



AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.

January 2024 - Retirement Ready Seminar Q&A

Q1 - Will the slides from the presentation be shared?

Yes, the slides are available in the Knowledge Centre on the pension website [here \(Single Sign on link\)](#) or on www.planforlife.ie and the video recording can be viewed [here](#).

Q2 - If you are single and childless can your ARF be inherited?

If an ARF is distributed to anyone other than a spouse or child, it will be subject to income tax at marginal rate and also Capital Acquisition Tax. For further information, see the following [link](#) on the Pensions Authority website.

Q3 - If you've worked for multiple companies, and have a variety of pensions from them, I assume you'd need to go to a pensions advisor to step through all your options at retirement?

If you have multiple pension benefits with other companies, it may be helpful for you to speak to an independent advisor so that they can review all benefits from each scheme and provide advice on how to settle each retirement benefit.

Q4 - Is one not allowed to take the Max Retirement a - 25% tax free? Obviously one would be hit with the balanced taxed?

25% represents the maximum lump sum you can take from a DC scheme. AIB will prepare retirement lump sum calculations based both on service and 25% value of DC account and these will be quoted on your retirement options form. Every member's retirement lump sum calculation is specific to them. Any retirement lump sum up to the value of €200k is tax free and any sum above that will be taxable.

Tax Free	Up to €200k
20% Tax	From €201k to €499k
Marginal Tax	From €500k and above

Q5 - At what point pre-retirement should you have a one to one with Mercer to discuss options?

Retirement options are issued between 11 -12 weeks prior to a members retirement date. You can set up the 1:1 call with Mercer once you have your retirement options.

Q6 - I have gone Freestyle Option rather than Lifestyle Option, knowing nothing about risk - is that an issue?

Deciding where you should invest your money is a decision that you must make, taking into account your attitude to risk and age. As AIB and Aon administer the pension scheme we cannot provide financial advice. It may be helpful for you to seek independent financial advice. There is further

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

information regarding fund choices and fund performance on the pension website www.planforlife.ie

Q7 - Can you amend your investment choices to affect future investments only but to leave existing fund as is - system seems to ask you to move existing fund as well as selecting new investment strategy?

Yes, you can elect to switch existing funds, future funds, or both. This can be done on the pension website [here \(Single Sign on link\)](#) or on www.planforlife.ie

Q8 - I only have a DC Fund. On retirement can I take a lump sum, do I have a choice as to taking an Annuity or ARF?

If you have DC retirement account, you will have the option of taking either;

- A retirement lump sum of up to 25% of the value of your fund. You can either invest in an ARF or purchase an Annuity with the residual sum.
- A retirement lump sum based on service and final remuneration. If your retirement lump sum is calculated in this way, and you have no AVCs, you must purchase an Annuity with the remainder of your retirement fund.
- AVCs can be put in an ARF fund regardless of how you take the retirement lump sum.

Q9 - Can AVCs be done monthly via salary?

Yes – you can make AVCs by completing the pensions e-form located on HR Direct online. AVCs will be deducted on a monthly basis and tax relief will be processed at source. Please note there AVCs do not attract matching employer contributions.

Q10 - I have DB scheme with NRA 63, then DC scheme with NRA 65. How does that work if I want to retire at 63?

If the two pension benefits in question are with different employers they will be payable at their respective retirement dates. AIB DC benefits can be drawn down from age 50 onwards, assuming you have left AIB before seeking to draw down those benefits.

Q11 - Hi can you please tell people what they need to do to access the pensions site? A lot of people don't know how to access the Aon site.

You can access the My AIB Pension web service via [Single Sign On \(SSO\)](#) which can also be found via the My HR Hub Page. If you leave AIB, you can still access the web service by visiting www.planforlife.ie and logging in to the My AIB Pension service with your username and password.

Q12 - If you worked in the UK for a period -can you claim any UK benefits?

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

If you worked in the UK, and are trying to confirm if you have any UK state benefits you will need to contact the [HMRC](#). You will need to know your UK National Insurance Number.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

Q13 - Is there a maximum level of AVCs that you can make?

The maximum personal contribution you can make to your pension and on which you can receive PAYE relief is based on a combination of your age and earnings. We have set out the table of contribution limits by age range below. The maximum amount of earnings that can be taken into account for calculating your maximum PAYE-relievable personal contributions is currently €115,000 per annum. These limits are set by Revenue and apply to any Employee Contributions and AVCs that you are making or wish to make. Contributions made by AIB to your pension do not fall under these limits.

