



Acorn Life Master Trust

Smarter Pension Solutions
for Irish Employers



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Your Guide to Master Trust Pensions

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A Message from the CEO

At Acorn Life, we've proudly supported individuals, families, and Irish businesses in planning for their financial futures for over 35 years. As a 100% Irish-owned life assurance company, we remain committed to working closely with Ask Acorn Financial Advisors nationwide to deliver clear, trusted financial guidance.

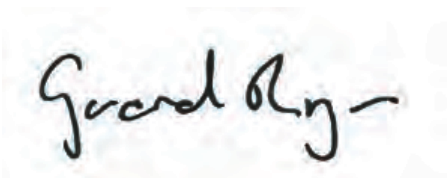
We're pleased to introduce our Acorn Life Master Trust pension solution – a simple, compliant, and cost-effective way for employers to support every member of their team, from senior management to staff at all levels, in building a secure retirement.

This structure simplifies pension provision while meeting modern regulatory requirements, including IORP II and Auto Enrolment. It offers flexibility, governance, and access to expert investment managers – all designed with the needs of Irish employers and employees in mind.

While Acorn Life provides the strength and regulatory framework behind the product, it's your Ask Acorn Financial Advisor who delivers the personal, practical support to help tailor the solution to your business.

Thank you for partnering with us to support the long-term financial wellbeing of your entire team.

Warm regards,

A handwritten signature in black ink, reading "Gerard Ryan", on a light-colored background.

Gerard Ryan
Chief Executive Officer
Acorn Life DAC



Who is Acorn Life?



Acorn Life DAC is a fully Irish-owned life assurance company that's been supporting people and businesses across Ireland since 1989. Based in Galway, we've been helping customers for over 35 years with pensions, protection, savings, and investment plans – all designed specifically for the Irish market.

We're proud to be a multi-award-winning company*. We've been recognised as one of Ireland's Best Managed Companies by Deloitte for seven consecutive years, received the Business All-Star accreditation for the past six years, and we're a Guaranteed Irish member which is a mark of trust, local commitment, and job support.

At Acorn Life, we are always working to deliver high-quality products, and reliable customer support – helping Irish businesses and families plan for a more secure future.

Why plan for your employees' retirement?

Your employees are important to you. Providing access to a pension is a highly rewarding incentive for employees.

A pension plan helps provide employees with an income in retirement and can contribute to a better living standard when retired.

Contributing to a pension plan is a tax efficient way to save for retirement.

*see page 14 for full list of accreditations

What is a Master Trust?

A Master Trust is a multi-employer occupational pension scheme governed by a single legal trust and overseen by an independent board of trustees. It is designed to streamline pension provision for employers by pooling resources, expertise, and governance under one umbrella structure.

For many Irish employers, Master Trusts have become the preferred vehicle for Defined Contribution (DC) pension schemes. They offer professional oversight with simplified management and are also a suitable alternative to Auto Enrolment for workplace pensions.

Key benefits of a Master Trust include:



Professional Administration: Day-to-day tasks like member communications, investment processing, and reporting are expertly managed.



Strong Governance & Oversight: Acorn Master Trustee DAC oversee investments and regulatory compliance, helping ensure your employees' pensions are well managed and secure.



Cost Efficiency: Shared services and scale help keep running costs competitive compared to setting up your own standalone scheme.

Benefits and Tax Advantages for Employers

Benefits for Employers:

1. Auto Enrolment Ready

By offering immediate access to a pension scheme, you can opt employees in before Auto Enrolment begins – avoiding the need to manage two sets of pension payments and staying ahead of upcoming rules.

2. Refund Option for Early Leavers

If an employee leaves within two years of joining the scheme, there's an option to claim back employer contributions less tax-relief received, helping you manage pension costs fairly and efficiently.

3. Reliable & Professional Administration

Governance and compliance are managed by a professional, independent trustee board.

4. Guaranteed Compliance

Participation in Master Trusts ensure full compliance with current and future pension regulations, giving employers confidence their scheme meets all legal and governance standards.

5. Competitive Costs

As multi-employer schemes, Master Trusts benefit from scale – helping to keep administration and investment fees competitive for members, even as regulatory demands grow.

6. No Benefit-in-Kind (BIK) for Employees

Employer contributions within Revenue limits are not treated as a taxable benefit for the employee, making pensions a tax-efficient form of remuneration.



Tax Advantages for Employers:

1. Tax Efficient Contributions

Employer pension contributions are tax-deductible as a business expense, reducing your corporation tax liability (subject to Revenue rules on funding limits).

2. No Employer PRSI on Contributions

Unlike salary, pension contributions made by the employer are not subject to Employer PRSI, making them a more cost-effective way to reward staff.



Contribution and Scheme Limits

- While there's flexibility, employer contributions must be within Revenue limits. These limits depend on service and salary. If the pension fund at retirement exceeds the Standard Fund Threshold (€2 million as at June 2025), an additional tax charge will apply to the excess.
- Employers must pay at least 10% of the total contribution payable to the pension scheme. Otherwise, there is currently no statutory minimum contribution level for employers.

