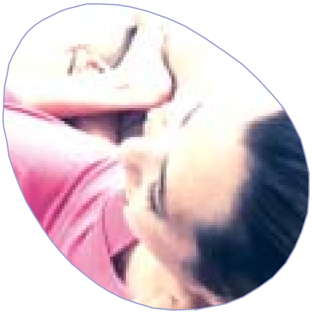
Complete Solutions

approved retirement funds

Giving you control over your retirement

Irish Life

More options for your future



11867 Crystal Mark
Clarity approved by Plain English Campaign

About us

Founded in 1939, we have been taking care of our customers' financial futures for over 60 years. We are proud to be part of the Irish Life & Permanent group of companies - one of Ireland's largest and most successful financial organisations. As the leading life assurer in Ireland, our vision for the future is to be your first and best choice for all your long-term financial needs. We understand that your lifestyle and financial circumstances are specific to you and so we aim to offer you, over your lifetime, a better combination of choice, value and service than any other company. We will do our best to give you the flexibility to manage your finances and the freedom to live your life the way you want to.

The Crystal Mark

Because financial products can be complicated and difficult to understand, we are committed to using clear and straightforward language in all our customer communications. We work with Plain English Campaign, an independent company who specialise in testing the text and layout of our documents to make sure that all our customer communications meet the highest standards of clarity, openness and honesty.

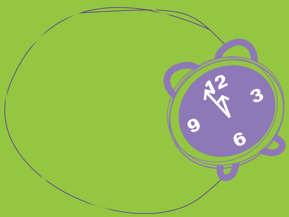
Irish Life Pension's

In terms of pensions, more Irish people choose us to manage their pension plan than any other company. In fact, we manage over €10 billion on behalf of pension customers. Every week of every year, we pay out more retirement benefits than anybody else (except the state) because, as the pension experts, our experience has led us to design smart solutions for pension customers. These solutions cover not just the products we offer, but also an unrivalled choice of funds and customer service. No wonder we're Ireland's number one choice for pensions.

the pension experts

Complete
Solutions

A clear plan with an unrivalled range of options so you can control your retirement fund.



Your **Complete Solutions** – approved retirement fund and approved minimum retirement fund in 60 seconds

- They are investment plans which allow you to continue to control your retirement fund.
- You can use them instead of buying an annuity (that is, an income for life) with your retirement fund.
- They have a very competitive charging structure with no big up-front charges.
- They have a wide range of investment options to help you get the best results for your needs.
- You can take a regular income from your approved retirement fund.
- You can take lump-sum withdrawals from your approved retirement fund as you need them.
- You can keep track of your investment 24 hours a day by phoning 01 704 1111.
- Your retirement fund is being looked after by Ireland's number one choice for pensions.

contents

1 introduction

Retirement is your time. It is the start of a new and exciting part of your life and you have the chance to enjoy the freedom it presents. You can control what you want to do and when you want to do it.

Until now, your investment goal was probably to save the biggest possible nest egg for your retirement by using a pension plan. When you retire, you will need to make sure that you use this retirement fund wisely. You want to give yourself financial security, so that you can get on with enjoying a very fulfilling retirement.

The most important decision you will have to make is what to do with your retirement fund.

When you retire, you can usually take a part of your pension fund as a tax-free lump sum. Then, if you meet certain conditions, you may be able to choose what you want to do with the rest of your fund. You can:

a use it to buy an annuity (that is, a regular income guaranteed for the rest of your life);

b re-invest it in an approved minimum retirement fund or approved retirement fund; or

c take the rest of the fund as taxable cash.

This booklet will give you more information on the approved minimum retirement fund and the approved retirement fund options and will show how they are different from buying an annuity.

We explain about annuities in a separate booklet which is available on request

You should talk about the taxable cash option with your financial adviser.

