



Employee
Guide



PRSA Solutions

Personal Retirement
Savings Account

Let's Start Growing Together

Starting a pension is one of the most important decisions you will make in your life. It's a smart move to help ensure you have sufficient income to allow you to maintain your standard of living and to enjoy your well-deserved retirement. Planning for your retirement may seem like a long way off, but it should be remembered that the sooner you begin, the more comfortable your retirement should be.

This brochure gives you an overview of our Personal Retirement Savings Account (PRSA) product and its features. It also explains how it can be used to maximise your retirement savings.

Why Consider a PRSA for Retirement?

Investing in a PRSA is a way of helping people provide for their retirement by saving now. It's a long term investment product allowing you to grow your pension fund sufficiently to provide you with an income in retirement.

Planning for retirement is one of the most important financial decisions you will make and it's vitally important that you get it right. We recommend that you speak with your financial advisor who will assist you each step of the way.

Why a PRSA?: A PRSA is a flexible, economical, tax-efficient and simple-to-manage pension.

Who can take out an Acorn Life PRSA?: Any employee can take out an Acorn Life PRSA. If you move jobs you can take your portable PRSA with you.

Payment Options: Contributions to your PRSA can be by regular contribution or as a lump sum or a combination of both. You can pay regular contributions through your personal bank account or by salary deduction with the agreement of your employer.

Tax Relief: Significant tax relief is available on contributions you make to your PRSA.

Tax-free Investment Growth: Your contributions will grow tax free within your PRSA. This tax-free growth will provide a significant boost to your PRSA savings compared to other investment which are subject to tax on investment returns.

Tax Free Cash at Retirement: When you retire, you can take a cash lump sum from your PRSA free of tax (subject to a lifetime limit of €200,000). Please remember that the total of your pension funds and the total tax-free cash lump sum that you may draw are both subject to limits – with any excess being subject to tax.

See 'What are my Retirement Options?' for details.

Employer Contributions: Your employer can contribute to your PRSA if they wish and may also benefit from tax relief on their contributions.

There are two types of PRSAs (Standard PRSA and Non-Standard PRSA), which can vary on charges and investment options. Charges are capped on the Standard PRSA but not in the Non-Standard version. Also there are certain restrictions on investment options available through a Standard PRSA.

Please note that all information provided in this document, including tax-related amounts, rates and limits, is in accordance with Irish legislation and Revenue rules as at January 2026.

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

Warning: This product may be affected by changes in currency exchange rates.

Warning: If you invest in this product you may lose some or all of the money you invest.

Warning: If you invest in this product you will not have access to your money until age 60 and/or you retire.



What should I contribute to my PRSA?

How much do I need to save?

As a general rule of thumb you should aim for an income in retirement of between 50% and 66% of your final salary. However, everyone's situation is different and it really depends on the type of lifestyle that you want for yourself in retirement, as well as on your own specific circumstances.

Your financial advisor can discuss your retirement needs with you.

Flexible Contributions

With a PRSA you can pay contributions monthly, half yearly or yearly by direct debit. You can also make lump sum payments into your PRSA at any time by credit transfer.

The Acorn Life PRSA allows you complete payment flexibility. Contributions can be increased, reduced or automatically increased annually to help protect against inflation.

Generous tax incentives

The Government has put a range of incentives in place giving you even more reasons to save into a pension. With a PRSA you can avail of a number of tax benefits, described later in this guide, that are unique to pension products and not available on other types of savings products.

How does Tax Relief work?

When we issue your PRSA you will receive a policy pack in the post containing important documents. This includes a tax certificate which you can use to claim tax relief if you pay the contribution through your personal bank account. If your employer is facilitating payment through payroll deduction you will automatically benefit from tax relief. The tax relief you receive reduces the net cost of the contribution you make to your PRSA. For example see in the table below the net cost to you on a €200 monthly contribution.

Your monthly pension contribution	Less tax relief	Actual cost to you
€200	40% tax relief	€120
€200	20% tax relief	€160

By contributing to a PRSA you can reduce the tax you pay and instead invest it for your retirement.

Contributions allowable under Revenue rules

Your contributions to a PRSA will be eligible for income tax relief up to the current maximum annual contribution limits shown in the table below. These limits will vary with your age and your net relevant earnings (explained below). Therefore, the government is supporting you through tax relief to help provide for your retirement.

Your age	Less tax relief
Under 30	15%
30-39	20%
40-49	25%
50-54	30%
55-59	35%
60 and over	40%

Your 'net relevant earnings' from all employments is capped at €115,000 per annum for the purpose of this calculation.

