

Your Pension

An Post Pension Schemes Members Handbook



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This booklet is not a full statement or a legal interpretation of the superannuation regulations of An Post, nor does it purport to deal with every query that may arise concerning superannuation. Care has been taken to ensure that it is accurate but nothing can override the rules of the Schemes, and these should be consulted for the definitive position. The booklet applies to pensionable staff only. If you need further information about any aspect of superannuation, or if you have a specific query which relates to your own personal circumstances, you should contact:

**Pensions Administration
Block 2B
General Post Office, 1
Telephone (01) 7057000, Ext. 7243/7631**

Your Pension as an Employee of An Post

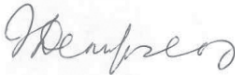
Dear Colleague,

All eligible pensionable employees shall be members of the An Post Main Superannuation Scheme, 2012. Membership of this Scheme shall not apply to persons who are in membership of a retirement benefit scheme of any body associated with the Company, or whose actual pensionable service on attaining age 65 would be less than two years, or who do not satisfy the Company (either at the time of first appointment, or at such time thereafter as the Company may determine) that they are in good health and free from any physical defect or any disease which may interfere with the proper discharge of their duties, or who are under 16 years of age.

Your pension is an important benefit of your employment with An Post. The Company is happy to be providing its staff with secure and comprehensive pension arrangements and the peace of mind that goes with them. Our defined benefit schemes provide you with a guaranteed level of pension benefit.

This booklet aims to be useful to you in two ways:

- Now, in giving a quick overview of the superannuation arrangements for pensionable staff.
- In the future, as a handy reference for the questions that will arise most often.



Jack Dempsey
Company Secretary
May, 2012

Your Benefits under the Main Scheme

Pensionable staff, who retire on normal retirement, receive a lump sum plus a pension for life. The amount of the pension and lump sum depends on how much you are earning when you retire and how long you have been working. In the case of full-rate PRSI category employees (Class A), the pension payable is also dependent on the rate of the State Pension (Contributory).

If you die in service, a lump sum death benefit is paid to your legal personal representative. If you are a member of the Spouses' and Children's Scheme, benefits are also payable to your surviving spouse or civil partner within the meaning of the Civil Partnership Act and qualified children whether you die in service or in retirement.

If you are required to retire early through ill-health, you may qualify for larger benefits than your years of service would normally entitle you to.

If you leave An Post before minimum retirement age (60 years) your pension entitlements, at time of leaving, can be preserved for payment at age 60.

If you come to An Post from another job in the public sector or certain private organisations, you may be entitled to bring your pension rights with you. Similarly, if you leave An Post for another job, you may be entitled to take the pension rights with you.

If your service with An Post will not be long enough to qualify for a full pension, you can "buy" extra years under the Company's purchase of service arrangements. Please contact Pensions Administration Section, Block 2B, General Post Office, O'Connell Street, Dublin 1 (Tel: 705 7000, extn.7243/7631) for further information regarding the purchase of service.

If you wish to add to your An Post benefits, you can do so by paying Additional Voluntary Contributions (AVCs). The Additional Voluntary Contribution Scheme is administered by Zurich (formerly Eagle Star) and any enquiries in relation to same should be directed to Zurich at 1850 666777. The advisor to this Scheme is Halligan Insurances. They can be contacted at 01-8731033 or by email at info@halligan.ie.

There is also a separate An Post Group Life Cover Scheme available under which a tax free lump sum is payable to your legal personal representative in the unfortunate event of your death before age 65. This cover is not part of the An Post Main Superannuation Scheme 2012 and is administered by Halligan Insurances (see contact details above).

Qualifying and Reckonable Service

Qualifying Service

In order to be eligible for benefit you must have a minimum of two years' service whether in a full-time, job-sharing or part-time capacity. In the case of a part-time employee, service given in any calendar year must be at least 20% of that of the employees' full-time comparator grade in order for this service to be taken into account.

Reckonable Service

In order for your service to reckon for benefit, the following conditions apply:

- Service must be given between the age of 16 years and 65 years
- Service in excess of 40 years does not reckon
- Job-sharing/part-time service is reckoned in the proportion which the hours worked bear to comparable full-time service subject to the hours worked in a calendar year being at least 20% of the normal hours worked by a comparable full-time employee in that period
- Appropriate pension contributions must be paid by an employee whose contract of employment requires such contributions
- Special leave or sick leave either at full or half pay is reckonable
- Unpaid absence and sick absence at pension rate of pay is not reckonable

Application of Additional Notional Service

In some cases, your pensionable service may be reckoned as longer than the actual number of years you have worked for An Post.

