

**Retirement Account for Personal Pensions**  
**Terms and Conditions booklet (Table 388 - Group number 70045)**

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REV 01/09

## **Retirement Account for Personal Pensions**

### **Terms and Conditions booklet**

This is your Terms and Conditions booklet for your **Retirement Account** for Personal Pensions.

**You should read the document carefully as it contains detailed and important information.**

Please keep it safe in your welcome pack, as you will need it in the future.

## **What is a pension plan?**

This pension plan is contract between you and Irish Life Assurance plc (we, us) and is designed by us to provide certain benefits from your chosen retirement age. It may also provide life cover if you die before the chosen retirement age.

Details of the plan can be found in this terms and conditions booklet, the membership certificate, any schedule which we send you in the future, any application form which we ask you to complete, and any extra rules we add in the future. These terms and conditions may be varied by us from time to time. In the event that a material change is made you will be notified in advance. Any conditions or extra rules (endorsements) which we add in the future will also form part of the plan and may only be added by authorised staff at our Chief Office. Together these documents, and any appendices, form the terms and conditions of the plan.

We have issued this plan to you on the understanding that the information detailed in the membership certificate, in any application form which has been completed and any related correspondence is true and complete and that we have been given all relevant information. If this is not the case we will be entitled to declare the plan void. If this happens, you will lose all rights under the plan, we will not pay any claim and we may not refund any payments. Information is relevant if it would influence the judgement of a reputable insurer when fixing the payment or the level of benefits, or in deciding whether to provide cover at all.

We will pay benefits from Chief Office in Ireland, the Irish Life Centre, Lower Abbey Street, Dublin 1. All payments and benefits under this plan will normally be paid in euro.

In legal disputes Irish law will apply and the Irish courts are the only courts which are entitled to hear any disputes.

More detailed information on all these matters is in the relevant sections of these terms and conditions.

## **How does the plan work?**

You have agreed to make the payments outlined on the the membership certificate (or any schedule which we send to you) on the dates described. The funds you have chosen to invest your payments in are also shown on the membership certificate (or any schedule which we send to you). You can choose to alter the payments over the term of the plan. The level of benefit will depend on the payments made and the return on investments.

## **When will the benefits be paid?**

We will normally pay the benefits when you retire at your chosen retirement age. The chosen retirement date is shown in the the membership certificate (or on any schedule which we send to you). We must pay benefits to your estate if you die before this age.

## **How are the benefits paid?**

We will pay you the benefits in the way you choose to receive them. However, you must choose one of the options outlined in section 3 (or any other options that are available at the time you retire), and follow the rules set out in Chapter 2 of Part 30 of the TCA.

You, or your chosen dependants, are entitled to receive all of the benefits outlined in this plan except the death benefit. If you die, we will pay the death benefit to your executors or administrators.

## **Writing to us**

If you need to write to us about this plan, please address your letter to:

Irish Life Assurance plc.  
Irish Life Centre  
Lower Abbey Street  
Dublin 1.

## **Complaints**

We will do our best to sort out any complaint you may have. If you are not satisfied after complaining to us, you can take your complaint to the Financial Services Ombudsman. You can get more information from:

Financial Services Ombudsman's Bureau  
3rd Floor  
Lincoln House  
Lincoln Place  
Dublin 2  
Lo-call: 1890 88 20 90  
Fax: 01 6620890  
Email: [enquiries@financialombudsman.ie](mailto:enquiries@financialombudsman.ie)  
Website: [www.financialombudsman.ie](http://www.financialombudsman.ie)

## **Family law and pensions**

If you are involved in a judicial separation or a divorce, a pension adjustment order may be granted by the courts over the benefits we may pay from this plan when you retire or die. You can get more information on how pension adjustment orders work from the Pensions Board or your solicitor.

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## Section 1

### Definitions

This section defines some of the words and phrases we use in the terms and conditions.

Certain words and phrases used in this terms and conditions booklet have specific meanings, which might be different from the meaning they would have in general use. These words are shown in **bold** and listed below, together with an explanation of their meanings in relation to this plan.

#### **Accumulated fund**

The plan's value at a point in time. We work this out as:

- the number of units we place into the plan;  
multiplied by
- the bid price of the units of the funds.

We may use a market value adjuster with any part of the accumulated fund that is invested in the Secured Performance Fund or the Capital Protection Fund (see sections 4.5 and 4.6).

#### **Annuity**

A guaranteed payment made every month, for the month, until death.

#### **Application form**

Any application form which you have completed and includes any extra information given to us about the plan or any other relevant information.

#### **Approval**

Approval from the Revenue Commissioners.

#### **Approved minimum retirement fund**

A fund which is managed by a qualifying fund manager and which keeps to the conditions of Chapter 2 of Part 30 of the Taxes Consolidation Act 1997 for this type of fund.

#### **Approved retirement fund**

A fund managed by a qualifying fund manager and which keeps to the conditions of Chapter 2 of Part 30 of the TCA for this type of fund.

#### **Bid Price**

The price of a unit of a fund which we use to work out the value of the policy for each fund. This is the price we use when cancelling units from the policy.

#### **Chief Office**

This is Irish Life Assurance plc, Irish Life Centre, Lower Abbey Street, Dublin 1. If this changes, we will let you know.

#### **Consumer Price Index**

The Consumer Price Index published by the Irish Government to measure inflation. (If this is not available, we will use another appropriate index.)

**Contribution cover (waiver of premium benefit)**

An optional plan benefit which, if applicable, is shown on your membership certificate. If this benefit is chosen, you may stop payments for a period if you are disabled. We will place units into the unit account as though the regular payment was being made. (See sections 3.21 to 3.29.)

**Dependant**

Your husband, wife or any other person who depends on you financially immediately before your death. For this purpose a child includes a stepchild or legally adopted child.

**Disabled**

When you suffer from an illness or injury which totally prevents you from carrying out your normal occupation and you are not following any other occupation. This inability must be confirmed by our Chief Medical Officer. The injury or sickness must have begun after the start date of the plan, or after the date contribution cover (waiver of premium benefit) was added to the plan. The occupation refers to the occupation shown on the application form or any other more recent job we have accepted.

**Endorsement**

If the terms and conditions of the plan have been changed or are different to the standard terms, we set the new or amended terms or conditions out in a separate document which we will attach to the plan. This is called an endorsement.

**Fund**

Any of the funds described in the panel of funds.

**Fund link**

The fund or combination of funds in the panel of funds which the plan is linked to.