1. Your 'net relevant earnings' are your earnings from a trade, profession or employment, less relevant losses, capital allowances and certain other payments.
2. The above limits apply to the total personal contributions paid by you into your PRSA and any other pension arrangement you may have and excluding any contributions made by your employer.
3. If you are a professional sports person, you may be able to contribute up to 30% of your 'net relevant earnings', even if you are below the age of 50. You should consult your financial advisor if this applies to you.



How do I get Tax Relief?

How you get tax relief will depend on how your contributions are paid to your PRSA.

If the contributions are deducted from your salary by your Employer, the deduction will be made before Pay As You Earn (PAYE) is applied. Therefore, the tax relief will be effective immediately (at source).

If you pay the contribution directly to Acorn Life from your own bank account, you will need to claim the tax relief as part of an annual tax return submission to the Revenue. We will issue you with a PRSA Tax Certificate, a copy of which the Revenue may request as confirmation of the payment made to the PRSA.

What Happens if I Die Before or After Starting to Take my Benefits?

If you die before retirement we will pay the value of your PRSA fund to your estate. Your dependants may have to pay inheritance tax depending on who inherits the fund. Irish tax law changes over time and we would advise that you get independent tax advice on this. If you die after retirement any benefit paid will depend on the option selected (see page 8).

Can I Access my PRSA Before Retirement?

You cannot normally cash in any part of your PRSA except on reaching age 60. You also cannot use your PRSA as security for a loan or assign it to anyone else.



What are my Retirement Options?

Retirement Options

As an employee, you will normally use your PRSA fund to provide an income after you have retired. Typically employees retire between age 60 and 75 at the latest. However some employees can access the PRSA fund from age 50 where they are retiring from employment.

Retirement Lump Sum

At retirement prior to age 75 you can take up to 25% of your accumulated fund as a retirement lump sum and then use the balance of your fund for one of the options listed below. Part or all of your retirement lump sum may be taken tax free depending on the amount of your lump sum and whether you have previously taken a retirement lump sum. The following tax rules apply:

Total Accumulated Lump Sums	Rate of Tax
Under €200,000	Tax Free.
Next €300,000	Income Tax at the standard rate. No reliefs or credits allowed.
Over €500,000	Income Tax at the marginal rate and Universal Service Charge (USC) will apply.

Any retirement lump sum taken on or after the 7th of December 2005 will count towards these limits
Standard rate = lower income tax rate
Marginal rate = highest income tax rate that applies to you

After taking your retirement lump sum, you can then use the balance of your fund for one of the following options:

Option 1 - Annuity

You can buy a pension income, commonly known as an annuity. You may use all of your pension fund, or the balance remaining after taking a lump sum, to secure an income paid for the rest of your life.

Option 2 - ARF

You can invest in an Approved Retirement Fund (ARF) which allows you – subject to certain conditions – to invest your fund as you see fit and draw down an income on either a regular or ad-hoc basis.

Option 3 - Taxable Lump Sum

You can take the fund remaining after taking the lump sum as a taxable lump sum, subject to taxation at your marginal (higher rate of income tax) rate and Pay Related Social Insurance (PRSI) if applicable and the Universal Social Charge.

Option 4 - Vested PRSA

You can leave your remaining fund invested in the PRSA. Once the tax-free lump sum is taken, your PRSA will then be known as a “Vested PRSA”. If no tax-free lump sum is taken, a PRSA automatically vests at age 75. Once vested, you can no longer take a tax-free lump sum.

Please note that detailed terms, conditions and restrictions apply to all of the listed options. There may also be tax implications depending on which option is selected. We recommend that you speak to a financial advisor before deciding which option(s) to select and should seek separate independent tax advice as necessary.

How is my PRSA Invested?

Our investment management approach is based on a clear vision that the best talent is not confined to one firm or location. We wanted the freedom and flexibility to access the skills of some of the best investment managers around the globe to help our clients achieve their financial goals. For that reason, we do not employ in-house investment managers. Instead, we carefully select and contract a number of investment managers to manage our range of funds.

Our approach enables us to provide our clients with access to fund management expertise that is often only available to large institutional investors or overseas retail investors. These relationships are what help set our approach apart, providing clients with diversification and expertise on a global scale.

We offer you a list of fund options to choose from, carefully selected in partnership with our investment managers. These funds cover a wide range of asset classes and risk levels, helping you find an option to meet your needs.