If you have completed at least 5 years' reckonable service and you are required to retire on medical grounds, extra years may be added to your actual reckonable service and you will be entitled to the immediate payment of a pension and lump sum. However, the overall limit of 40 years on reckonable service applies.

If your total years of actual service before age 65 cannot be as much as 40 years, you can buy extra years of notional service. Notional service may be purchased by a lump-sum contribution or by periodic deductions from salary.

Where, at retirement, a member's final pensionable remuneration includes an amount in addition to basic salary (e.g. a pensionable allowance) an extra purchase contribution is payable in respect of that additional amount by way of a deduction from the member's retirement lump sum. For details of the rates and conditions, contact Pensions Administration.

Transfer of Service between Participating Organisations

In certain circumstances it is possible to transfer service between An Post Superannuation Scheme and designated bodies/organisations. The Transfer of Service Scheme provides for the reckoning by each participating organisation of earlier pensionable service with any other member of the transfer “network”. Under its provisions there are links with An Post, the Civil Service and a large number of other participating bodies, comprising virtually all of the Irish public sector, together with a small number of private organisations.–

The Scheme also provides for transfers involving non-network bodies, i.e. those bodies, which operate a Revenue Approved Occupational Pension scheme and which are willing to enter into reciprocal arrangements acceptable to the Company. Transfer values are used for all transfers with these bodies and these are calculated in accordance with the An Post transfer value tables.

Pensionable Remuneration an Net Pensionable Remuneration

For the purposes of liability to Pay Related Social Insurance (PRSI) contributions, employees in An Post fall into one of two categories. Generally, those employees serving in permanent full-time posts on 5th April, 1995 are liable to pay a modified rate of PRSI contribution referred to as Class D. Employees in temporary or un-established positions and all part-time employees are liable for the full rate PRSI contribution, referred to as Class A. In addition, all employees recruited on or after 6th April, 1995, regardless of the status of their post are liable for Class A contributions. (An employee recruited on or after 6th April, 1995, who immediately prior to his/her recruitment was classified as a modified (Class D) PRSI contributor with his/her former employer may retain that classification in his new employment).

Class A contributors are entitled, on attaining the relevant age, to the State Pension (Contributory).

In order to take account of the entitlement of the Class A contributor to the State Pension (Contributory), the method of calculation of benefit under the An Post pension scheme differs from that in relation to the Class D contributor.

In the case of the Class D contributor, pension benefit is determined by reference to “pensionable remuneration” which is made up of full-time equivalent pay at the time of retirement plus any pensionable allowances.

In the case of a Class A contributor, the Scheme is an integrated scheme meaning it takes account of the State Pension (Contributory) in calculating the overall pension benefits. PRSI contributions made by class A contributing members provide for entitlements to Social Welfare benefits.

Consequently, for PRSI Class A contributors, pension benefit is determined by reference to “net pensionable remuneration” which is made up of full-time equivalent pay at the time of retirement (plus any pensionable allowances) **less** twice the rate of the State Pension (Contributory) payable to a person who has no adult dependant or qualified children. In this way the total benefit (An Post pension and State pension) payable to the Class A contributor is equivalent to what would have been payable had the employee been a Class D contributor).

Note: Full-time equivalent pay means, in the case of a part-time employee, the pay applicable to a full-time comparable employee. Thus, if you work say, half the normal working week and your actual pay is €20,000 per annum, then your full-time equivalent pay will be €40,000 per annum.

How do you calculate the “pensionable allowances”?

The amount reckoned for pension purposes is the average of your “allowances in the nature of pay” paid over the last three years prior to your resignation/retirement. You do not have to be receiving these allowances at the date you retire.

What happens if I am promoted within three years of retirement?

If there has been a change in your grade within your last three years of service, your benefits will be based on the average of your full pensionable remuneration over that period.

How is my occupational pension calculated?

Your pension entitlement is calculated as $1/80^{\text{th}}$ of your pensionable remuneration (Class D PRSI employee) or net pensionable remuneration (Class A PRSI employee) multiplied by your number of years reckonable service.

How is my Lump Sum calculated?