Age	Percentage Revenue Limit
Under 30	15%
30-39	20%
40-49	25%
50-54	30%
55-59	35%
60 or over	40%

Q14 - What is the current multiple of your DB income if you transfer the entire value out to an ARF?

If you are considering transferring your DB benefit to DC scheme, you should contact Aon at myaibpension@aon.ie and request a DB transfer value. Before you make any decisions you should seek independent financial advice.

Q14 - In the final slide what's the difference between the AIB Pension and the AIB Staff Pension?

AIB Pensions – Aon are AIB's third party pension administration service provider who manage the day to day administration of AIB pension benefits - myaibpension@aon.ie

AIB Staff Pensions – AIB Pensions team work in AIB and manage all AIB Pension schemes - pensions@aib.ie

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.

Q15 - Will Mercer automatically move pension investment into a lower risk investments as I near pension age?

The DC Trustee have appointed Mercer through the Retirement Support Service to provide 1:1 financial advice when retirement options are issued. They are not the pension administrators for your pension benefits. You will need to review your DC retirement account on planforlife.ie to see where you are invested. If you are 'freestyler' – then you have selected your own investment strategy and will need to manage this. If you are a 'lifestyler' then you will be mapped to a glide path based on the information available and your investments will be managed accordingly.

Q16 - Can I choose to just have my DB pension and then take 25% Lump Sum from DC Pension fund and then purchase an ARF with balance from the DC fund?

Yes – you can choose to take your DB benefit as a monthly pension, take 25% of your DC retirement account as a retirement lump sum and ARF the remainder of your DC retirement account. All retirement options available will be included in your retirement pack.

Q17 - As I currently receive a widows pensions, do I need to do anything re welfare?

If you are in receipt of a widow pension you should contact the [Department of Social Protection](#) when you reach state pension age to determine how that impacts any state pension benefits.

Q18 - There was a mention of ARF requiring DB to be transferred to ARF. Just want to clarify as LifeStyle Option 3 in the examples had a Lump sum, DB pension and ARF fund. I may have misunderstood?

No – You do not need to transfer your DB benefit in order to access an ARF. You can purchase an ARF using AVCs only or you can select to take 25% of your DC retirement account as a lump sum and the remaining DC value can be moved into an ARF.

Q19 - Does a pension adjustment order impact your choice at retirement?

Yes – a pension adjustment order will impact how your retirement benefits are settled. This will depend on the Pension Adjustment order that is in place.

Q20 - If I take an option to work 4 day week for example does this impact my contributions or can I continue to contribute at the same rate?

You can continue to make the same percentage of employee and/or AVCs contributions but they will be based on your new basic salary rather than your salary when you worked full time.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.

Q21 - I have a DB scheme from another employer where I receive a pension from age 60. If I leave AIB employment now at age 55 can I set up an ARF straight away?

If you have DC only benefits in AIB you can access these benefits from age 50 once you are no longer an employee with AIB. You can purchase an ARF depending on how you draw down your DC retirement benefits. If you are taking early payment of your DC retirement account, all retirement options will be quoted to you at the time.

Q22 - I am due to retire this year but have yet to get any letter. When can I expect to hear of my options?

Retirement Options are issued to members within 11-12 weeks of their retirement date.

Q23 - I am due to retire in 1 year. When I get my letter from Mercer do I then get my 1 to 1?

Yes – Once your retirement options are issued by Aon, you can access the 1:1 session with Mercer.

Q24 - Can a family member attend the 1:1 session with you?

All sessions are virtual and there should be no issue if you would like a family member to attend the session with you.

Q25 - My normal retirement age is my 63rd birthday. Can I extend this to 65? What are the pension implications?

All employees who were in employment on 1 July 2013 can continue to work in AIB until age 65 if they have an earlier Normal Retirement Age. If you wish to do this, you should complete the 'Extension of Employment Age' Form located on the HR Hub and return it to HR Direct @ hr.direct@aib.ie . If you decide to extend your employment under the 2013 agreement, you will continue to accrue benefits in the Defined Contribution Scheme and you will receive your retirement options three months prior to your 65th birthday rather than your Normal Retirement Date.

Q26 - My normal retirement age was 63 - I stayed on for extra two years – I am due to retire this year how, does this affect my retirement benefits?