**Initial unit**

Each fund in the panel of funds contains a number of initial units. We will work out the value of each initial unit by referring to the net value of the assets of the initial fund after deductions. We set aside a number of these units for the plan to work out its value.

**Investment date**

Generally the date on which we receive a payment.

**Investment factor**

The percentage of the payment that we invest for you as described in section 5.

**Life assured**

The person on whose life the plan benefits depend. This is the person named in the membership certificate or any schedule which we may send to you.

**Life cover**

The amount we will pay on your death, while the plan is in force. We will switch the accumulated value of your fund to the cash fund based on the next valuation following notification of your death. The amount we will pay will be the accumulated value of your fund on the date we receive all the documentation required on a death claim (see section 6.1).

**Market value adjuster**

An adjustment to reduce the value of units of the Capital Protection Fund or the Secured Performance Fund in certain circumstances as set out in sections 4.6 and 4.7.

**Member certificate**

The member certificate that forms part of this policy and which is issued to you at the start of the contract and at certain times during the term of the plan.

**Retirement date**

The date shown in the member certificate

**Offer price**

This is the price we use when buying units to allocate to the policy.

**Panel of funds**

The panel of funds we use for this contract. It includes the following funds and any other funds that we may add from time to time.

Consensus Fund (Series 3)

Exempt Active Fund (Series 3)

Exempt Cash Fund (Series 3)

Capital Protection Fund (previously named the Exempt Guaranteed Fund (Series 3))

Exempt Property Fund (Series 3)

Exempt Managed Fund (Series 3)

Exempt Fixed Interest Fund (Series 3)

Exempt Equity Fund (Series 3)

Secured Performance Fund (Series 3)

Harvest Growth Fund (Series 3)

Harvest Protected Fund (Series 3)

The Secured Performance Fund is closed to new contributions from 1 March 2009.

At any stage we can change the range of fund options that are available. We reserve the right to close a fund. If you are invested in that fund, we will give you at least one month's advance notice. You will have the option to switch your investment into any of the other funds open at that time.

**Payment due date**

The date on which you should make regular payments to us. There will be no payment due date later than your 75<sup>th</sup> birthday or the date of your death.

**Pensions Act**



Pensions Act, 1990 as amended.

**Premium unit**

Each fund in the panel of funds contains a number of premium units. We will work out the value of each premium unit by referring to the net value of the assets of the premium fund after deductions. We set aside a number of these units for the plan to work out its value.

**Qualifying fund manager**

Is defined in Chapter 2 of Part 30 of the TCA. We are a qualifying fund manager.

**Regular payments**

Any regular payment as shown in the membership certificate or any schedule which we may send to you, or otherwise made according to the terms of this plan. It includes any increases in regular payments (see section 2.4). It does not include any single payments made on a one-off basis.

**Retirement benefits**

Cash, annuity or other benefits provided by the accumulated fund.

**Schedule**

Any schedule which we send to you during the term of your contract and which forms part of this plan.

**Single payment**

A payment which is not a regular payment.

**Specified income**

A pension or annuity which is paid for the life of the individual including a pension paid under the Social Welfare (Consolidation) Act 2005. Specified income is defined in Chapter 2 of Part 30 of the TCA.

**Start date of the plan**

The date shown on your annual benefit statement.

**Suspension**

Where we have agreed that you can stop regular payments for a fixed period (see section 2.7).

**TCA**

The Taxes Consolidation Act 1997 and any amendment or re-enactment thereof.

**Unit**

Each fund in the panel of funds contains a number of identical units. We will work out the value of each unit by referring to the net value of the assets of the fund after deductions. We set aside a number of these units for the plan to work out its value.

**Unit account**

The number of units (both initial and premium) set aside for the plan in each fund.

**We, us, our**  
Irish Life Assurance plc.

**Your, you**  
The person named on the membership certificate or any schedule which we send to you.

## Section 2

### **Payments**

This section describes the way in which you can make payments.

- 2.1 The amount you have chosen to pay and how often you have chosen to pay are set out in the membership certificate or any schedule which we send to you. These are known as regular payments.
- 2.2 We allow you 30 days to make each payment unless you make payments in monthly instalments, in which case this period is 10 days. If you do not make any payment within these periods, we will assume payments have stopped under the plan (see section 2.7) unless you have chosen the option to suspend payments under section 2.7.
- 2.3 Each time you make a payment we place units from one or more of the funds into the plan according to the terms of the latest fund link and in the way described in section 5. We use the offer price of each fund to work out the number of units from each fund, which we will place in the plan.

In certain funds there may be a maximum amount that you are allowed to invest.

#### **2.4 Changing your payments**

##### **Non-automatic increases in regular payments**

You may write and ask to increase the regular payment giving at least one calendar month's notice. Any increase must be at least as large as the minimum we allow. This minimum amount may vary depending on the particular fund. There may be restrictions on increasing your regular payment into certain funds. (We describe some of these in section 4.)

##### **Automatic increases in payments and risk benefits (if applicable)**

If you have chosen to increase payments in line with inflation, your regular payment will automatically increase each year on the anniversary of the start date. Your regular payments will increase each year in line with the Consumer Price Index subject to a current (at March 2009) minimum increase of 5% every year.

If you have chosen to increase regular payments in line with inflation and you have life cover and/or disability cover, these risk benefits will increase by 3% every year.

If we do not receive the increased payment within 10 days of your plan anniversary (30 days for annual payments) we will assume you have turned down the increase in payment and risk benefits (if applicable) for that year. However, we will offer you a similar increase in your regular payment in the

following year but we will not offer any automatic increase in risk benefits to you without reviewing your health status. If you decide in the future that you do not want us to offer you this option, you must tell us in writing.

It is possible to increase regular payments in line with inflation but keep your cover at the same level. You need to tell Irish Life if you wish this approach to be taken.

The following also applies.

- We may use an index other than the Consumer Price Index to work out the rates that apply. We may also use a period other than one ending on an anniversary of the start date of the plan.
- If you turn down any automatic increase in life cover or disability, we will not automatically give a further increase in life cover or disability without looking for evidence of your health.
- We can restrict the normal amount of the automatic increase in the life cover and disability. For example, if the amount we must pay on your death under all plans would be more than our current limit. This will not be less than €15,000.

## **2.5 Reducing regular payments**

You may write to us and ask us to reduce the regular payment at any stage by giving one month's notice. The reduced regular payment must be at least as large as the minimum we allow.