You should consider all options carefully as there are advantages and disadvantages to these options, depending on your investment approach and where your priorities lie in terms of goals and investment risk during your retirement. While it is not a legal requirement, Irish Life recommends that your should have a guaranteed minumum level of income payable for life of at least €15,000 a year, before considering investing in an ARF to provide regular income in retirement.

2 Approved retirement funds and approved minimum retirement funds

What is an approved retirement fund (ARF)?

An approved retirement fund is a special investment fund which can give you total flexibility in terms of how you use your retirement fund. With an ARF you manage and control your retirement fund and can invest it in a wide range of different investment funds. You can also make withdrawals as you need them. And because you own your fund, you can leave it to your dependants when you die.

Before you invest in an ARF, you must meet one of the conditions below.

- You must set aside up to €63,500 in an approved minimum retirement fund until you reach 75 (see below).
- Or, you must buy a pension (annuity) with this money (€63,500).
- Or, you must have a guaranteed income of €12,700 a year.

€63,500 is currently the minimum the Revenue say you must invest in an AMRF before you can invest in an ARF. This may change in the future.

You will find full details of these conditions on page 25.

What is an approved minimum retirement fund (AMRF)?

You must take out an AMRF if you have chosen the ARF route but do not have a guaranteed income of at least €12,700 a year already in place. See the ARF section above.

The main difference between an AMRF and an ARF is that you cannot withdraw your AMRF fund until you reach age 75. You can withdraw any gain you make within the AMRF over and above the original investment amount. You can buy an annuity with the fund at any stage during the term of your AMRF plan.

The funds you choose and the plan charges are the same for the ARF and the AMRF.

Example of how an AMRF and ARF work together

Your retirement fund	€500,000
Tax-free lump sum (say 25%)	€125,000
Remainder	€375,000
Invest in an AMRF (if you do not have a guaranteed income of €12,700 a year)	€63,500
Invest the rest in an ARF	€311,500

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Your Complete Solutions ARF and AMRF

With a **Complete Solutions** ARF or AMRF, you can manage and control your retirement fund to suit your needs. Below we describe some of the features of our **Complete Solutions** investments.

The potential for excellent returns

Your fund invests in special tax-exempt funds. So, if you do not need to take an income at the moment, you can leave your money to grow tax-free.

A wide range of funds to choose from

Complete Solutions offers a wide range of investment options. Because everyone has different needs and views on how they would like to invest their retirement fund, each option has a different level of expected potential returns and expected risk of ups and downs.

Regular updates

Each year we will send you a statement showing:

- the original value of your fund;
- the growth you have made; and
- your regular income from the fund.

You can also check the value of your fund at any time by phoning 01 704 1111.

Inheritance tax planning

The money in your ARF and AMRF is your money. When you die you can pass it on to your family or other beneficiaries. Your tax adviser can explain the tax implications which may arise if you die while an ARF/AMRF plan is in place. A summary is outlined on page 27.

Access to your money (ARF only)

Your ARF is your money. You can take out cash lump sums from your fund whenever you need to. You may have to pay income tax on any withdrawals that you make from your ARF.

Taking a regular income (ARF only)

You can take a regular income from your fund although, unlike an annuity, this income is not guaranteed for life. You can have your income paid to you every month, every three months, every 6 months or every year. We can pay you this income directly into your bank account, or through the post by cheque.

Taking a regular income from your ARF may reduce the original amount that you invested. If your ARF grows at a lower rate than the level of income you have chosen, this will reduce your original investment. (See the income options section from page 17.)

Withdrawing the funds from your AMRF

One of the conditions of taking out an AMRF is that you cannot withdraw your original investment until you are 75, unless you are going to use the money to buy an annuity. Also, you cannot set your AMRF up to pay yourself a regular income.

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Investment options

Summary

Our **Complete Solutions** retirement funds allow you to choose between a wide range of funds and investment strategies. The funds that are right for you will depend on the amount of risk you are willing to take and how long you plan to invest your retirement fund for. Generally the funds which offer the highest level of potential returns will have the biggest ups and downs. However, you can switch to a higher-risk or lower-risk fund at any time with no switching charge. With all funds you should note that past performance may not be a reliable guide to future performance.

