



ABC Company Pension Scheme (defined contribution)

Leaving service options letter

We understand that you are leaving/left service on 31 January 2015 - this letter outlines what your options are in relation to benefits you have built up in your pension fund.

1. Your personal details

Name	Scheme number
Address	Member ref number
Date of birth	Pensions Authority ref number
Civil/marital status	Date you joined the scheme
Gender	Normal retirement age
Pension adjustment order (PAO) ¹	Date of normal retirement

2. Rights and options available²

▶ **A refund of your contributions**

As you have less than two years scheme service, you can opt to have the contributions you made to the scheme paid back to you. You are not entitled to a refund of the contributions your employer has made. The refund amounts to [insert value] before taxation. This is the sum of all contributions you have made to the scheme.

▶ **Leave the benefits you have accumulated in the scheme**

You may retain the benefits you have accumulated in the scheme until retirement. This amounts to [insert value] at [insert date of valuation], which is the value of your contributions, your employer's contributions and the return on investment. [It also includes additional voluntary contributions and transfers in.]³ This amount will be invested and the retirement benefit will depend on how much money has built up in the fund and how you draw it down. You will not be able to continue to contribute to the scheme and no further contributions will be made on your behalf. The earliest age you can draw down these benefits is [insert age per scheme rules].

▶ **Use the benefits you have accumulated in the scheme to retire immediately**

You may use the benefits you have accumulated in the scheme to retire immediately. Please contact [insert name and contact details] for details on early retirement options.

▶ **Transfer the benefits to your new employer's occupational pension scheme**

You may transfer the accumulated benefit of [insert value] to another scheme your new employer operates.⁴

▶ **Transfer the benefits to a buy-out bond (BOB)**

You may transfer the accumulated benefit of [insert value] to a BOB in your own name. BOBs are single contribution policies taken out with an insurance company. You will not be able to make further contributions to the BOB after the transfer.⁴

▶ **Transfer the benefits to a PRSA**

You may transfer the accumulated benefit of [insert value] to a PRSA in your own name. If the value is greater than €10,000 you will need a certificate of benefit comparison showing the pros and cons of transferring to a PRSA. Please note providers may charge a fee for preparing the certificate.⁴

For further details on any other rights and obligations please contact [insert name/title and address].

To select any of the benefit options above please complete the 'option selection form' and forward to [insert name, address and any other contact details].

3. Additional details⁵

- ▶ your scheme: [insert name and address]
- ▶ your scheme trustees: [insert name and address]
- ▶ benefits are paid by: [insert name]

4. Option selection form

Member's name

Member's ref number

Please indicate which option you are choosing:²

- | | |
|--|-------|
| 1. A refund of your contributions
This is only possible if you have less than two years scheme service. | _____ |
| 2. Leave your benefits in the scheme
You should ensure that your employer is kept up to date with any changes to your contact details. | _____ |
| 3. Use the benefits you have accumulated in the scheme to retire immediately
Please contact [insert name and contact details] for further details. | _____ |
| 4. Transfer your benefits to your new employer's scheme
Please provide details of the new scheme. | _____ |
| 5. Transfer your benefits to a buy-out bond
Please provide details of the buy-out bond. | _____ |
| 6. Transfer your benefits to a PRSA
Please provide details of the PRSA. | _____ |

Signature:

Date:

Your projected retirement fund at 31 January 2014

This statement estimates what your benefits might be at retirement age.

1. Your projected benefits

Your scheme contributions are invested on your behalf and your retirement benefit depends on how much money has been built up in your fund at retirement. We use assumptions to show you what your retirement fund might be, and the income that it might provide for you, at your normal retirement age.

	At normal retirement age	Value in today's money
Your projected fund will be:	€35,000 ⁶	€28,000
This provides a projected income of:	€1,700 a year	€1,400 a year

2. Important notes

- ▶ It is important to remember that projected values are estimates only and are not guaranteed, as investments may fall or rise.
- ▶ The effect of charges reduces the expected investment return on your retirement fund by 0.5% a year.
- ▶ These estimates have been based on the following assumptions:
 - ▶ Investments earn a return of 5.2% a year.
 - ▶ No further contributions will be made to the scheme by you or on your behalf.
 - ▶ Inflation is 3% a year.
 - ▶ Each €21 in your retirement fund will buy you €1 of annual pension income. This is equal to an annuity rate of 4.76% which is based on a single life pension payable monthly in advance, increasing by 2% every year, and guaranteed for a minimum of 5 years from age 65 and for your lifetime thereafter.
- ▶ The actual annuity rate at retirement is likely to differ from the annuity rate used in this illustration.
- ▶ A levy on pension schemes of 0.15% of assets under management at 30 June 2015 is payable. This will be deducted from your fund and paid to the Revenue. This levy [has]/[has not] been factored into projections.
- ▶ It is important to make adequate provision for retirement. The purpose of this statement is to assist in planning for retirement income. It does not take account of any tax-related issues.

¹ If a PAO has been received in respect of a member's benefits this must be stated and, if so, either a statement of the effect of the PAO or details as to where further information relating to the effect and operation of the PAO on the benefits to or in respect of the member may be obtained.

² Only those options available to the member should be listed in the options letter/form. For example, for members that do not have the option to retire immediately, that option should not be presented. Likewise, members with more than 15 years scheme service should not be presented with the option to transfer to a PRSA and so on.

³ Delete if not appropriate to the member.

⁴ A member of a scheme shall not be entitled to a transfer payment if they fail to exercise the entitlement within two years (or such longer period as may be provided for by the scheme or determined by the trustees of the scheme) after the date of the termination of the relevant employment concerned. Providers may wish to advise members of a time limit within which they must request a transfer.

⁵ If any transfer payment has been effected or any amount has been paid by the trustees of the scheme without the consent of the member, provide the name and address of the scheme to which the transfer payment or any amount has been paid or of the undertaking with whom the policy or contract of assurance has been entered into on behalf of the member.

⁶ This value must not include any estimate of bonus, interest or other additions after the specified date other than those which are explicitly guaranteed under the policy of assurance or other contract to which the contributions have been applied.