Benefits and Tax Advantages for Employees

Benefits for Employees:

1. Professional Governance

A Master Trust is managed by independent, professional trustees, ensuring strong governance, compliance, and regulatory oversight on behalf of all members.

2. Competitive Costs

As multi-employer schemes, Master Trusts benefit from scale – helping to keep administration and investment fees competitive for members, even as regulatory demands grow.

3. Access to High-Quality Investments

Employees benefit from professionally managed investment funds (with providers like Mercer or HSBC Global Asset Management) that align with different risk profiles and retirement goals – all accessed at institutional rates. Because Acorn Life can invest at scale, charges are lower than those typically available to individual investors.

Tax Advantages for Employees:

1. Tax Relief on Contributions

Employee contributions to a Master Trust pension plan qualify for income tax relief, at source through payroll deduction, at their individual marginal rate (20% or 40%), subject to age-related limits and an earnings cap (currently €115,000). For example:

| | | | |
|----------------------|-----------------|-------------------|-----------------|
| Age under 30: | 15% of earnings | Age 50–54: | 30% of earnings |
| Age 30–39: | 20% of earnings | Age 55–59: | 35% of earnings |
| Age 40–49: | 25% of earnings | Age 60+: | 40% of earnings |

2. Employer Contributions

Subject to Revenue Maximum Funding rules, employers can make significant contributions on behalf of employees and are not considered a benefit-in-kind (BIK), so no tax is due by the employee on them. These contributions also do not affect the employee’s own tax relief limits.

3. Tax-Free Investment Growth

Any investment growth within the pension fund is exempt from income tax, capital gains tax, or DIRT, which significantly enhances long-term retirement savings.

4. Tax-Free Lump Sum at Retirement

When you retire, you may be able to take up to a maximum of €200,000 tax-free or 25% of the fund whichever is the lesser. Alternatively, you have the option of taking 1.5 times your final salary as a tax free lump sum (again up to a max of 200k) provided you have at least 20 years service.

5. Retirement Options

You have flexibility in how you take your retirement benefits. If you choose to take a tax-free lump sum of 25% of your fund, you can then decide how to use the remainder. You have the option to either invest it in an Approved Retirement Fund (ARF) or use it to purchase an annuity, giving you the freedom to choose the approach that best suits your retirement needs.

Important Considerations:

Revenue Limits to Keep in Mind

- There is a €2 million Standard Fund Threshold (SFT) for pensions. Benefits accrued in excess of the SFT are subject to an additional tax charge when crystallised, eg, upon retirement. The SFT is increasing on a phased basis up to €2.8 million by 2029.
- Total contributions payable by both the employer and employee are subject to maximum funding limits set by the Revenue Commissioners.
- Personal contributions to all pensions products combined are subject to age related limits (shown above)

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 not have access to your money until you retire in accordance with the requirements of the Scheme Rules.

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





Retirement Options with the Acorn Life Master Trust

All members retiring from the Acorn Life Master Trust will have a range of flexible options to access their pension savings. These options are designed to give members control over how and when they draw down their benefits, helping them tailor their retirement income to suit their lifestyle, financial goals, and risk appetite.

Before making any decisions about which retirement options to exercise, it's essential to seek professional financial advice. A qualified advisor can help you understand the full implications of your choices and ensure they align with your retirement goals. What may seem like a small decision today can significantly impact your financial security in later life.

1. Tax-Free Lump Sum

Upon retirement, a member can typically withdraw up to 25% of your pension fund as a tax-free lump sum, subject to a lifetime limit of €200,000. Any amount between €200,001 and €500,000 is taxed at the standard rate of 20%, and amounts above €500,000 are taxed at the members marginal rate and USC.

2. Approved Retirement Fund (ARF)

After taking a lump sum (25% of the fund option), a member may choose to invest the remaining balance into an Approved Retirement Fund (ARF). An ARF allows pension savings to continue growing tax-free, with the flexibility to make withdrawals as needed. However, a member must withdraw a minimum amount annually, typically 4% from age 61, increasing to 5% from age 71. Funds remaining in an ARF can be passed on to the members estate upon death.

3. Annuity Purchase

Alternatively, a member can use the remaining pension fund to purchase an annuity, which provides a guaranteed income for life.

4. Combination of Options

A member may also opt for a combination of the above options. For instance, a member could take a portion of their fund as a tax-free lump sum, allocate some to an ARF, and use the remainder to purchase an annuity. The taxed cash option also allows you to take a taxable lump sum in addition to the standard tax-free lump sum.

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ESG & Responsible Investing

Aligning Financial Goals with Ethical Values

At Acorn Life, we understand that responsible investing is no longer optional - it's essential. That's why we partner with investment managers who embed Environmental, Social and Governance (ESG) principles into their processes, helping you make informed decisions that support a sustainable future.

What Is ESG Investing?