Your lump sum entitlement is calculated as $3/80^{\text{th}}$ of your pensionable remuneration (for both Class “D” PRSI and Class “A” PRSI employees) multiplied by your number of years’ reckonable service.

Your Pension - How Much?

The amount of your pension depends on three items;

- The amount of reckonable full-time equivalent service you have when you retire.
- Your pensionable remuneration (Class D PRSI employees) or net pensionable remuneration (Class A PRSI employees) at the time you retire.
- The rate of State Pension (Contributory) payable at the time you retire (for Class A employees).

The formula for calculating pension benefit is as follows:

$$\begin{array}{|c|} \hline \text{Full-Time} \\ \text{Equivalent} \\ \text{Service} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Pensionable} \\ \text{Remuneration} \\ \text{(Modified PRSI)} \\ \text{or Net} \\ \text{Pensionable} \\ \text{Remuneration} \\ \text{(Full-rate PRSI)} \\ \hline \end{array} \times \begin{array}{|c|} \hline 1/80 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Pension} \\ \hline \end{array}$$

Example: Full-time Employee on Modified (Class D) Rate of PRSI

Ms. A retires from An Post at age 65, having completed 40 years full-time equivalent service. She is a Class D PRSI contributor and her pensionable remuneration at the time she retires is €40,000 a year. The amount of her pension from An Post is calculated as follows:

$$40 \times €40,000 \times 1/80 = €20,000$$

Example: Full-time Employee on Full (Class A) Rate of PRSI

Mr. B retires from An Post at age 65, having completed 40 years full-time equivalent service. He is a Class A PRSI contributor and his pensionable remuneration at the time he retires is €40,000. The State Pension (Contributory) then payable to a single person is €11,975.60. His net pay is calculated by deducting twice the State pension (€23,951.20) from his pay (i.e. €40,000) providing a net pensionable remuneration figure of €16,048.80. The amount of his pension from An Post is calculated as follows:

$$40 \times €16,048.80 \times 1/80 = €8,024.40$$

His total pension, however, including his State pension is:

$$€8,024.40 + €11,975.60 = €20,000$$

Example: Part-time Employee on Full (Class A) Rate of PRSI

Mr. C has always worked **half** of the normal working week and retires at the age of 65, having completed 40 years service, i.e. 20 years reckonable full-time equivalent service. He is a Class A contributor and his pensionable remuneration at the time he retires is €20,000 (equivalent to €40,000 for a full-time employee). The State Pension then payable to a single person is €11,975.60. His net pay (on which his pension is based) is calculated by deducting twice the State Pension (i.e. €23,951.20) from the full-time equivalent of his pay (€40,000) leaving a figure of €16,048.80.

The amount of his pension from An Post is calculated as follows:

$$20 \times €16,048.80 \times 1/80 = €4,012.20$$

His total pension, however, including his State pension is:

$$€4,012.20 + €11,975.60 = €15,987.80$$

If in the case of fully State-insured employees (e.g. Mr B and Mr. C in the above examples are married, they may, in addition, receive an additional amount in their State pension for a Qualified Adult. (Full details on qualifications and benefits payable under the Social Welfare Acts may be obtained from the Department of Social Protection or by visiting their web site at www.welfare.ie).

Your Lump Sum – How Much?

The amount of your lump sum depends on two items;

- The amount of reckonable full-time equivalent service you have when you retire
- Your pensionable remuneration at the time you retire

Note

In relation to the lump sum, there is no deduction from the pensionable remuneration because of the State pension. The lump sum is calculated in exactly the same way for both modified and full rate PRSI contributors.

The formula for calculating the lump sum benefit is as follows:

$$\begin{array}{|c|} \hline \text{Full-Time} \\ \text{Equivalent} \\ \text{Service} \\ \hline \end{array} \times \begin{array}{|c|} \hline \text{Pensionable} \\ \text{Remuneration} \\ \hline \end{array} \times \begin{array}{|c|} \hline 3/80 \\ \hline \end{array} = \begin{array}{|c|} \hline \text{Lump Sum} \\ \hline \end{array}$$

Example Full-time Employee:

Taking the same examples as before, Ms. A and Mr. B retire from An Post at age 65, both having completed 40 years reckonable full-time equivalent service and both with pensionable remuneration of €40,000 at retirement. The amount of lump sum in each case is calculated as follows

$$40 \times €40,000 \times 3/80 = €60,000$$

Example Part-time Employee:

