Your Retirement Options Personal Pensions & PRSA's



If you decide to take retirement benefits you have the following options:





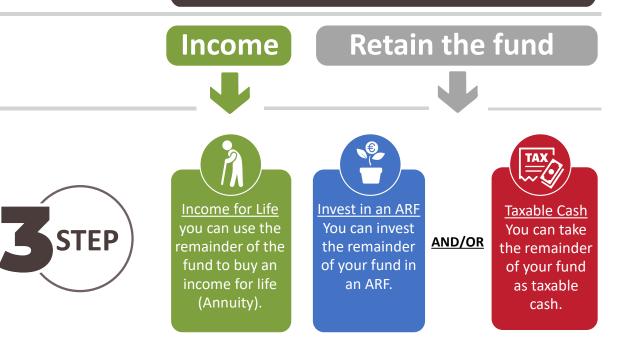


Your Retirement Fund

Take up **to 25%** as a retirement lump sum*



Now you need to decide what you would like to do with the remainder of your fund. Do you want to retain the fund or do you want a guaranteed income for life?



* Maximum Lump Sum 25% with up to €200,000 tax free.

Oakwood Financial Advisors Limited is Regulated by the Central Bank of Ireland.

Your Retirement Options ARF vs Annuity Options



Buying a Pension or Investing in an ARF

Advantages & Disadvantages of Each Option

| Buying an Annuity | | |
|--|--|--|
| Advantages | Disadvantages | |
| You are buying certainty/security. Peac mind of a regular income for life – as lo as the institution/scheme paying the annuity stays solvent. | | |
| You are guaranteed to be paid a known pension for the rest of your life. | Lack of flexibility. You cannot change the level of your pension once you take it out. | |
| No investment risk. The only risk is the of the life company/provider defaulting | Your pension will stop when you die, unles | |
| You may build in a guaranteed paymer period, or a dependant's pension, etc. | and/or a guaranteed payment period. If you choose an equity-linked pension, | |
| If you choose an equity-linked pension | , you your income could go down as well as up. | |
| have the potential to achieve a higher level of income. | You cannot reverse an annuity once set up | |

| Investing in an ARF | | |
|---|--|--|
| Advantages | Disadvantages | |
| You have control over your pension fund and can draw additional amounts as and when required. | You are taking on investment risk - which can be reduced and diversified depending on your fund choice. | |
| You can invest in a wide range of assets, with the potential for your pension fund to continue growing (tax free). | Your pension fund could run out if returns from investment markets are poor, or if you live longer than expected. | |
| When you die, the balance of your fund passes to your spouse/estate. | Ongoing and regular advice required to operate ARF. | |
| Option to defer purchasing an annuity. You can decide at a later stage to use your ARF to purchase an annuity. Full access to your fund at any point | An initial poor performance at outset can adversely impact on the long-term sustainability of your fund when the annual income is factored in. | |
| (subject to income tax). | | |