## **2.6 Option to make single payments**

You may add single payments to your regular payments at any time

There may be restrictions on investing in certain funds. (We describe some of these in section 4.) There may also be restrictions imposed by the Revenue Commissioners. The investment terms that apply to single payments is outlined in section 5. We will add units to your account for your single payment based on the offer price of units on the day we receive your payment at Chief Office. The single payments may not be less than the minimum amount we allow. This minimum amount may vary by fund.

## **2.7 Suspending regular payments**

You can suspend the regular payments at any time.

The option to suspend regular payments is available only if you give us written notice of the start date and end date of the suspension period, at least one month before the next payment due date.

If you use this option, the following will apply.

- The plan will continue in force and any charges that apply (for example, the plan fee and fund charge) before the suspension period will continue to apply for the suspension period. If the value of the accumulated fund falls to zero, the plan will end without a value and we will not pay any benefits.
- If life cover or disability cover applies, the charge for this cover automatically continues unless:
  - 1       you ask us to do otherwise in writing; or
  - 2       during the suspension period, the value of the accumulated fund falls to zero. Life cover and disability cover will end if this happens.

We take the charge as explained in 3.11 and 3.29. This will reduce the value of the fund by the cost of the cover.

- If contribution cover (waiver of premium) applies and the regular payment ceases, this cover ceases for the period of non-payment.
- You must continue to make the regular payment from the end of the suspension period. If you do not do this, the plan will become paid-up (see section 2.8).
- If regular payments re-start after the suspension period, we will begin to deduct the charge for contribution cover (waiver of premium benefit) if it applied at the date you decided to suspend payments. However, we will not provide contribution cover (waiver of premium benefit) until six calendar months after regular payments have started again.

## 2.8 **Paid-up plan**

A plan will become a paid-up plan in the following circumstances.

- a    You do not make regular payments without giving us notice and you have not chosen to suspend your payments.
- b    You choose to have the plan changed to a paid-up plan.

Any life cover will automatically be set to zero and the charge for life cover and contribution cover (waiver of premium benefit) (if any) will automatically stop. You can keep the life cover or disability on the plan if you tell us to do so. The rules on the life cover, disability cover and contribution cover (waiver of premium benefit) in this case will be the same as if you had chosen a suspension (as outlined in 2.7).

Where you have chosen options under sections 2.7 and 2.8, we will continue to take the annual fund charges and the plan fee.

If a plan has become a paid-up plan:

- the accumulated fund will stay invested in the fund (or funds) you have chosen until you decide to take retirement benefits, until you reach your chosen retirement age, until you die, or until the accumulated fund value is zero, whichever is earliest; and
- if you are eligible to receive retirement benefits immediately, we will use the accumulated fund to provide them. All benefits under the plan will end on that date and the plan will also end.
- certain charges will continue to be deducted such as plan fee and fund charge.

## **2.9 Reinstating the plan**

If regular payments have been stopped under sections 2.7 or 2.8, you may ask us to reinstate the plan. You must do this in writing.

If the plan is stopped under 2.8 and life cover and contribution cover (waiver of premium benefit) applied when regular payments stopped, and you want to reinstate the cover also, we will ask for evidence of your health.

We will reinstate the cover on the understanding that the information given in the evidence of health form and any related document is true and complete and that all relevant information has been provided. If this is not the case, we will be entitled to declare the plan void. If this happens, you will lose all rights to life cover under the plan, we will not pay any claim and we may not refund any payments. Information is relevant if it might influence the judgement of a reputable insurer when fixing the payment or the level of benefits, when deciding whether to reinstate cover at all, or when deciding whether to attach conditions.

We may refuse to reinstate the cover if the evidence of health shows a change in the state of health from that given on the application form.

If we are happy that you have met our requirements, we will reinstate the life cover when we reinstate the payment and receive all the relevant information. We will reinstate the contribution cover (waiver of premium benefit) (if any) six calendar months after we reinstate the regular payments.

## **Section 3**

### **Benefits**

#### **Family law and pensions**

The benefits we pay below are chosen by you, and are only provided if you choose. However, if you are involved in a judicial separation or divorce, a pension adjustment order may be granted by the court. This will direct us to pay all or part of the benefits under this plan when you retire or die, to any person named in the pension adjustment order. A pension adjustment order issued by the court will override the terms and conditions of this plan.

This section explains the benefits that are provided by the plan.

### **When is it possible to take retirement benefits?**

- 3.1 You can use your accumulated fund to provide retirement benefits at the earliest of the times set out below.
- a Your 75<sup>th</sup> birthday or other chosen retirement date.
  - b The first day of the month (between your 60<sup>th</sup> and 75<sup>th</sup> birthdays) after you tell us in writing that you want to claim retirement benefits.
  - c The first day of the month (before your 60<sup>th</sup> birthday) after you give us evidence of your disability and you tell us in writing that you want to claim retirement benefits because of serious ill health. Revenue will allow you to take your benefits before age 60, as soon as we receive medical evidence to show that you are seriously ill. The Revenue's current definition of serious ill health is that you are 'permanently incapable, through infirmity of mind or body, of carrying on your own occupation or any occupation of a similar nature for which you are trained or fitted'.
  - d The first day of the month (between your 50<sup>th</sup> and 60<sup>th</sup> birthdays) after you give us evidence that your job is one in which people usually retire before their 60<sup>th</sup> birthday and you tell us in writing that you want to claim retirement benefits. You must have reached the age which has been approved by the Revenue Commissioners as defined in Chapter 2 of Part 30 of the TCA.

All payments made under this plan must be within the Revenue Commissioners limits as described in the rules.

The accumulated fund will remain invested in the fund(s) you have chosen until you decide to take retirement benefits, have attained age 75 or until you die, whichever is earliest.

Before we pay out the accumulated fund, we must check that it is within the limits outlined in current legislation for tax purposes. This is summarised in section 7. Any fund over this limit will be liable to income tax before benefits are paid out.

### **What retirement benefits are currently available?**

#### **Tax-free lump sum**

- 3.2 You can take a lump sum of up to 25% of your accumulated fund as a cash amount tax-free. This is subject to limits for tax purposes, as described in section 7. The rest of your fund must be used to provide one or more of the other options described below. You do not have to take a tax-free lump sum. You could choose to use your full accumulated fund to provide one or more of the options described below.

### **Annuity (pension) benefit**

- 3.3 You can choose to take an immediate single or joint-life annuity option that we have available at the time you retire. We will use our annuity rates at the time you choose the benefits to work out the amount of benefit that you will receive. The Revenue Commissioners may place restrictions on the amount of benefit that we may pay. We normally pay annuities every month for the month to come.