Taking the same example as before, Mr. C retires from An Post at 65, having completed 40 years working half the normal working week i.e. 20 years of reckonable full-time equivalent service. His pensionable remuneration at the time he retires is €20,000 per annum (the full-time equivalent of which is €40,000 per annum). The amount of his lump sum is calculated as follows:

$$20 \times €40,000 \times 3/80 = €30,000$$

Your Other Benefits (Main Scheme)

Early Retirement on Medical Grounds

The benefits applying to retirement on medical grounds vary according to the length of your actual service:

- | | |
|---------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 – 2 years | A once-off lump sum payment of $\frac{1}{12}$ th of retiring salary for each year of Full-time equivalent service |
| 2 – 5 years | An option to avail of either
A deferred lump sum and pension, payable at age 60.
<i>or,</i>
A once-off lump sum payment of $\frac{1}{12}$ th of retiring salary for each year of full time equivalent service plus a gratuity at the rate of $\frac{3}{80}$ ths of your pensionable remuneration for each year of full time equivalent service. |
| Over 5 years | The immediate payment of a pension for life and a once-off lump sum is payable. In calculating the pension and lump sum, the length of actual service may be increased. The overall limit of 40 years on full-time equivalent service applies. |

Retirement After Age 60

Normal benefits apply.

Death Benefit

If you die while you are serving, a death benefit is payable to your legal representative. The amount payable is as follows:

- (a) The full time equivalent of one year's pensionable remuneration,
or, if it is greater,
- (b) The amount of the lump sum that would have been payable had you retired on ill-health grounds on the date of death.

This benefit applies immediately on joining the scheme; there is no minimum period of service needed to qualify.

Special cases

If a person has resigned from An Post and is due a "preserved" pension and lump sum on reaching the minimum retirement age, but dies before reaching that age, a death benefit equal to the preserved lump sum is paid. In that case the "pensionable remuneration" is updated to the date of death.

If a person retires early on medical grounds and then dies, it is possible that the pension and lump sum actually received up to the time of death might be less than the minimum payment on death in service. In that case, the difference between the two amounts is paid to the deceased's legal personal representative.

Your Benefits under the Spouse' and Children's Scheme

The Spouses' and Children's Scheme gives benefits to a member's spouse or civil partner and children after the member's death, whether in service or in retirement.

Any benefits payable under this Scheme are dependent upon an individual being a member of the Spouses' and Children's Pension Scheme.

These benefits are:

Death in Service

One-twelfth of the deceased's pensionable remuneration (or net pensionable remuneration in the case of a fully State-insured member), for one month following the date of death.

From then on, a pension for life to the spouse or civil partner, and, until age 16 years, for the children. (The children's pensions are extended until age 21 years if they are still in full-time education, and if a child is incapacitated, the pension can be continued indefinitely at the discretion of the Trustees).

In calculating the spouse's and/or children's pension it is necessary to determine what the member's Company pension would have been. This is calculated as the pension that would have been payable from the An Post Main Superannuation Scheme based on the deceased member's pensionable/net pensionable remuneration at the date of death and the service **he/she would have completed at age 65**. That is referred to as the "potential pension". Based on that "potential pension" the spouse's and children's pension entitlements are:

If there is a surviving spouse, or civil partner:

Surviving spouse:	Half the potential pension plus
If 1 child	One-sixth the potential pension
If 2 children	One-third the potential pension
If 3 or more children	Half the potential pension divided amongst the qualifying children

If there is no surviving spouse or civil partner, or if the spouse or civil partner later dies, the pension paid is:

If 1 child	One-third the potential pension
If 2 or more children	Half the potential pension divided amongst the qualifying children

Death in Retirement

For one month after death, the member's full pension is paid to the surviving spouse or civil partner.

From then on, a pension is paid on this basis:

Surviving spouse:	Half the members pension plus:
If 1 child	One-sixth of the member's pension
If 2 children	One-third of the member's pension
If 3 or more children	Half of the member's pension divided amongst the qualifying children

This pension is paid to the spouse or civil partner for life, and until age 16 for the children of the member

(The children's pensions are extended until age 21 if they are still in full-time education, and if a child is incapacitated, the pension can be continued indefinitely at the discretion of the Trustees.)