ESG investing considers:

- **Environmental:** How a company's operations impact the planet.
- **Social:** How it manages relationships with employees, suppliers, customers, and communities.
- **Governance:** How it's governed - including leadership, audits, internal controls, and shareholder rights.

Our Commitment

Through our collaboration with global investment leaders like Mercer and HSBC Global Asset Management, we ensure pension and investment funds are managed with rigorous ESG standards in mind.

- Mercer provides strategic investment advice and governance support, integrating ESG factors into portfolio construction and fund selection.
- HSBC Global Asset Management is a global leader in sustainable finance, delivering funds with robust ESG credentials and active stewardship.

Why It Matters

By choosing ESG-aligned investment solutions:

- Support climate resilience and ethical business practices.
- Savings are better positioned for long-term sustainable growth.
- Contribute to a positive impact without compromising on performance.

Trusted Global Partnerships

Acorn Life collaborates with:

- Mercer, a leading global consultant in responsible investment strategy and ESG integration.
- HSBC Global Asset Management, offering strong credentials in sustainable investment and climate-aware fund management.

Together, we offer you peace of mind - knowing your investments are not only financially sound but ethically responsible.



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Frequently Asked Questions

This section covers some of the most asked questions about the Acorn Life Master Trust – but it may not cover everything specific to your situation. Whether you're an employer or an employee, we recommend speaking with an Ask Acorn Financial Advisor to get personalised guidance tailored to your needs.

1. What is a Master Trust and how is it different?

The Master Trust is a pension scheme structure which allows many employers to effect pensions for their employees. Each member within the structure has their own policy number and fund.

It offers:

- Independent experts to oversee it
- Compliance with pension rules
- Competitive Costs
- An extensive range of investment options

2. Who Governs the Acorn Life Master Trust?

Acorn Master Trustee DAC oversees governance, compliance, investment, and member protection ensuring impartiality and oversight.

3. What Investment Options Are Offered?

Members can choose from a range of professionally managed funds, including Default Investment Strategy and self-select options to suit various goals and risk profiles.

4. Can It Be Tailored to My Business?

Yes - we offer flexible contribution options to align with your company's needs.

5. What Are the Charges?

Fees include investment management, governance, and administration - often lower than single employer schemes. Full fee details are provided upfront.

6. What happens if one of my employees leaves?

If an employee leaves your company, their pension savings remain in the Master Trust. They can choose to leave the fund invested, transfer it to another approved pension scheme, or access it when eligible, depending on their personal circumstances and service history.

7. What if an employee dies before retirement?

If an employee dies before retirement, the value of their pension fund is typically paid as a lump sum to their estate or nominated beneficiary, subject to Revenue limits.

8. Can an employee retire early?

It may be possible with the agreement of the employer and trustee to access early retirement benefits after the age of 50, or earlier in circumstances of serious ill-health.



Acorn Life Awards & Accreditations

Industry recognition offers valuable reassurance of a company's performance and reliability. The Business All-Star Accreditation from the All-Ireland Business Foundation highlights excellence in customer trust, performance, and service. The Deloitte Best Managed Companies award recognises strong strategy, operational excellence, and effective leadership. The Guaranteed Irish symbol identifies businesses that support local communities, provide quality employment, and commit to Irish provenance. Together, these awards signal the strength and integrity clients should expect from a trusted pension provider.



Investment Management Partners

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 the some of the best fund managers around the globe to help our customers achieve their financial goals. For that reason, we do not employ in-house fund managers. Instead, we carefully select and contract a number of external fund managers to manage our range of funds.



Ready to Take the Next Step?



Part of the Acorn Life Group, 100% Irish-owned and with a nationwide network of professional, friendly, local financial advisors, Ask Acorn is the one-stop shop for essential personal and business finance needs. Ask Acorn offers genuine personal service, tailored solutions and expert answers to your personal financial questions. Acorn Brokerage Limited, trading as Ask Acorn, is regulated by the Central Bank of Ireland and is an authorised intermediary.

To learn more about the Acorn Life Master Trust speak with your local Ask Acorn Financial Advisor today.

Acorn Brokerage Limited, trading as Ask Acorn, is regulated by the Central Bank of Ireland. Acorn Brokerage Limited, trading as Ask Acorn, is an authorised insurance intermediary.

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.
- If any conflict arises between this document and the Trust Deed and Rules of the Acorn Life Master Trust or the Executive Master Trust Policy Provisions, the Trust Deed and Rules or Policy Provisions will apply.
- 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 June 2025.
- This document is intended for information purposes only and does not constitute an offer or recommendation/advice to buy/sell/hold any investment products.

Acorn Master Trustee DAC was established as part of the Acorn Life Group for the sole purpose of providing trustee services to the Acorn Life Master Trust.

Acorn Master Trustee DAC is authorised by the Department of Justice to operate as a Trust Service Provider in accordance with the provisions of the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended.

Acorn Master Trustee DAC, St Augustine Street, Galway, H91 PN80. Registered in Ireland No. 731271.

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

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



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