Some extra annuity features may also be available.

- a Your annuity may have a guarantee period of up to 10 years - this means that if you die during the guarantee period, we will continue to pay your annuity to your dependants up to the end of the guarantee period.
- b You can choose a dependant's annuity. This means that if you die before your dependant, we will pay your dependant a pension until they die. We will pay this to someone you choose (other than your child) if we are satisfied that they depend on you. If this person is not your husband or wife, the maximum length of time for which we will pay the annuity must be approved by the Revenue Commissioners.
- c. You can choose a children's annuity for one or more children. This means if you die before your children, we will pay your children annuities until the child or children reach age 18 (or 21 if they are in full-time education), or until the child's death if this is earlier.
- d For each type of annuity, you can choose for it to increase each year. The annuity can increase by the Consumer Price Index to take account of inflation or can increase by a fixed amount (for example, 3% or 5% each year).

### **Approved minimum retirement fund**

- 3.4 If you do not take the annuity option described in 3.3 and you do not have a specified income of €12,700 each year for life when you retire, you can transfer, to an approved minimum retirement fund (AMRF):
- a the balance of your accumulated fund (after you receive your tax-free lump-sum cash payment, if you choose to take it); or



b €3,500;

whichever is lower.

You cannot normally make withdrawals from your AMRF before you reach age 75. The only exceptions to this are:

- you may withdraw income or profits from your AMRF;
- you may transfer the proceeds of your AMRF to another qualifying fund manager; or
- you may use the proceeds of your AMRF to buy an annuity.

### **Taxed cash lump sum and approved retirement fund**

- 3.5 After investing in an AMRF or annuity, or if you can show that you are currently receiving a guaranteed income for life from other sources of €12,700 a year, you can use the rest (if any) of your accumulated fund in either of the following ways.
- a You may take a lump sum. You will pay income tax on this lump sum for the year of assessment in which you receive it.
  - b You can invest it in an approved retirement fund (ARF).

### **Open-market option**

- 3.6 You can also choose to buy your annuity benefit from a life office other than us (Irish Life). The life office must be authorised to carry on life-assurance business in the Republic of Ireland. If you decide to do this, we will pay your accumulated fund, less any cash payment we have made to you, to the other life office.

It is also possible to invest in an ARF or AMRF that is run by another qualifying fund manager. If you decide to do this, we will pay your accumulated fund, less any cash payment we have made to you, to the other qualifying fund manager.

### **Cashing in or assigning (transferring the ownership of) the benefit**

- 3.7 It is not possible for you to cash in or assign any of the benefits under this plan to anyone else.

### **Transfers**

- 3.8 You may transfer this plan to another retirement annuity contract approved under Chapter 2, Part 30 of the TCA or to a Personal Retirement Savings Account approved under Part X of the Pensions Act and Chapter 2A, Part 30 of the TCA.

The transfer payment will be the value of the accumulated fund at the date the transfer takes place.

If you have chosen to invest in a property fund, we may delay any transfers for up to six months from the time we receive your request. Delayed transfer values will be based on the value of units at the end of the notice period. We may need a notice period due to the high cost and time involved in selling properties. Once you have given us notice that you wish to make a transfer payment you cannot change your mind during any notice period.

When there are more customers moving out of a fund than making new investments in it, we may reduce the value of the units in the fund to reflect the percentage of the costs associated with buying and selling the assets of the fund. The reduction in the value of the affected assets will be different for each fund and is most significant for the proportion of any fund invested in property. The reduction for any part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

Our plan can receive a transfer value from another retirement annuity contract which is in your name and approved by the Revenue Commissioners under Chapter 2, Part 30 of the TCA. Any transfer payment will be treated like a single payment.

## **Life cover**

Sections 3.9 to 3.20 will apply only if an amount of life cover is shown in the membership certificate or schedule or any endorsement.

3.9 Under the plan, we will cover you for the amount of life cover (if any) shown in member certificate, schedule, or in any endorsement. If we have agreed to provide life cover under other terms and conditions, these will also be shown in the member certificate, schedule, or added to the plan by an endorsement.

3.10 We take the charge for life cover (on the first day of each month) from the date from which we agree to provide cover. We will work out this charge taking account of the following.

a The amount of the life cover less the accumulated fund, if life cover is shown as 'inclusive' on the membership certificate or schedule.

The amount of life cover, if life cover is shown as 'exclusive' on the membership certificate or schedule.

b Your age and sex.

c Our rates relating to expected deaths after considering any medical or occupational information, information related to hobbies or pastimes and information about your smoking habits. We may change

these rates to reflect our actual experience.

- 3.11 We will take the charge for life cover every month by cancelling units. We will cancel units from the funds in the same percentage as the latest fund split.
- 3.12 If at any time the accumulated fund is less than the life cover charge due, the plan will end and all benefits will end.
- 3.13 You may send us written notice to do the following.
- a Reduce the amount of life cover as long as the reduced amount is at least as great as the minimum we are prepared to accept.
  - b Increase the amount of life cover as long as the increased amount is no greater than the maximum we are prepared to accept. If you ask for an increase, you will have to provide proof of the state of your health. If we accept this, the increased amount of life cover will apply from the first day of the following month. We may need to increase the payment to maintain the amount of life cover that you ask for.
- 3.14 If you die within one year from the start date of the plan and you committed suicide or were executed by a penalty imposed by a court of law, we will not pay any life cover benefit over the value of the accumulated fund. If you die in this way within one year of us increasing the life cover under section 3.13 b, we will not pay the amount by which we increased the life cover over the value of the accumulated fund.
- 3.15 You must provide any information and evidence we reasonably need to provide cover. We will act on this information and evidence and will not be responsible for any mistake you or any person acting for you has made.
- 3.16 We will change the amount of life cover if we receive evidence of your date of birth and this is different to the date of birth given on the application form.
- 3.17 If the information provided in the application form and any related correspondence is not true and complete, or if relevant information has not been revealed, we may reject or adjust the claim. Information is relevant if it might reasonably be expected to influence the judgement of an insurer when fixing the payment or the level of benefits, or in deciding whether to provide cover at all.
- 3.18 When you die, we will pay any life cover to your estate according to the terms of the plan as long as the plan is still in force.
- a If the life cover shown on the membership certificate or schedule is 'inclusive' of the accumulated fund, the amount we will pay on your death will be:
    - the life cover; or
    - the accumulated fund on the date of death;

whichever is higher.