If the original retirement was on medical grounds, the spouse's and children's pension entitlements are greater – they are based not on the actual pensionable service but on the “potential service” to the members 65th birthday (in the same way as outlined on the preceding page in relation to “death-in-service”).

It is important to note that these benefits are payable regardless of any payments due under the Social Welfare Acts. (Full details on qualifications and benefits payable under the Social Welfare Acts may be obtained from the Department of Social Protection or by visiting their web site at **www.welfare.ie**).

Family Law

Provision of Information under the Family Law Acts

Parties to proceedings under the Family Law Act, 1995 or the Family Law (Divorce) Act, 1996 are obliged to include information about their superannuation entitlements in the Affidavit of Means which they must furnish to the Court. This information will be supplied to the member by the Trustees. All requests for information must be made in writing and state that the information is required in connection with Family Law proceedings. The spouses of members are entitled to general information about the rules of the schemes but member-specific information may only be supplied to them with the consent of the member or on foot of a court order. All requests for actuarial valuations should be referred to Pensions Administration.

Pension Adjustment Orders (PAOs)

PAOs are orders granted by a court directing that some or all of the member's superannuation benefits should be paid to the member's spouse and/or dependent children. Such orders are granted only if a decree of judicial separation or divorce is obtained. The terms of a PAO may override the terms of the Pensions Act, 1990 and the rules of any superannuation scheme to which it refers to the extent necessary to secure payment under the order.

Checking/implementation of PAOs

Many Courts will not make PAOs unless the Trustees have seen the draft orders and verified that they are acceptable and will be implemented by them. When orders are made, the Trustees are obliged, under the law, to furnish the beneficiaries with certain information on the effect of the orders. They are also obliged to implement the orders when payment falls to be made. The Acts contain deadlines for the provision of certain information, making payments in certain circumstances, etc.

The Trustees will comply with any order of the Court insofar as it is able to do so. While it is the responsibility of the parties seeking the PAO (Pension Adjustment Order), not the Trustees, to ensure that any order obtained is valid and reflects any agreement reached by the parties, the Trustees will assist where they can in this regard.

Where the applicant is a member of both the An Post Main Superannuation Scheme, 2012 and the An Post Spouses' and Children's Scheme, 1990 the order should refer to both Schemes and say whether and to what extent each scheme is to be adjusted.

Cost of the Schemes

Contributions to the Main Scheme

The Company may require any Member whose terms and conditions of employment so permit to make contributions, in accordance with the terms of Company Circular 09/2007, to the Main Scheme.

The rate of contribution is 5% of remuneration or, in the case of a fully insured member;

(a) 1.5% of remuneration and

(b) 3.5% of net remuneration.

Example

Ms A is required to make contributions to the Main Scheme, she is a class D PRSI contributor and her remuneration is €40,000 per year. Her contribution to the Main Scheme is as follows:

$$\text{€40,000} \times 5\% = \text{€2,000}$$

Ms B is required to make contributions to the Main Scheme, she is a class A PRSI contributor and her pensionable remuneration is €40,000 per year, her net pensionable remuneration is €40,000 - €23,951.20 = €16,048.80. Her contribution to the Main Scheme is as follows:

$$\text{€40,000} \times 1.5\% = \text{€600}$$

+

$$\text{€16,048.80} \times 3.5\% = \text{€561.71}$$

Total Contributions payable = €600 + €561.71 = **€1,161.71**

Contributions to the Spouses' and Children's Scheme

The Spouses' and Children's Scheme is contributory for all members. All such contributions are deducted by the Company at source.

Your normal contribution to the Spouses' and Children's Scheme is 1.5% of basic pay, or, if you are a fully state-insured employee, net pay - the amount by which your weekly rate of full time equivalent basic pay exceeds twice the rate of the State Pension (Contributory) payable from time to time to a person with no adult dependant or qualified children.

Example

Ms A is a member of the Spouses' and Children's Pension Scheme, she is a class D PRSI contributor and her remuneration is €40,000 per year. Her contribution to the Spouses' and Children's Scheme is as follows:

$$\text{€40,000} \times 1.5\% = \text{€600}$$

Ms B is a member of the Spouses' and Children's Pension Scheme, she is a class A PRSI contributor and her pensionable remuneration is €40,000 per year, her net pensionable remuneration is €40,000 - €23,951.20 = €16,048.80. Her contribution to the Spouses' and Children's Scheme is as follows:

$$\text{€16,048.80} \times 1.5\% = \text{€240.73}$$

Additional contributions to the Spouses' and Children's Pension Scheme

If you have pensionable allowances on top of your basic pay, there is a further contribution. This is made by a once-off deduction from your lump sum payment when you retire or if you die in service. It amounts to 1% of the annual average allowances paid in your last three years of service, multiplied by the full length of your full-time equivalent service.

