

The Importance of Retirement Planning

Retirement planning is saving and investing money during your working years to have enough income to live comfortably when you retire. Whether you are in your 20s or approaching retirement age, planning early and effectively can make the difference between just getting by and living comfortably in your later years. A solid retirement plan helps you:

- Provide an income after you retire so that you do not have to rely on others later in life
- Manage future expenses, including healthcare and daily living expenses
- Prepare for unexpected events
- Ensure your loved ones are protected

Tips for Smart Retirement Planning

- **Start Early:** Saving early allows you to benefit fully from the long-term effects of compound interest.
- **Avoid Debt:** Prioritise repayment of high-interest debt well before retirement to reduce financial strain.
- **Work with a Financial Advisor:** Seeking personalized guidance from a qualified financial advisor can help strengthen and optimize your retirement plan.

Three Simple Steps to Get Your Retirement Plan Started

1. Develop a plan of action. Decide when you want to start saving, when you plan to retire, and how much money you need for your retirement goals.
2. Decide how much to save each month. Based on your goals and timeline, figure out a comfortable amount to set aside each month to help your savings grow.
3. Review and adjust your plan. Life changes, so check your progress often and make changes to stay on track towards your retirement dream.



At JN Life Insurance, we understand that retirement planning goes hand-in-hand with life insurance and long term financial security. Our team is here to help you take the next step, whether it's reviewing your current plan, exploring retirement income solutions, or ensuring your insurance coverage supports your future goals.

Let's plan today for a better tomorrow.

Contact us to schedule your personalized retirement review.



The JN Individual Retirement Scheme

The JN Individual Retirement Scheme (JNRS) is a personal retirement plan approved by the Financial Services Commission (FSC). It is designed to help individuals save for retirement and receive a pension when they retire. The scheme operates under the Pensions (Superannuation Funds and Retirement Schemes) Act 2004 and offers a tax-deferred and tax-efficient way to save towards retirement.

Who can join the JNRS?

The JNRS is open to residents of Jamaica between the ages of 18 and 64 who are not currently contributing to an approved Superannuation Fund or Retirement Scheme. This includes contract workers, employed and self-employed individuals.

While it is common for individuals to take a lump-sum payment when leaving a job, this significantly reduces the funds available at retirement. As an alternative, you may choose to transfer your benefits from an approved retirement or superannuation fund into the JNRS to preserve your retirement savings.

What are the benefits of joining the JNRS?

- 1. Flexible pension options** - Members can choose a pension option that best suits their needs. They may also choose one or a combination of our four fund mixes to invest their funds: Fixed, mix, equity or forex.
- 2. Disability benefit** - If a member is certified as unable to work while still contributing to the scheme, they may choose to receive the total value of their contributions as a lump-sum payment.
- 3. Death benefit** - If a member passes away before starting to receive pension payments, the accumulated value of their contributions will be paid to their named beneficiaries.

How much can a member invest each year?

Members can contribute a minimum of 5% and a maximum of 20% of their gross annual income. Employers may also contribute on behalf of employees, but this is not mandatory. Total combined contributions must not exceed 20%.

Members will receive an annual statement showing the total value of their contributions, which can also be accessed online or printed at any time.

When can a member retire?

Under the JNRS, the normal retirement age is 65; however, early retirement starts from age 55 and late retirement goes up to age 70. At retirement, your accumulated pension is used to provide retirement income, typically through an annuity. You may also withdraw a tax-free lump sum amount, subject to legal limits, with the remaining balance used to purchase a reduced annuity.



Riddle me this, riddle me that. Guess this riddle, or perhaps not.

I grow with time, but I do not age. I wait patiently while you work each day. But when your labor ends, I come into play.

What am I?



Ans: A pension