- b If the life cover shown on the membership certificate or schedule is 'exclusive' of the accumulated fund, the amount we will pay on your death will be the value of the accumulated fund on the date of death, together with the life cover.
- c If no life cover is shown on the membership certificate or schedule, we will pay the value of the accumulated fund on the date of death.

We will pay any life cover according to the conditions set by the Revenue Commissioners.

The plan will end when you die and we pay out the benefits.

- 3.19 Life cover (either inclusive or exclusive - see section 3.18a and 3.18b) will end when we have used all the accumulated fund to provide retirement benefits, no later than the chosen retirement date.
- 3.20 If you reduce the accumulated fund by taking retirement benefits, and the life cover (if any) is inclusive of (includes) the accumulated fund, we will reduce the life cover by the same amount as the reduction in the accumulated fund.

If the life cover is exclusive of (does not include) the accumulated fund, the life cover will not change.

#### **Contribution cover (waiver of premium benefit)**

- 3.21 Contribution cover will only apply if you are making the regular payments and 'Contribution cover' is shown as a benefit on the member certificate or any schedule we send to you.
- 3.22 If you become disabled and as long as you have not stopped making regular payments, we will continue to make the regular payments as described in section 3.23. However, read sections 3.24 and 3.27.
- 3.23 The amount of regular payment we will pay while you are claiming contribution cover will be equal to the regular payment you were making 12 months before the date from which we agree to pay contribution cover. This means that if regular payments have been increased within the 12 months up to the date we agree to pay contribution cover, we will not include these increases in the amount of contribution cover we will pay.

We will pay contribution cover as often as you were making the regular payments before the disability.

- 3.24 We will not provide contribution cover benefit until we receive any information and evidence we may reasonably need of your state of health. This may involve

you having a medical examination by a medical officer we have appointed or approved. You must pay any costs involved.

- 3.25 You must tell us immediately if you change occupation or move to a country outside the European Union. We may cancel contribution cover if we believe the change in your circumstances would increase our liability.
- 3.26 We will only provide contribution cover for a disability which happens after the start date of the plan or the date at which the contribution cover was included in the plan, whichever is later.
- 3.27 We will not pay contribution cover in the following circumstances.
- a For the first six calendar months of a period of disability, or before we receive written notice of the claim, whichever is later.
  - b If the disability is caused by any of the following.
    - War, riot, revolution, or any similar event.
    - Taking part in a criminal activity.
    - Strike.
    - Self-inflicted injury or illness or taking alcohol or drugs (other than under the direction of a qualified medical practitioner).
    - Failing to follow reasonable medical advice.
    - Pregnancy or childbirth unless the disability goes beyond a period of three calendar months after the end of pregnancy or childbirth. In this case we will treat the disability as having started after the three calendar months.
    - In our opinion, as a result of acquired immune deficiency syndrome (AIDS) or infection by any human immunodeficiency virus (HIV).
    - As a result of taking part in abseiling, bobsleighbing, boxing, hang-gliding, scuba diving, horse racing, motor-car and motorcycle racing or sports, mountaineering, parachuting, potholing and caving, powerboat racing, rock climbing and flying other than as a fare-paying passenger on a regular public airline.
- 3.28 We will stop paying contribution cover on the earliest of the following dates.
- a The date you recover and go back to your own occupation or the date we believe you are healthy enough to go back to your own occupation.
  - b The anniversary of the start date of the plan on or following your 60<sup>th</sup> birthday.
  - c The date you die.
  - d The date you move to a country outside the European Union. We may pay contribution cover again if you return and live in a country within the European Union. We must receive satisfactory evidence of your continued disability.

e The date we start paying the retirement benefits under this plan.

- 3.29 We will take the charge for contribution cover monthly from your regular payment, before it is invested. The amount of this charge is equivalent to 3% of your regular payment for a male and 4.3% of your regular payment for a female.

### **Disability cover**

- 3.30 Disability cover will only apply if 'Disability cover' is shown as a benefit on the member certificate or schedule.

- 3.31 This benefit will be payable if you become incapacitated prior to retirement

- 3.32 The amount of disability benefit we will pay while you are claiming disability is shown on your member certificate or plan schedule plus any increases in your benefits that have taken place since then.

The actual amount you receive cannot be more than the lower of:

- (a) 75% of your yearly earnings.
- (b) 66 2/3% of your yearly earnings less the amount of any state disability benefits you are entitled to (including adult dependent allowance but not including any amounts for dependent children)

We will carry out this calculation from time to time during any claim. We have designed the calculation to make sure that you have enough financial incentive to return to work while we are paying incapacity benefit.

We will not refund any payments if, as a result of this condition, we pay less than the incapacity benefit shown in the schedule.

- 3.33 We will not provide any disability cover benefit until we receive any information and evidence we may reasonably need of your state of health. This may involve you having a medical examination by a medical officer we have appointed or approved. You must pay any costs involved.
- 3.34 You must tell us immediately if you change occupation or move to a country outside the European Union. We may cancel contribution cover if we believe the change in your circumstances would increase our liability.
- 3.35 We will only provide disability cover for a disability which happens after the start date of the plan or the date at which the disability cover was included in the plan, whichever is later.
- 3.36 We will not pay disability cover in the following circumstances.

- a For deferred period of a period of disability, or before we receive written notice of the claim, whichever is later. The deferred period that applies to your plan will be shown on your member certificate or plan schedule.
- b If the disability is caused by any of the following.
  - War, riot, revolution, or any similar event.
  - Taking part in a criminal activity.
  - Strike.
  - Self-inflicted injury or illness or taking alcohol or drugs (other than under the direction of a qualified medical practitioner).
  - Failing to follow reasonable medical advice.
  - Pregnancy or childbirth unless the disability goes beyond a period of three calendar months after the end of pregnancy or childbirth. In this case we will treat the disability as having started after the three calendar months.
  - In our opinion, as a result of acquired immune deficiency syndrome (AIDS) or infection by any human immunodeficiency virus (HIV).
  - As a result of taking part in abseiling, bobsleighing, boxing, hang-gliding, scuba diving, horse racing, motor-car and motorcycle racing or sports, mountaineering, parachuting, potholing and caving, powerboat racing, rock climbing and flying other than as a fare-paying passenger on a regular public airline.