The benefits of the Spouses' and Children's Scheme outlined on pages 13 and 14 assume that the member has paid contributions to cover all the years of reckonable service. In certain circumstances, e.g. retirement on medical grounds and death in service, additional potential service to age 65 will have been granted for the purposes of benefit under the Spouses' and Children's Scheme and the employee will not have paid contributions to cover this service. There may also be cases where a full-time employee has had previous part-time service in respect of which contributions had not been paid. In cases such as these, extra contributions will have to be paid to make up the shortfall. The overall effect is that your contributions will match the number of years of pensionable service on which the benefits available to your dependants are calculated.

Example - Retirement on Medical Grounds or Death-in-Service

Mr. D is retired on medical grounds or dies in service at age 45 having completed 20 year's full-time equivalent service. He had contributed to the Spouses' and Children's scheme for 20 years and had 20 years potential service to age 65. In the event of his death, his spouse's or civil partner's pension will be calculated by reference to his 20 year's service **plus** 20 year's potential service (for which contributions have not been paid). To make up this shortfall, a deduction is made from his ill-health retirement lump sum (or death gratuity) at the rate of 1% of pensionable/net pensionable remuneration in respect of each year for which a contribution has not been made viz.

$$1\% \times 20 \text{ years} = 20\%$$

Example – Full-time Employee with previous Part-time Service in respect of which contributions have not been paid

Mr. E is a full-time employee and also has 10 years part-time service. Contributions to the Scheme commenced when Mr. E attained full-time status. In order for Mr. E's part-time service to reckon for benefit under the Spouses' and Children's Scheme, he may avail of any of the following options:

1. Paying one or more extra contributions, each of 1¼% of his basic pay or net basic pay for chosen periods of years.
2. Paying a bulk extra contribution, amounting to 1¼% of his basic pay or net basic pay – repeating this process at intervals, if desired.
3. By having a deduction made from the retiring lump sum (or death gratuity, if applicable). This deduction would be 1% of his basic pay or net basic pay for each year's shortfall.

A member of the revised Spouses' and Children's Scheme who retires with a pension from the Main Scheme and who was never married during his membership of the Spouses' and Children's Scheme, does not receive a refund of his contributions to the latter Scheme. A member of the original Spouses' and Children's Pension Scheme who contracted out of the revised scheme and remains single throughout his membership of the Main Scheme will qualify for a refund of his contributions to the Spouses' and Children's Pension Scheme on retirement, however, no spouses pension will be payable if the member marries after retirement. Any member, married or unmarried, will receive a refund of his/her past contributions to the Spouses' and Children's Scheme if he/she is leaving without any other benefit.

What if you Leave An Post?

Retirement

Maximum retirement age in An Post is 65 years of age. If you are not a fully state –insured pre – 6 April 1995 member you may choose to retire before that – at any time after attaining the age of 60. Your pension and lump sum will be calculated in the normal way and will be paid from the day you retire.

Fully State-insured pre-6 April 1995 members, whose contract of service provides Scheme membership to the minimum age at which the State pension is payable may not exercise an option to retire before the age of 65 years.

If you resign from the Company before age 60, your benefits will be put on hold until you reach age 60. These “preserved benefits” will be calculated on the up-rated equivalent of your salary/net salary and allowances at your date of resignation.

Early retirement on medical grounds

If you are allowed to retire early on medical grounds after serving at least 5 years, extra years may be added to your actual reckonable service and you will be entitled to the immediate payment of a pension and lump sum. However, the overall limit of 40 years on reckonable service applies. For details see page 11.

Supplementary Pension

If you are a full rate PRSI contributor (Class A) and if, during any period following your retirement you do not qualify for a benefit under the Social Welfare Acts due to causes outside your control, you may be paid a supplementary pension for that period sufficient to bring your Scheme pension up to the rate which would have been payable had it been calculated by reference to your pensionable remuneration instead of net pensionable remuneration. However, if following your retirement from An Post you are employed and paying PRSI contributions, a supplementary pension would not be payable.