If you decide to use the extension of employment option and remain in employment to age 65, you continue to be a member of the DC scheme, you are covered for death in service benefits and income protection. You cannot draw down any pension benefits until you retire at age 65.

Q27 - Who is the best person to talk to about tax implications of DB and DC schemes?

The pension scheme will confirm if there is tax to be paid at retirement but we cannot provide tax advice. It may be helpful to speak to a tax adviser if there is tax to be paid on pension benefits from AIB or any other pension benefit.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.

Q28 - Can I claim the Job Seekers allowance at 65 when I retire even if I am getting the AIB Pension until I qualify for the State Contributory Pension at 66?

You should contact the [Department of Social Protection](#) to confirm what benefits you can be entitled to at age 65 until you reach State Pension.

Q29 - Will my DB pension be revalued at retirement?

Yes, your DB Pension will be revalued prior to your retirement.

Q30 - How soon do you need to advise AON if you decide to transfer from a DB scheme to DC scheme? Do you have to have executed the transfer before you receive your options letter as it appears that the transfer option is not an option in the final options letter?

You can transfer your DB benefit to the DC scheme anytime up to your retirement date. You should always seek independent financial advice before making this decision. The DB transfer value will not be guaranteed until all transfer out paperwork is completed. A DB Transfer value is not part of the retirement options. If your retirement options are issued and you decide to transfer the DB benefit to DC scheme at this time, new DC only retirement options will need to be issued. If this is done close to your retirement date it may take additional time for your retirement benefits to be settled.

Q31 - Potential options for someone who has a spouse with no current entitlement other than state pension?

The retirement options that are issued are based only on your AIB retirement benefits. If you have DB benefits then there will be a spouse's pension that can be payable on your death assuming you are still married and living together. For DC benefits this will depend on how you settle your retirement benefits as to whether there will be benefits for your spouse after your death.

Q32 - Is there a comprehensive comparison of entry/exit/maintenance charges by ARF providers?

If requested, Mercer will provide a bespoke ARF recommendation for a member by comparing all providers and this includes the charging structure. Mercer do not recommend providers that will have an entry charge. Exit charges in the early years and the annual management charges are very much on a case by case basis once the most suitable ARF is identified.

Q33 - If I choose annuity and then die soon after, are all my pension contributions lost to my family?

Yes, your Annuity will cease upon your death unless you opt to purchase additional benefits such as a spouse's benefit or a guaranteed period into your Annuity.

Q34 - Does the Annuity increase annually in line with CPI?

Indexation can be also selected as an additional benefit within an Annuity.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.

Q35 - When a person will have pensions from the mix of 2 AIB pension schemes (DB & DC) at retirement, how does the tax-free lump sum entitlement work? Is it 25% of the DC scheme and 1.5 x final salary (i.e. a mix of the lump sum rules, extracting from each scheme,) or do you have to extract the lump sum under one scheme rule only? (i.e., either 25% lump sum, subject to 1.5 x final salary max?

When your retirement options are issued, they will contain the calculation of the Revenue Max retirement lump sum and also the value of 25% of your DC retirement Account. The options will detail how best you can select the retirement option that is best for you. You can elect to take some of your DC retirement account as a retirement lump and commute part of your DB benefit.

Q36 - Can you explain the difference for state pension treatment if you have DB scheme or a mixture of DB and DC pension?

Your state pensions entitlements are based on the PRSI contributions you have paid. Your State pension is not currently impacted by your occupational pension. You should contact the Department of Social Protection or log into www.mygovind.ie for further information.

Q37 - Can Mercer still provide 1-to-1 service to those AIB employees who were previously members of EBS Building Society, given that EBS DB scheme was administered by Mercer?

If you are an active AIB employee at retirement you will be able to have a 1:1 meeting with Mercer. Your EBS pension benefits can also be incorporated into this conversation.

Q38 - if I leave the bank at age 63 does my pension then kick in at age 65?

You are entitled to take all retirement benefits at your retirement date. Your retirement date will be located on the annual benefit statement or you can see it on planforlife.ie

Q39 - What type of return does a typical ARF return?

That is very much determined by the type of ARF a member selects and in line with their attitude to risk, there is no typical return as ARFs can range from a Cash Fund right up to Very High Risk equity funds.

Q40 - Is the 25% lump sum calculated on the combined DC & DB funds and can it be taken from one of the funds?

