



Planning for your retirement in your 50's

Pension products are provided by Irish Life Assurance plc.



This is John, who is married to Jane with one child. John is a 57 year old engineer. He had a pension with his previous employer and when he became self-employed he set up another plan. Their only daughter Susan has finished college already and their mortgage is nearly paid off. John would like to be able to help Susan when she is ready to step onto the property ladder.

What to do if you're 50-something

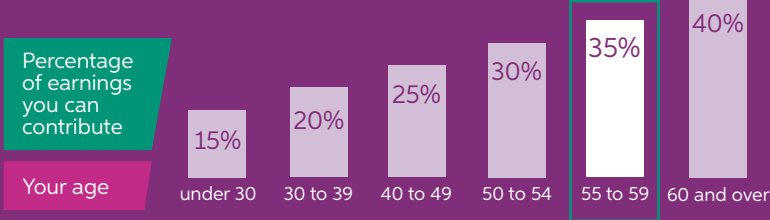
SET UP A PENSION REVIEW

As you enter your 50s retirement doesn't seem quite so far away. It's time for some more detailed planning. The key thing to realise is that, whatever your current situation, there's plenty you can do to improve your lifestyle in retirement, providing you act now. Your AIB Financial Advisor will review your existing pension plans and discuss your expected retirement goals.

It's true to say that the sooner you start a pension, the longer it has to grow. But if you don't have a pension, that doesn't mean you've missed the boat altogether. The system is designed to help you catch up. The older you are, the higher the percentage of your salary you can invest in a pension.

Don't worry about the years that have gone, just maximise your efforts in the years to come and use all your extra income tax relief.

MAXIMISE YOUR INCOME TAX RELIEF



So for example, if John's salary is €60,000 he could invest up to €21,000 (35% of €60,000) and receive income tax relief on this contribution, resulting in a net cost of €16,800 at 20% income tax relief or €12,600 at 40% income tax relief. Pension income in retirement is subject to income tax at your highest rate on withdrawal, Universal Social Charge (USC), PRSI (if applicable) and any other taxes or government levies due at that time.

TAKING LESS RISK APPROACHING RETIREMENT AGE

As you're approaching retirement age you're probably more cautious and may want to consider investing in lower risk funds.

Lifestyling is a very practical solution which involves gradually moving your own choice of funds to a mix of medium-risk to low-risk funds as you move closer to retirement. These strategies are suitable if you want to invest in high-risk or medium-risk funds over the term of your pension plan but want to move gradually into a mix of medium-risk and low-risk funds as you get nearer retirement. Ask your AIB Financial Advisor for details.

OPTIONS FOR RETIREMENT

When you reach your retirement age there are some different options of what to do with your pension fund. It is important that you start looking at them early to plan for the approach that suits you best.



Checklist for 50 something



- ☐ If you have a pension already, do you know what type of funds it's invested in?
- ☐ Have you considered moving to lower risk funds? Your AIB Financial Advisor can help you with this.
- ☐ Have you considered and made plans for your options in retirement? For example, whether you're going to take your pension as an income or mix of lump sum and income.
- ☐ You should take time to read your pension benefit statements and keep track online.
- ☐ Are you reviewing your pension with your AIB Financial Advisor at least every year?
- ☐ Are you claiming the full income tax relief you're entitled to?
- ☐ If you have a company pension, are you keeping track of your employment details?

Check out the online pension calculator at www.aib.ie/pensions to see the kind of income you can expect in retirement.

For advice

on how to make the most of your retirement savings now, book a meeting with your AIB Financial Advisor today.

Supporting you

AIB has chosen Irish Life, Ireland's leading life and pensions provider*, to provide its customers with a range of pension products. AIB is tied to Irish Life which means we can advise you on the best pension product to suit your needs but the products themselves are provided by Irish Life. Here are just some of the reasons why Irish Life are Ireland's leading pension provider:



Irish Life manage pensions for 4,700 companies. This includes the Irish employees of:

- 8 of the 10 biggest Irish companies (on the ISEQ)
- 7 of the 10 biggest U.S. companies (on the S&P500)



Irish Life's investment manager has won the **INVESTMENT MANAGER OF THE YEAR AWARD** - at the Irish Pension Awards 2013-2015 and European Pension Award Winners 2014.



Irish Life's investment manager takes care of over **€65 BILLION** for thousands of people across Ireland.



> **1 MILLION**

Helping people to plan their finances for **OVER 75 YEARS** and now taking care of over 1 million customers in Ireland.



With **24/7 online service** and a Dundalk based customer service team Irish Life aim for the highest quality customer service.



Irish Life is part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

This guide is only for general information on pensions. Terms and conditions apply to any plans and benefits noted. Please see www.aib.ie for more information on pensions. Information is correct as at July 2017.

*(based on market share 2016)

Visit **www.aib.ie/pensions**
or Drop in to any branch.

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