We also offer a Default Investment Strategy - this means that we will decide how your contributions are invested if you do not wish to do so. The Default Investment Strategy allocates your contributions depending on the number of years to go to your planned retirement date. The goal is to maximise your investment returns while reducing the level of risk as retirement approaches.

Your financial advisor will provide you with a copy of our *Investing with Acorn Life* brochure which contains information about our funds, investment managers and our Default Investment Strategy option.

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Why Choose Acorn Life?

When making the decision to start a pension, there are several considerations to take into account. What company to choose should be one of the first things to think about.

We believe we are in the ideal position to help you on this journey due to the variety of products and services we offer and the excellent customer care we provide.

Our commitment to our clients is also captured within our Code of Ethics, which can be viewed on our website. The Acorn Life Code of Ethics, based on core values of honesty and integrity, promotes the highest quality standards of conduct, primarily in terms of interaction with our clients but also in relation to our dealings with regulators, suppliers, third parties and each other. Below are additional reasons why clients choose Acorn Life for their pension requirements.



Our Aim

Our aim is to put you first. We are passionate about the customer service we provide. Our Customer Care team are based in Galway, and are there to assist you throughout the life of your policy.



Choice

We have a number of fund options to choose from when starting a savings, investment or pension policy. These range from low to high risk levels for selection according to your attitude to risk. We have fund factsheets which provide additional information. These can be provided on request and are also available on our website www.acornlife.ie.



Keep you Informed

We will keep you updated on the progress of your policy by sending you half-yearly and annual statements for your PRSA. Speak to a financial advisor if you require any additional assistance or advice throughout the life of your policy. This will ensure it is fit for purpose and continues to meet your investment objectives.



Platinum member



Answering Your Questions

Q What is a Contribution and how much Should I be Contributing?

- A** The amount you invest in your PRSA is called a contribution. Your contribution should increase each year in line with increases in the cost of living so that your pension savings maintain their value.

Most people underestimate how much they will need to save to provide an adequate income when they retire. The earlier you start to save, the less money you will have to put aside each month to reach your goal. It's never too late but it's so much easier when you start early. Where possible, a good rule of thumb is that your contribution should be sufficient to enable you to retire on a total income, including state pension, up to two thirds of your pre-retirement income.

Q What Income Should I be Aiming for in Retirement?

- A** The amount of income you will need in your retirement will depend on your personal circumstances when you retire. Best advice is to set a minimum target of 50% to 66% of final income.

It is often suggested that your need for regular income will reduce on retirement. This argument is based on the assumptions that your mortgage should be paid off, your children should have left home and you will not face commuting or similar travelling expenses.

On the other hand, there will still be bills to pay. You should not be forced into a lower standard of living just because you are no longer working. Retirement means you have all the time in the world, with proper pension provision you can make the most of this time.

Q What does the Government Provide?

- A** You will get the State Pension (Contributory) as well as your own private pension when you retire provided you have made the required number of PRSI contributions throughout your working life. If you do not have the required number of PRSI contributions you may be entitled to the State Pension (Non-Contributory), which is a means-tested payment. Currently, the earliest age at which you may qualify for a State Pension is 66.

Q Can my Employer take Contributions from my Salary and Pay them Direct to Acorn Life?

- A** Yes, your employer can take contributions from your salary and we will collect them from their bank account and invest them into your PRSA.

Q Can my Contributions Increase Automatically Each Year?

A When you take out your PRSA, you can choose to have your contributions increase automatically each year.

If you choose this option, your contribution will increase annually by the rate of automatic increase which is currently 5% (as at January 2026).

Q Can I Cancel my PRSA?

A If, after taking out this PRSA, you feel that it is not suitable, you may cancel it by writing to us at:

Acorn Life DAC
St Augustine Street
Galway
H91 PN80

If you do this within 30 days of the date you receive your statement of reasonable projection, we will cancel your PRSA. We will refund any regular contributions you have made. We will return any one-off contribution received, adjusted for any fall in value due to changes in investment markets while the plan was in force and in line with Revenue rules.

After the 30 days are over, you do not have the option to cancel your plan and get a refund if the plan is not suitable. You can stop contributing to your plan at any time, but you will not usually be able to take the benefits from your plan before you retire (normally from age 60 but can be as early as 50 subject to Revenue conditions).

Q Can I Stop Paying into my PRSA?

A If you decide to stop making contributions, your pension fund stays invested and continues to grow tax-free. Obviously, your fund value when you retire will be lower than if you had continued paying. Before stopping contributions, you should be sure that you have made other arrangements for your retirement. You should contact your financial advisor for more details.

