases?
 - Do want to be able to pass on your pension value/ARF to your children?
 - Will it give you access to a higher lump sum?



FINANCIAL ADVICE

WHAT IS COVERED IN THE FINANCIAL ADVICE 1-2-1?

- Advice provided is on the decision to transfer from DB Scheme or to remain.
- The IFA will review your completed Fact-Find to assess suitability of transfer. Details of any other pension entitlements and/or personal finances are required to help advise you on the ETV Offer.
- **IMPORTANT TO BRING COMPLETED FACTFIND AND ALL PENSION INFORMATION TO YOUR 1-2-1 FINANCIAL ADVICE MEETING INCLUDING;**
 - VALID PHOTO ID; AND
 - PROOF OF ADDRESS.
- The information gathered will be used to discuss the suitability of relevant scenarios with you. Discussions in the meeting will inform the recommendation for next steps.
- Recommendation report will be issued to you after your 1-2-1 meeting including;
 - Decision, Discharge forms; and a
 - Statement of Suitability, where applicable.



CONTACT DETAILS

• **BOOKING A 1-2-1 FINANCIAL ADVICE MEETING**

Independent Financial Advice (IFA) Meetings can be booked via the IFA contact details provided in your individual ETV Offer Letter.

The advice provided to you will be completely independent of Zurich, and will be between you and the IFA.

All of the information you provide will be treated confidentially and will not be shared with Zurich, the Trustee of the Scheme, or used for any other purposes.

The IFA will only provide high-level, summary information to Zurich to help it monitor the take-up of the offer – this summary information will be completely anonymised and none of your personal details will be shared with Zurich.

CONTACT DETAILS

• ZURICH ETV TEAM CONTACT DETAILS

The Zurich ETV Team will answer any general queries you may have about the ETV Offer and your pension in the Scheme, however,

THE ETV TEAM IS NOT AVAILABLE TO PROVIDE FINANCIAL ADVICE.



: 01 209 2388



: ZurichIrelandETV@zurich.com



: www.zurich.ie/zurich-ireland-etv