


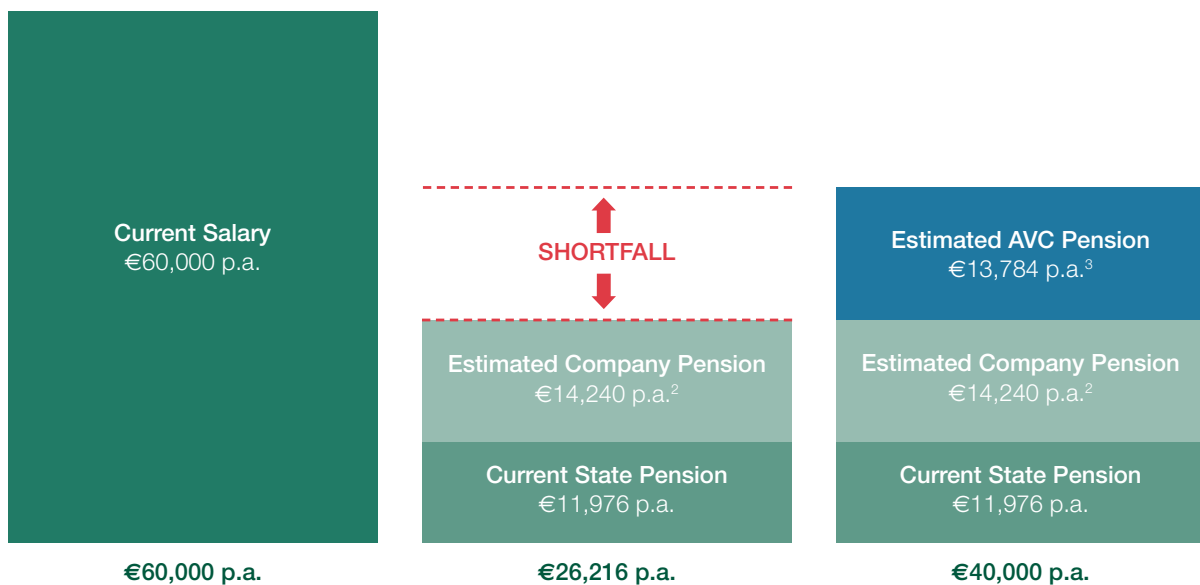


Keep a good thing growing with an AVC

At a glance

AVC		An AVC (Additional Voluntary Contribution) is a tax efficient, optional payment you can make to enhance your financial benefits at retirement
Aim		<ol style="list-style-type: none"> 1. Avail of tax relief 2. Potential to maximise your tax-free lump sum 3. Provide a higher pension income 4. Greater choice of options at retirement, including Approved Retirement Fund (ARF) 5. Make financial provisions for your dependants
Suitable for		<p>Members of a company pension scheme¹ looking for</p> <ul style="list-style-type: none"> • Enhanced retirement benefits • More options at retirement

Will you have enough income when you retire?



Above is an example of how retirement benefits can be enhanced by making AVCs³.

This 40 year old employee retiring at 65, on a salary of €60,000 p.a has been included in their company pension plan since they were 35. It is recommended to have a pension at retirement that is 2/3rds of final salary including state pension, therefore starting an AVC can help you bridge any shortfall as shown above.

Why an AVC may be right for you

"I want to enjoy my retirement to the full"

Everyone wants to look forward to a healthy and active retirement. However, many will find that retirement brings a significant drop in their income meaning they don't have the financial freedom they had hoped for. An AVC can help boost your income at retirement.

"I want to retire early"

You may want to retire before you reach 65. As a result your pension benefits are likely to be significantly reduced. By putting an AVC in place now, you can help bridge your shortfall⁴.

"I want more flexibility at retirement"

With an AVC fund you have greater choice at retirement, in the way that you can convert your AVC fund into an ARF. An ARF gives you far greater flexibility and control over your fund at retirement.

Tax and PRSI relief can reduce the net cost of making an AVC

- ✔ **Tax Relief:** You can normally claim up to 49%⁵ tax relief on your contributions to your AVC plan.
- ✔ **Tax-Free Growth:** Under current legislation the money you contribute is allowed to grow tax-free.
- ✔ **Tax-Free Lump Sum:** Part, or in some cases all, of your fund may be taken as a tax-free lump sum at retirement (subject to the rules of your company pension scheme).

AVC options available from Bank of Ireland Life

- If you are a member of an existing Bank of Ireland Life Group Pension Plan you can make AVC Contributions directly into this plan.
- If your Pension Plan is not with Bank of Ireland Life, you can make AVC contributions into our Individual AVC Personal Retirement Savings Account (PRSA).

Is now the right time?

Despite market volatility over the last 18 months, we believe that current market conditions present an exceptional opportunity to invest over the medium to long term. With share valuations at multiple year lows, your AVC contributions can buy you more units than ever before. By investing regularly you will be better positioned for when markets start to recover, since you are now buying units at a lower cost.

Don't delay – give your Pension a boost today!

To find out more about AVCs and take action to fulfil your retirement dreams, contact your Insurance & Investments Manager or call us on 1850 309 309.

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.

Warning: The value of your investment may go down as well as up.

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

It is important to note that all examples are for illustration purposes only. The actual value of your pension fund may be less than or greater than the figures quoted.

1. Members of the public sector pension schemes should consider if they can purchase 'added years'. Details available from your HR Department.
2. Present day value of pension payable in retirement. The pension available from the company pension plan assumes a total contribution of 15% of the gross annual salary to a defined contribution pension scheme. Salary is projected to grow at 3% p.a. and the investment return on the pension fund is assumed to be 6% p.a.
3. Present day value of AVC pension payable in retirement. The premium required (gross of tax) to provide €13,784 p.a. pension from an AVC is €525.85 per month (€310.25 per month after tax relief at 41% where applicable). Contributions are projected to grow at 3% p.a. and the investment return on the AVC fund is assumed to be 6% p.a.
4. Revenue terms and conditions apply.
5. Assuming higher rate tax payer (41%) with health levy 4% and PRSI 4%. Revenue limits, terms and conditions apply. It is important to note that tax relief is not automatically guaranteed, you must apply to and satisfy the Revenue requirements. Your benefits at retirement may be subject to tax.

New Ireland Assurance Company plc trading as Bank of Ireland Life is regulated by the Financial Regulator. Bank of Ireland Insurance & Investments Limited and Bank of Ireland are regulated by the Financial Regulator and are tied agents of Bank of Ireland Life. Member of Bank of Ireland Group.