Leaving for another job

If you leave for another job in the public service:

You may be in a position to take your pension entitlements with you. In such cases your service in the An Post schemes will be credited to you in the scheme of your new employment.

If the job you leave to go to is not in the public service:

You do not lose your pension rights if you have served for at least 2 years. You are entitled to a pension and lump sum, preserved for you by An Post until you reach the minimum retiring age. The amounts are calculated as on pages 7 to 9, but with your pensionable remuneration (or net pensionable remuneration) up-rated to its value at your minimum retirement age.

Alternatively, you can arrange to transfer the value of your preserved benefits to your new employer's scheme, providing that such a scheme is a registered Occupational Pension Scheme with the Pensions Board and approved by Revenue and that the trustees of the new scheme are willing and able to accept the transfer value.

If you cannot transfer your entitlements under the scheme to your new employment or if you have no preserved entitlements, you may, in certain cases, be entitled to a refund of contributions paid. Tax would be charged on that refund, in order to claw-back the tax benefit that you received when making the contribution.

Your Pension and Tax

Your retirement pension will be subject to income tax and the universal social charge in the normal way. Any State Pensions which you may receive are also treated as earned income for tax purposes.

Your lump sum payment on retirement is not, however, currently liable to income tax or the universal social charge, provided the amount of all lump sums received since 7 December 2005 does not exceed €200,000. A tax charge of 20% applies to amounts above €200,000, and a higher rate of 41% to amounts exceeding €575,000.

Under current income tax provisions, any contributions you make to the Scheme, to the Spouses' and Children's Scheme or as additional voluntary contributions under another Revenue approved scheme are allowable against tax. This reduces the real cost of your contributions. Currently, there is an age-related limit of your annual pay on this tax exemption as follows:

Age (attained during tax year)	Personal Contribution limit as a % of Schedule E Earnings
Up to 30 years of age	15%
30 up to 39 years of age	20%
40 up to 49 years of age	25%
50 up to 54 years of age	30%
55 up to 59 years of age	35%
60 years of age and over	40%

The percentages in the table above apply to your annual earnings up to a limit of €115,000. There is no relief from PRSI or the USC on your contributions.

These contributions and earnings limits may be subject to change in future Finance Acts.

Pensions are paid fortnightly in arrears. The Company may grant such increases in pensions and pre-served pensions under the Scheme, as may be authorised from time to time by the Minister for Public Expenditure and Reform

How the Schemes are Run

The Pensions Administration Section within An Post administers the calculation and payment of members' benefits. The administration costs, associated with this service, are borne by the Schemes.

The Fund for the An Post Superannuation Schemes is separate from the Company's own assets. The Fund was set up under an irrevocable trust deed. Trustees are drawn from both Company and staff representatives. The Company makes contributions to the Schemes on the basis of periodic valuations of the Schemes carried out by the Scheme actuary.

The contributions made by both the Company and the members are invested for the purpose of funding your pension.

One of the main responsibilities of the Trustees is to watch over the Fund to ensure that its value is sufficient to cover the accrued benefits for which the Company is liable.

An Post's superannuation arrangements derive from Section 46 of the Postal and Telecommunications Services Act, 1983. The Schemes were originally approved by the then Minister for Communications with the concurrence of the Minister for Finance. The Main Scheme was most recently amended on 13 February 2012, having been approved by the Company, the Minister for Communications, Energy & Natural Resources and the Minister for Public Expenditure and Reform. Each of our Schemes has been approved by Revenue as an exempt approved scheme under the Chapter I, Part 30 TCA 1997 which gives tax relief on the Company's funding and on contributions by members. The Schemes' Revenue reference number is SF 15431.

The Schemes are registered with the Pensions Board and each is a defined benefit scheme for the purposes of the Pensions Act, 1990. The Schemes' registered number with the Pensions Board is PB 43750.

Annual reports and audited accounts of the Superannuation Schemes are published by the Trustees.

The Company reserves the right to amend or terminate this Scheme at any time subject to the approval of the Minister for Communications, Energy and Natural Resources and with the concurrence of the Minister for Public Expenditure and Reform and subject to giving three months notice of impending changes to members of the Scheme. Benefits secured for a retired member prior to the date of amendment or termination will not be affected.

Notes on this Booklet

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