3.37 We will stop paying disability cover on the earliest of the following dates.

- a The date you recover and go back to your own occupation or the date we believe you are healthy enough to go back to your own occupation.
- b The anniversary of the start date of the plan on or following your 60<sup>th</sup> or 65<sup>th</sup> birthday. Your member certificate or plan schedule will contain details of the age of which your cover ceases.
- c The date you die.
- d The date you move to a country outside the European Union. We may pay contribution cover (waiver of premium benefit) again if you return and live in a country within the European Union. We must receive satisfactory evidence of your continued disability.
- e The date we start paying the retirement benefits under this plan.

3.38 We will take the charge for disability cover monthly by deducting units from your plan. The amount of this charge will depend on whether you are male or female, your occupation, the rate of escalation and the deferred period you have chosen

## Section 4

### Funds and unit prices

This section explains how the investment funds work.

#### 4.1 Introduction

This plan is unit-linked. Unit-linking is simply a way of working out the value of the plan on any date. You do not own the units. The plan will be linked to units in one or more of the funds in the panel of funds as defined in section 1. The maximum number of funds the plan may be linked to is five. Each fund has an Initial Unit Fund Account and a Premium Unit Fund Account.

If you have chosen to invest in a fund that invests in equities, the equities within that fund may be used for the purpose of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within a fund it provides an opportunity to increase the investment return.

#### 4.2 Working out unit prices

We work out the offer (buying) and bid (selling) prices of units in all of the funds by using the market value of the assets of the fund and taking off the fund charge. These may go down as well as up. The bid price cannot be lower than 95% of the offer price. We place units in the fund at the offer price and cancel them at the bid price. The 5% difference between the offer and the bid price is a charge.

When there are more customers moving out of a fund than making new investments in it, we may reduce the value of the units in the fund to reflect the percentage of the costs associated with buying and selling the assets of the fund. The reduction in the value of the affected assets will be different for each fund and is most significant for the proportion of any fund invested in property. The reduction for any part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

You can find exact details of how we work out fund prices in the resolutions and rules governing the funds. You can get a copy of these from our Chief Office.

#### 4.3 Fund charges

Each fund has an Initial Unit Fund Account and a Premium Unit Fund Account. We apply different fund charges to the Initial Unit Fund and Premium Unit Fund. Our current charges are summarised for each fund in the following table.

Panel of funds	Initial Unit Fund	Premium Unit Fund
	management charge each year	management charge each year
Consensus Fund	4.70%	0.65%
Exempt Active Fund	4.80%	0.75%



Exempt Cash Fund	4.80%	0.75%
Capital Protection Fund *	5.05%	1.00%
Exempt Property Fund	4.80%	0.75%
Exempt Managed Fund	4.80%	0.75%
Exempt Equity Fund	4.80%	0.75%
Exempt Fixed Interest Fund	4.80%	0.75%
Secured Performance Fund	5.05%	1.00%

In the following Retirement Account funds, part of the fund charge can vary. The following table shows, where relevant, the Irish Life charge, the expected average level of the charge that can vary and the total expected fund charge.

	<b>Irish Life charge</b>	<b>Expected average level of variable charge</b>	<b>Total expected fund charge</b>
Harvest Growth Fund (Premium Unit Fund)	0.75%	0.45%	1.20%
Harvest Growth Fund (Initial Unit Fund)	4.80%	0.45%	5.25%
Harvest Protection Fund (Premium Unit Fund)	0.75%	0.45%	1.20%
Harvest Protection Fund (Initial Unit Fund)	4.80%	0.45%	5.25%

### **Harvest Growth Fund & Harvest Cautious Fund**

#### **Variable fund charge**

These funds are managed by an external fund manager (Harvest Global Asset Management Limited). There are charges taken from these funds by both Irish Life and the external manager. The Irish Life charge on the Initial Unit Fund is 4.80% a year. The Irish Life charge on the Premium Unit Fund is 0.75% a year. The expected average external manager charge on these funds is 0.45% a year. The actual level of the external manager charge may vary depending on the weighting of individual investment types within the fund.

Taking account of this we estimate that the total expected average level of fund charge on the Harvest Cautious Fund and Harvest Growth Fund will be 5.25% a year on the Initial Unit Fund and 1.2% a year on the Premium Unit Fund.

#### **Incentive fee**

The external fund manager may also be paid an incentive fee if the returns achieved by the Harvest Cautious fund and the Harvest Growth Fund exceed the performance of a benchmark fund.

The benchmark fund for the Harvest Cautious fund is the Capital Protection Fund. The benchmark fund for the Harvest Growth Fund is the Exempt Active Managed Fund. Both of these funds is managed by Irish Life Investment Managers.

The incentive fee equals 25% of the first 3% out-performance of these funds and 15% of any additional out-performance. When applicable, the fee is deducted quarterly and will be reflected in the price of the units linked to each fund.

### **Additional points to note**

#### **Increase in charges**

We can only increase the rate of our fund charge on any fund in the panel of funds if our Board of Directors passes a resolution. We will only increase the charges given above, for one of the following reasons:

- there is an increase in the costs of dealing with the investment. If this happens, we will give you notice of the increase
- the charges vary for one of the reasons given above in the section on variable charges.

#### **Funds containing property**

We take the costs of maintaining and valuing the properties in these funds and the costs of collecting rent off the fund before we take any charges.

#### **Currency**

Certain funds may contain assets which are invested outside of the eurozone. The fund managers may use currency protection against any changes in the value of those currencies against the euro. The cost of any currency protection used is charged to your fund. Where the fund manager has not used currency protection, there is a risk that your plan value will be adversely affected by changes in currency exchange rates.

### **4.4 Fund price guarantees**

The prices of units in all funds, except the Secured Performance Fund and the Capital Protection Fund will go up and down as the market value of the fund's assets change.

### **4.5 The Capital Protection Fund (previously known as the Exempt Guaranteed Fund)**

#### **Working out the unit price**

The bid price of units in the Capital Protection Fund cannot fall. We also guarantee the growth each calendar year to equal at least a minimum rate we declare (up front) each year. We work out this minimum by taking account of the value of the assets of the Capital Protection Fund, the price of all the units of the fund and the expected future return on the underlying assets.

#### **The market value adjuster**

We may reduce the value of units of the Capital Protection Fund if:

- a) you choose to switch your investment out of the Capital Protection Fund into another of the funds; or
- b) you choose to transfer your accumulated fund to another retirement plan in accordance with paragraph 3.8.

We then work out the value of the units in the Capital Protection Fund as follows.

- The number of units in the Capital Protection Fund  
*multiplied by*
- The bid price of units in the Capital Protection Fund  
*multiplied by*
- The market value adjuster.

If we use the market value adjuster, it will reduce the fund value to reflect any shortfall between the value of the assets in the fund and the bid price of all the units in the fund.

