

Personal Retirement Bond

Flexibility, wide investment choice and transparency for investors who wish to diversify their pension assets.



Personal Retirement Bond

Introducing the Cantor Fitzgerald Personal Retirement Bond (PRB)

The Cantor Fitzgerald PRB provides flexibility, wide investment choice and transparency. This product is beneficial for investors who wish to diversify their pension assets.

Our comprehensive range of services includes:

Dedicated Cantor Fitzgerald portfolio manager

Online access to view your portfolio

Full access to Cantor Fitzgerald's extensive equity research online

A competitive and transparent charging structure

No set-up costs or exit charges

Excellent administration, reporting and client services

What is a Personal Retirement Bond (PRB)?

A PRB, which is also known as a Buy-Out-Bond, is approved by the Revenue Commissioners under Chapter 1 Part 30 of the Taxes Consolidation Acts 1997. The PRB is a personal policy in your name designed to accept a transfer value from an Occupational Pension Scheme for you as a former member or a transfer from an existing PRB contract. When you retire, you can then use the proceeds of the PRB to provide retirement benefits.

Who can set up a PRB?

As an employee or former employee you can set up a PRB in circumstances where:

- You are leaving or have left employment;
- You are leaving a pension scheme; or
- Your company pension scheme is being wound up.

A transfer can also be accepted into your Cantor Fitzgerald PRB from other pension arrangements including:

- A PRB already set up in your name and approved by the Revenue Commissioners; or
- From an Occupational Pension Scheme, PRSA or Retirement Annuity contract (RAC) as a result of a Pension Adjustment Order (PAO).

Can I make contributions to my Cantor Fitzgerald PRB?

No. A PRB is a single premium account which is designed solely to accept a transfer value from an Occupational Pension

Scheme or existing PRB by the beneficial owner of the funds. No further contributions can be made.

What are the tax benefits of a PRB?

- Investments grow free from Capital Gains Tax and Income Tax.
- A tax-free cash lump sum can be taken at retirement (subject to Revenue limits).

Who are the parties to the PRB?

You – the PRB holder. You are the beneficial owner of the PRB.

Cantor Fitzgerald – the PRB Provider and Investment Manager. Cantor Fitzgerald will administer the PRB on your behalf and depending on your chosen service level, will advise or take your instructions as to how you want to invest your PRB.

Investing in the Cantor Fitzgerald PRB

We have four investment services: Advisory Managed, Advisory, Discretionary Managed and Execution Only.

• Advisory Managed

In an Advisory Managed portfolio, you will receive professional advice and recommendations from your Cantor Fitzgerald portfolio manager. We will advise you on the composition of your portfolio on an ongoing basis, having regard for your investment objective, investment time



horizon, attitude to risk and investment restrictions. Cantor Fitzgerald will manage your portfolio against an agreed benchmark. Importantly, you retain control of your own investment decisions and the final decision rests with you to at least approve each recommended transaction.

- **Advisory**

In an Advisory account, at your request, we will provide you with investment advice and carry out instructions on specific transactions. Under this service, Cantor Fitzgerald will not manage your account against an agreed benchmark.

- **Discretionary Managed**

In a Discretionary Managed portfolio, all investment decisions are managed on your behalf within the parameters of an agreed investment proposal. The proposal will include a bespoke portfolio recommendation, estimates of capital at risk and annual income, as well as a detailed explanation of how the PRB investments will be managed. Cantor Fitzgerald will manage your portfolio against an agreed benchmark.

- **Execution Only**

The Execution Only service allows you to instruct Cantor Fitzgerald to buy and sell shares on your behalf. All investment decisions are fully determined by you, with no input from your portfolio manager.

When can I take my pension benefits?

You can take benefits from the Normal Retirement Age (NRA) of the transferring Occupational Pension Scheme/Personal Retirement Bond (this can be from age 60 to age 70). In certain circumstances, you may be able to take retirement from age 50 or over if you retire from employment or if you can no longer work because of a serious illness or disability.

Note: Benefits must be taken under the Cantor Fitzgerald PRB contract at the same time as benefits are taken from any other schemes or contracts associated with the original Occupational Pension Scheme.

What are my options when I retire?

The amount of your benefits at retirement will depend on the transfer value paid into your PRB, the investment return earned on your portfolio, and Revenue limits and restrictions.

The Cantor Fitzgerald PRB offers flexible retirement options

which are payable in accordance with the rules of your original Occupational Pension Scheme from which benefits were transferred. You are entitled to take benefits in one of two ways:

Option 1

- A once-off lump sum of up to one and a half times final salary (based on your service with your previous employer)*; and
- The balance of the fund must be used to purchase an annuity.

Option 2

Note: Since June 2016 the retirement benefit options listed under Option 2 are also available for PRB holders where the PRB originated from a Defined Benefit pension plan provided the rules of the scheme have been amended to allow for this.

- A once-off lump sum of up to 25% of the value of the PRB assets*; and
- The balance of the assets can be transferred to an Approved Retirement Fund (ARF) in your name or taken as a lump sum liable to PAYE, subject to first complying with the requirements of Section 784C Taxes Consolidation Act 1997, if applicable to you.

*The maximum level of a pension lump sum that can be paid tax free is €200,000. This is a lifetime limit. Any excess over this limit up to €500,000 (25% of the current Standard Fund Threshold (SFT)) is taxable at the standard rate of income tax. Any amount over €500,000 will be subject to marginal rates of tax including PRSI and the Universal Social Charge (USC).