The 25% lump sum is based only on the value of your DC retirement account only.

Q41 - Am I correct in understanding that you can withdraw a regular income (taxable) from the ARF? It was mentioned during the presentation that only a single taxable withdrawal was allowed.

Yes you can take regular withdrawals (income), any withdrawals you take from your ARF will be subject to income tax, the Universal Social Charge and PRSI (if you are liable for this). In the meantime the fund will continue to be invested into funds of your choice.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

Q42. I have an AIB DC pension and on retirement will take my benefits by way of 25% lump sum and ARF. I also have 2 DB pensions where I am a deferred pensioner. When I reach NRA on those 2 DB schemes can I also take a lump sum on retirement from the 2 DB schemes and how is that amount calculated?

If you have any deferred pension benefits outside of AIB, these will become payable at their scheme retirement age. If you have not waived your right to a retirement lump sum from these schemes, then you should have the opportunity to take a retirement lump sum. Revenue have imposed a limited of all retirement lump sums together, should they exceed €200,000 there will be a taxable element. You will be asked to confirm any pension benefits settled prior to settling your AIB pension benefits so this can be reviewed.

Q43. Can a pension from a previous employer effect my AIB pension?

Yes, it can impact how you may settle the next benefits due to be paid. When approaching retirement, you will be asked to share all information on any pension benefits in payment so the information can be assessed to ensure the correct retirement options are issued to you.

Q44 Do you have to decide on Annuity or ARF 5 years out?

All decisions regarding Annuity and/or ARF are made just prior to retiring and/or settling AIB pension benefits.

Q45 The conventional wisdom from pension and investment advisors is that increases in interest rates adversely impacts equity values. Well, for once, I listened to the conventional wisdom, but that didn't happen. Equity values have soared. Is there any real value in professional advice or is it as useless as pinning the donkeys tail?

We would also recommend that you take independent financial advice prior to making any decision regarding your pension benefits.

Q46 Can the funds in DC be transferred(at NRA) in specie to another provider? Or do they have to be converted to cash first?

All paperwork must be completed and all funds will be disinvested and the cash value will be paid over to the ARF provider.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

Q47 – Is there a charge for using the Mercer 1:1 retirement support service?

There is no cost to the member and we could encourage all members to use this service when they receive their retirement options.

Q48 - What does Personal Fund Threshold Certificate relate to. Where do we get it from?

The threshold relates to individuals with Pension assets in excess of €2 Million. This limit is set by Revenue. It is also known as Standard Fund Threshold.

Q49 Can you move back from freestyle to lifestyle options?

You can select to move from being 'freestyled' to 'lifestyle' by selecting the switch option on the pension website. You should review all information on the site as it may assist in your decision.

Q49 Can I retire early if I joined after 2014 and I have a DC scheme?

If you have DC benefits only you can request to draw these down from age 50 once you are no longer in employment.

Q50 I am not clear if I can avail of an ARF as I have previous benefits from another employer.

Previous benefits you have with another pension provider should not impact you should you wish to set up an ARF with your AIB pension benefits.

Q51 - I have a PRB from a previous employer (UB). Can I cash this in (25% tax free lump sum and an ARF) at age 50 while remaining employed in AIB and contributing to the AIB DC scheme?

You should contact your pension provider who administers the UB pension and they can confirm options available to you. AIB pension scheme benefits are independent of UB Pension scheme.

Q52 I worked abroad in the past. Will I be receiving a combined pension or should I engage with the foreign authorities separately?

You will receive the AIB pension when you reached your retirement age. If you pensions benefits anywhere you need to engage with them separately. You should confirm this information with Aon for review.

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.



**AIB Pensions
AIB Group,
2nd Floor, Block H,
Central Park,
Sandyford,
Co. Dublin.**

Q53 If I have UK pension - does the 200k limit apply for lump sums cashed in - in the UK ?

It maybe be helpful to review your individual request by checking out the information on this link [Taxation of foreign pensions \(revenue.ie\)](#)

The information contained in this Document is private and confidential and does not purport to be comprehensive and has not been independently verified. While the Document has been prepared in good faith, it is not a legal document and no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability is or will be accepted by AIB, its officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of this Document, or of any other information (whether written or oral), notice or document supplied or otherwise made available in connection herewith. All and any such responsibility and liability is expressly disclaimed.