We will not use the market value adjuster for units of the Capital Protection Fund if you retire on your retirement date or we cash in the units to pay costs such as life cover charges, or when you die.

#### 4.6 **The Secured Performance Fund**

##### **Working out the unit price**

The bid price of units in the Secured Performance Fund cannot fall. The bid price is also guaranteed to increase uniformly throughout the calendar year at a rate we declare at the beginning of each calendar year.

We will work out the rate of increase we declare by taking account of the value of the assets of the Secured Performance Fund, the price of all the units in the fund and the expected future return on the underlying assets.

##### **The market value adjuster**

In certain circumstances we will reduce the value of the fund within the Secured Performance Fund using a market value adjuster. This is to reflect any shortfall between the value of the assets in the fund and the bid price of all the units in the fund.

##### **Using the market value adjuster**

We will apply the market value adjuster to the value of units of the Secured Performance Fund if:

- a) you choose to take retirement benefits within 10 years of entering the Secured Performance Fund; or

- b you choose to take retirement benefits and you have not made 10 years of regular payments into the fund; or
- c you choose to switch the investment out of the Secured Performance Fund into another of the funds; or
- d you choose to transfer your accumulated fund to another retirement annuity contract approved under Chapter 2, Part 30 of the TCA or to a Personal Retirement Savings Account approved under Part X of the Pensions Act and Chapter 2A, Part 30 of the TCA before your chosen retirement date as outlined in section 3.8 above.

We then work out the value of the units in the Secured Performance Fund as follows.

- The number of units in the Secured Performance Fund  
*multiplied by*
- The bid price of units in the Secured Performance Fund  
*multiplied by*
- The market value adjuster.

We will not use the market value adjuster for units of the Secured Performance Fund if you:

- retire after regular payments have been made for at least 10 years;
- are retiring due to serious ill health;
- die; or
- cash in units to pay costs such as life cover charges.

### **Restrictions on investing in the Secured Performance Fund**

We may refuse to invest extra one-off payments or extra regular payments into this fund at any one time or delay all or part of the investment until a later date. This condition also applies for switches from other funds.

Also, if you stop or skip regular payments, we may refuse to allow you to invest in the Secured Performance Fund again in the future. We need these conditions to protect the interests of customers already invested in the fund.

#### **4.7 Switching between funds - future payments**

You may choose to change the funds into which we place units in this plan. We need one month's written notice to do this. We do not currently charge for this option. We may charge in the future to cover our administration costs.

Before you switch from your original fund choice or choices, please remember that the funds in the panel of funds have different levels of risk and possible returns and they may also have different yearly fund charges.

At any stage, we can change the range of fund options that are available. For example, we may add new ones or close existing ones. You can only switch into a fund if it is open for switches at the time we receive your request.

#### **4.8 Switching between funds - accumulated funds**

You may choose to switch the accumulated fund to another fund. We do not currently charge for this option. We may charge in the future to cover our administration costs.

The prices we use for your switch will be those on the same working day we receive your written request unless your switch is subject to a delay period (see below).

Before you switch from your original fund choice or choices, please remember that the funds in the panel of funds have different levels of risk and possible returns and they may also have different yearly fund charges.

At any stage, we can change the range of fund options that are available. For example, we may add new ones or close existing ones. You can only switch into a fund if it is open for switches at the time we receive your request.

If units are being switched out of the Secured Performance Fund or the Capital Protection Fund, we take the value of units in the fund after using the market value adjuster as described in sections 4.5 and 4.6.

##### **Delay Periods**

In certain circumstances, we may delay switches for up to six months. These circumstances can include the following.

- If a large number of customers want to switch out of the same fund at the same time.
- If there are practical problems selling the assets in which the fund is invested.

In particular, we may delay switches to or from the Exempt Property Fund (or any property fund we may add in the future) for up to six months from the time we receive your request. We need this notice period because of the high cost and time involved in selling properties.

When there are more customers moving out of the Exempt Property Fund than there are customers making new investments, we will reduce the value of units in the fund to reflect the percentage of the costs associated with buying and selling properties. The reduction for the part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

Delayed switches will be based on the value of units at the end of the period when the switch actually takes place.

Once you have given us notice that you wish to switch between funds you cannot change your mind during any notice period.

#### 4.10 Automatic switching between funds

The Individual Investment Service (“IIS”) is a service under which we invest assets in a balanced fund (Exempt Active Fund) while you are under 55. We then gradually switch them to the Capital Protection Fund as you get nearer to retirement.

You can switch in and out of the IIS at any time but the normal switching rules and charges (if applicable) will apply. There is no charge for any of the switches made within the IIS.

If you choose the IIS it applies to the regular premium accumulated fund and all future regular premiums and also to the single premium accumulated fund and all future single premiums. The IIS option can apply to regular premium accumulated fund and all future regular premiums only if that option is required.

If a switch is made into the IIS we split the accumulated fund between the Exempt Active Fund and the Capital Protection Fund according to the table below.

**Table of investment split between the funds in the IIS**

Age Next Birthday	Exempt Active Fund	Capital Protection Fund
less than		
55	100%	0%
56	90%	10%
57	80%	20%
58	70%	30%
59	60%	40%
60	50%	50%
61	40%	60%
62	30%	70%
63	20%	80%
64	10%	90%
65	0%	100%

On each anniversary of the start date of the policy where you are between age 55 and 65, we will automatically switch 10% of the accumulated fund into the Capital Protection Fund from the Exempt Active Fund. (We will use your age next birthday on the anniversary of the start date of the policy, on or immediately before the date of switch).

You will then be 100% invested in the Capital Protection Fund at age 65.

## Section 5

### Charges

This section deals with the amount of the payments that we will place in the funds on your behalf and the charges you will have to pay.

#### 5.1 Your regular payments

- **Your regular payment at the start date of this plan**

The regular payment paid at the start of this plan is multiplied by the investment factor shown below.

- 101% on payments up to €634.87 (or the equivalent amount for other payment frequencies)
- 106% on any amount above this level

The resulting amount is invested and buys units in the Premium Unit Fund in the fund(s) chosen. Units are purchased at the offer price.

- **Increase in regular payments before 1 January 1998**

The increased regular payment made before 1 January 1998 (if any) is multiplied by the investment factor shown above, based on the amount of the increase. The resulting amount is invested and buys units in the Initial Unit Fund and the Premium Unit Fund in the manner outlined in section 5.3 and section 5.4 below. Units are purchased at the offer price.