Transfers out of your PRB

Before a benefit becomes payable you can elect to encash your investments and pay the proceeds as a transfer value to:

- The trustees of another Occupational Pension Scheme approved by the Revenue Commissioners, if you are now a member of this other scheme; or
- Another PRB approved by the Revenue Commissioners.

What benefits are payable on death?

In the event of your death before you take retirement benefits from the PRB, a lump sum payment will be transferred to your Estate. The amount of lump sum which may be paid is limited under rules imposed by the Revenue Commissioners. The payment to your estate may be subject to Inheritance Tax in the hands of your beneficiaries, where inherited by a beneficiary who is not your spouse or civil partner at the date of your death.

The death benefits payable will be based on the value of your PRB at the date of payment. The date of payment is dependent upon factors such as the date the probate is issued, and the benefits payable may be more or less than the value of your PRB at the date of death.

This is based on current tax law and may be subject to change through future Finance Acts or legislation.



TARGET MARKET ASSESSMENT

PRBs	Target Market - Suitable for
The type of client to whom the product is targeted	<ul style="list-style-type: none"> • Retail clients. • Clients who have left service with their former employers and who wish to transfer their pension benefits under their Occupational Pension Scheme to this new product. • Clients looking for the opportunity to manage their own pension funds, without the involvement of an insurance company and also without the involvement of their former employers. • Clients who already hold an external PRB contract. • Clients who wish to save for retirement.
Time horizon	<ul style="list-style-type: none"> • Clients who are prepared to invest for the long term. • Clients planning for retirement.
Knowledge and experience	<ul style="list-style-type: none"> • Basic knowledge and experience of pension products.
Financial situation with a focus on the ability to bear losses	<ul style="list-style-type: none"> • The transfer value is in respect of contributions already paid and no new contributions can be paid to the PRB. • Ability to bear losses cannot be determined as will be based on underlying investments chosen.
Risk tolerance and compatibility of the risk/reward profile of the product with the target market	<ul style="list-style-type: none"> • Cannot be determined as will be based on underlying investments chosen. • Values are not guaranteed and can decrease depending on underlying investment performance.
Clients' objectives and needs	<ul style="list-style-type: none"> • Clients who do not need access to their investment until retirement. • Clients who want the potential for long term capital growth. • Clients who want to leave their pension to their estate when they die.
Channel	<ul style="list-style-type: none"> • Direct and intermediary - retail.
Negative target market - not suitable for	<ul style="list-style-type: none"> • Entities. • Personal pension holders. • PRSA holders. • Group AVC PRSA plan holders. • Individuals aged 70 and over. • Individuals under the age of 18. • Individuals in excess of their normal retirement age. • Clients with a short investment horizon. • Clients who need access to funds pre-retirement. • Clients who require immediate access, whether capital drawdown or income, from their retirement funds without having reached retirement/ill health retirement age.



DEDICATED PENSIONS TEAM



Laura Reidy, Head of Pensions

Laura is Head of Pensions with over 13 years' experience within the industry. Prior to joining Cantor Fitzgerald in 2017, Laura was Head of Pensions in Merrion Capital Group. During this time, she has developed extensive technical expertise in all areas of pension planning. Laura is a qualified Certified Financial Planner Professional (CFP®) which is the leading international qualification for financial planners worldwide, and is a Pension Trustee Practitioner (PTP). Laura also holds a Graduate Diploma in Financial Planning, a Bachelor of Arts Degree, a Higher Diploma in Science, is a Qualified Financial Adviser (QFA), a Specialist Investment Adviser (SIA) and holds a Professional Certificate in Compliance and an ISE Certificate in Stockbroking.

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Caroline McQuaid, Pensions Administrator

Caroline is Pension Administrator and has been part of the pensions team for 4 years. Caroline originally joined Merrion Private as a receptionist in 2014 and worked as a client services administrator, prior to joining the pensions team. Caroline became a Qualified Financial Adviser (QFA) in 2016.

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Jean Masterson, Pensions Manager

Jean is Pensions Manager and was previously Head of Pensions with Merrion Private, prior to its acquisition by Cantor Fitzgerald Ireland in 2018. She has over 9 years' experience in financial services and pensions and provides retirement planning advice to our pension clients. Jean holds a Degree in Accounting and Finance, is a Qualified Financial Adviser (QFA) & Retirement Planning Adviser.

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Marie Morton, Pensions Administrator

Marie joined Merrion Stockbrokers in 2007, having previously worked with an alternative investment firm for a number of years. She has over 25 years experience in the financial services industry, in a variety of roles including Business Analyst, Assistant Portfolio Manager & Structured Investments Client Services Manager. She joined the pensions team in 2019. Marie is a Qualified Financial Adviser and a Registered Stockbroker.

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WARNING: This document is based on our understanding of current pensions and tax law and practice which is subject to change without notice and does not constitute tax advice.

WARNING: Investors should not place any reliance on the content herein. Investors should satisfy themselves independently of the taxation treatment in relation to their own personal circumstances.

WARNING: Past performance is not a reliable guide to future performance.

WARNING: The value of your investment may go down as well as up. You may get back less than you invest.

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

WARNING: The PRB may be affected by changes in currency exchange rates depending on the underlying assets held in your PRB.



With a proud history of stockbroking and servicing our private clients and financial advisors in Ireland since 1995, we provide a full suite of investment services, primarily in personalised share dealing, pensions and wealth management, fund management, debt capital markets and corporate finance. Our clients include private individuals and corporate entities, financial institutions, investment funds, credit unions and charities.

Cantor Fitzgerald Ireland is one of the largest wealth management and stockbroking firms in the country, formed through the acquisition of Dolmen Stockbrokers in 2012, L&P Group in 2017 and Merrion Capital Group in 2018.



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