Q Can my Employer Amend my PRSA?

A No – your PRSA is your own pension plan. Your employer cannot amend it. However, if your employer is contributing to your PRSA, your employer will reserve the right, as a matter of ordinary business prudence, to amend or discontinue their contributions if necessary. This would not affect your own personal contributions which you control yourself.

Q What Happens if I Stop Working?

A If you stop working but do not plan to begin taking benefits, you can either:

- Stop contributing your PRSA (perhaps until you start working again);
- Continue to contribute to your PRSA. If you continue to contribute, income tax relief on the contributions may have to be carried forward to when you have earnings in the future.





The Next Step on Your PRSA Journey

As part of the Acorn Life Group, Ask Acorn is an authorised intermediary that's 100% Irish owned, with a nationwide network of professional, friendly, and local financial advisors. It serves as a one-stop shop for essential personal and business finance needs, offering genuine personal service, tailored solutions, and expert answers to your financial questions.

Ask Acorn is available to help you consider your requirements across all of Acorn Life's Protection, Pensions, Savings, and Investments solutions.

If you'd like to take the next step in your PRSA journey or learn more about this product, you can speak with an Ask Acorn financial advisor today.



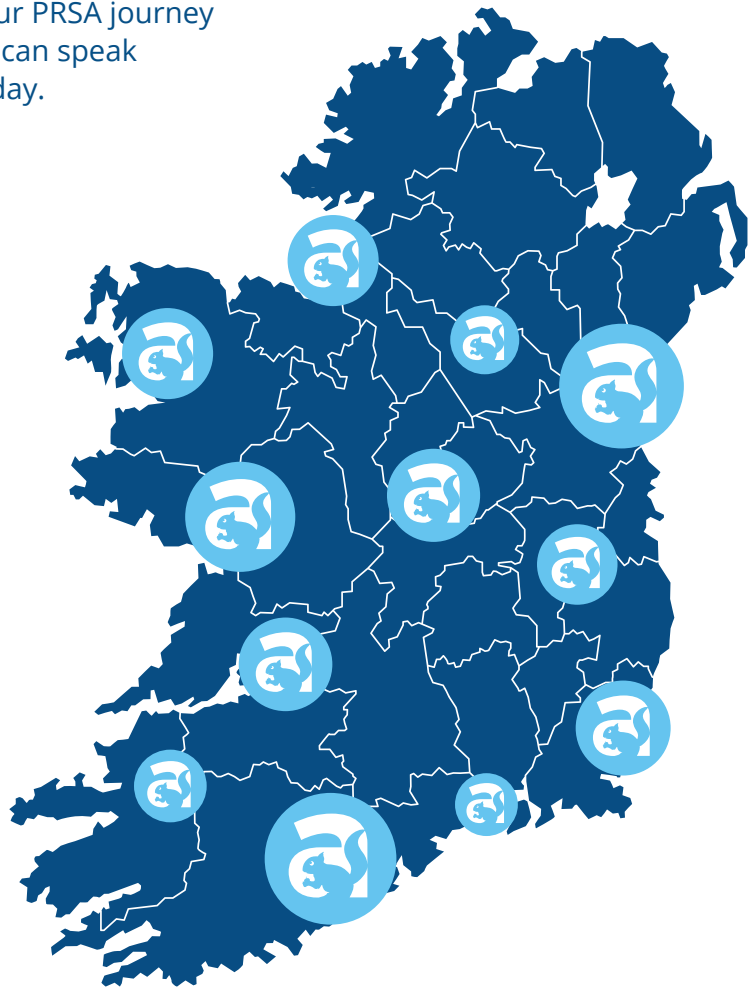
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Your local Ask Acorn Financial Advisor.



Important Notes:

- While great care has been taken in the preparation of this document, it is of a general nature and should not be relied on without taking relevant financial, insurance, tax or other professional advice.
- All information provided in this document including pension (Revenue) rules and tax related amounts, rates and limits is based on our understanding of current legislation and Revenue practice as at January 2026.
- This document is intended for information purposes only and does not constitute an offer or recommendation/advice to buy/sell/hold any investment products.

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Warning: If you invest in this product, you may not have access to your money until you retire in accordance with the requirements of the Scheme Rules.

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Acorn Life DAC is registered in Ireland, No. 128945.
Registered Office is St Augustine Street, Galway, H91 PN80.

Telephone 091 535 700, www.acornlife.ie

Acorn Life DAC is regulated by the Central Bank of Ireland.



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