- **Increase in regular payments on or after 1 January 1998**

The increased regular payment made on or after 1 January 1998 (if any) is multiplied by an investment factor of 97%. The 3% difference is a charge.

The resulting amount is invested and buy units in the Premium Unit Fund in the fund(s) chosen. Units are purchased at the offer price.

#### 5.2 Single payments

- **Single payments made on or after 1 January 1998**

Each single payment made on or after 1 January 1997 is multiplied by an investment factor of 98%, regardless of payment size.

The resulting amount buys units in the Premium Unit Fund. Units are purchased at the offer price.

#### 5.3 Fund charges

Each fund in the panel of fund consists of an Initial Unit Fund and a Premium Unit Fund. These funds have different fund charges - these are outlined in

section 4. Each month we make a charge of 1/12 of the yearly fund charge for each of your chosen funds. We take this charge from the unit price evenly over the month.

#### **5.4 Investment in the Initial Unit Fund and the Premium Unit Fund**

As advised in section 5.1, increases in regular payments made before 1 January 1998 are invested into the Initial Unit Fund and the Premium Unit Fund (after the investment factor is applied) of the funds(s) selected.

The amount invested in the Initial Unit Fund and the Premium Unit Fund depends on your age at the date of the increase.

At most, for the first two years of any increase in the regular payment made before 1 January 1998, the increase (after the investment factor is applied) buys units in the Initial Unit Fund. Thereafter, the increase buys units in the Premium Unit Fund.

If you transfer your fund or take benefits before your 70<sup>th</sup> birthday, a penalty is applied to the value of the Initial Unit Fund, based on the term you have to go to your 70<sup>th</sup> birthday. The value is reduced by 4% for each year that you have remaining to age 70.

Please note that, on your 70<sup>th</sup> birthday, any units in your Initial Unit Fund will be converted to units in your Premium Unit Fund on a bid to bid price basis.

#### **5.5 Offer price and bid price of units purchased**

All units purchased are bought at the offer price as outlined in Section 5.1 and 5.2. When the accumulated fund is being valued, the units are valued at the bid price at the date of valuation (see definition of Accumulated Fund in Section 1). The bid price is 5% less than the equivalent offer price. This 5% difference is a charge.

#### **5.6 Plan fee**

With effect from 1 January 1998, and where a increased regular payment is made after that date, a contract charge is deducted every month by cancelling units from the Premium Unit Fund Account built up by regular payments. Currently this is €3.76 a month (2009). We will increase this charge each year by the increase in the Consumer Price Index for the previous year.

#### **5.7 Risk benefits (if applicable)**

##### **Lifecover & disability cover**

We will take the charge for life cover and disability cover by cancelling units.

We will cancel units from the unit account in the same percentage as the latest fund link we have been told about.

The cost of life cover and disability cover depends on a number of factors – these are outlined in section 3.9 to 3.20



**Waiver of premium benefit (Contribution cover)**

We will take the charge for waiver of premium benefit from your regular payment before it is invested. The charge for this benefit is 3% of the regular payment for males and 4.5% of the regular payment for females.

**5.8 Switch charge**

Currently, if you switch your fund choice or your contributions to a different fund, there is no switch charge. However we may charge in the future to cover our administration costs.

**5.9 Increasing charges**

We won't increase the charges outlined in 5.6 and 5.7 above unless we need to because of an increase in the costs of dealing with the investment or if claims are higher than expected. If this happens, we will give you notice of the increase.

**5.10 Pensions Board fees**

Pensions Board fees are currently charged on company pension plans that are approved under the TCA. If the Pensions Board or a similar organisation make a similar charge on personal pension plans (approved under the TCA), we will take the amount of the charge from the accumulated fund by cancelling units.

## Section 6

### **Claims**

This section deals with the procedure for making a claim under the plan and our requirements for assessing the claim.

- 6.1 Before we will pay or make the life cover, disability cover or retirement benefits available, we must receive the following.
- (a) A filled in claim form.
  - (b) Proof of entitlement to claim the proceeds of the plan. This would include keeping to these terms and conditions and the membership certificate or schedule.
  - (c) The terms and conditions booklet and the membership certificate or schedule.
  - (d) Also before we will pay the life cover we must receive proof of a valid death claim (including proof of death in the form of a death certificate and if not previously produced, a birth certificate).
- 6.2 To protect your entitlements, we may need other proof that the person claiming is entitled to the proceeds of the plan. This extra proof may include items such as a 'power of attorney' or a 'grant of probate' or 'letters of administration'.
- 6.3 We pay the benefits under this plan by referring to your date of birth. If we have your incorrect date of birth, we will change the benefits to the correct level for the date of birth given on the application form.

## Section 7

### **Tax and Approval**

#### **Tax**

- 7.1 We must pay benefits under this plan in line with current tax law. If tax laws or any other relevant laws change after the start date of this plan, we will pay benefits in line with these.
- 7.2 Under current tax legislation, the maximum pension fund allowed for tax purposes is €5,418,085 (as at January 2009) or, if higher, the value of the fund on 7 December 2005 (subject to certain Revenue notification requirements). The relevant maximum will apply to the aggregate value of all pension provisions held by you. Any fund in excess of this amount will be liable to a once-off income tax charge at a 41% tax rate (current rate) when it is drawn down on

retirement. This limit will be adjusted annually in line with an earnings factor. The tax rate that applies may also change in the future.

7.3 The maximum tax-free lump sum that can be taken is subject to the following:

At the date the tax-free lump sum is due to be paid, if the aggregate of lump sums drawn down from all pension provisions held by an individual exceeds the lump sum limit (€1,354,521 as at January 2009) then the excess lump sum will be taxed at the your marginal rate as income. This limit will be adjusted annually in line with an earnings factor.

## Approval

- 7.4 The **Retirement Account** for Personal Pensions plan is linked to a retirement annuity contract as approved under Chapter 2 of Part 30 of the TCA. You cannot make changes to the plan without the approval of the Revenue Commissioners.
- 7.5 We do not have to accept additional payments under this scheme if the **Retirement Account** for Personal Pensions is no longer treated by the Revenue Commissioners as an approved Retirement Annuity Contract.
- 7.6 We will write and tell you about any changes made to the plan to keep it in line with the Revenue Commissioners' requirements and how (if at all) any benefits under the plan may be affected.

## Section 8

### Law

This plan will be governed by Irish Law and the Irish courts are the only courts which are entitled to hear any disputes.

These terms & conditions are based on current legislation which may be subject to change during the lifetime of the plan.