We offer a wide range of world-class investment options, because everyone has different needs and views on how they would like to invest their retirement fund. Over the long term, shares have consistently given good returns, so **Complete Solutions** offers share based funds from successful fund managers, Irish Life Investment Managers and Fidelity. However, over the short term, shares can be quite risky so your **Complete Solutions** plan also offers funds that would be less risky . Your financial adviser will help you decide what is best for you.

The amount of risk you are willing to take

Depending on which fund you invest in, its value can fall as well as rise over the period of your investment.

We recommend that you consider an ARF as an investment for at least five years or more. In general, the longer you leave your investment, the better it is likely to perform. (You must stay in the AMRF until age 75, unless you buy an annuity with the fund.)
By choosing a low-risk fund, you are protecting any gains you make over the period of investment. However, the potential for large gains is lower than if you choose a high-risk fund.

High-risk funds mainly invest in company shares so that their value is not protected but you do have the potential to gain significantly, especially over the long term. If you invest in these funds, you should realise that, in wanting a higher return, they could lose some of the value of your investment.

If you decide to take a regular income from your approved retirement fund and your ARF grows at a lower rate than the level of income you have chosen, this will reduce your original investment.

Think about how you feel about the risks associated with investing. Everyone's situation is different, and everyone handles risk differently. With the help of your financial adviser, you are the best person to decide how much risk you are comfortable with.

Once your financial adviser has helped you decide what level of risk you are willing to take, they can help you build your own investment plan using any combination of the funds below. You can spread your investment between up to 10 different funds at any time. You'll notice that we have divided these into high-risk funds with the potential for higher returns, medium-risk funds, and low-risk funds with lower potential for returns.

High-risk/high potential

high risk

Irish Life Global Opportunities Fund
Indexed Global Equity Fund
Irish Equity Indexed Fund
UK Equity Indexed Fund
European Equity Indexed Fund
North American Equity Indexed Fund
Japanese Equity Indexed Fund
Pacific Equity Indexed Fund
Ethical Global Equity Fund
Fidelity Managed International Fund
Fidelity European Growth Fund

Medium-risk/ medium potential

medium risk

Consensus Fund
Irish Life Active Managed Fund
Irish Life Property Fund
Irish Life UK Property Fund
Pension Protection Fund
Fixed Interest Indexed Fund

Low-risk/low potential

low risk

Secured Performance Fund
Guaranteed Fund
Cash Fund

Low-risk funds

low risk

Secured Performance Fund

You can invest in the Secured Performance Fund if you already invest in an Irish Life pension and that plan had been invested in this fund for at least 5 years. Only the part of your pension fund already invested in the Secured Performance Fund can continue to be invested in this fund. You cannot invest money from other funds in the Secured Performance Fund.

We have designed the Secured Performance Fund to:

- deliver consistent performance over the longer term;
- always protect the value of your fund because the value will never fall; and
- provide a return, which we announce every year and which is then guaranteed.

The fund invests in the same assets as the Consensus Fund (see page 12). We smooth the return so that you do not run the risk of losing any of the value of your pension fund because of short-term changes in market returns. We provide this smoothed return by declaring a rate every year, which is then locked into your fund.

To protect other investors in the fund, we can reduce the value of your fund if you leave the Secured Performance Fund at any time other than every fifth anniversary of the date your investment started. We call this reduction a market value adjustment. We will not reduce the value of money you take out as part of a regular withdrawal or when you die.

You will find full details in our plan terms and conditions which you can ask us for.

Guaranteed Fund

While most of the fund invests in cash and fixed-interest assets, mainly in Ireland, we invest about a third of the fund in shares. It is guaranteed not to fall in value.

However, to protect other investors in the fund, we can reduce the value of your fund if you leave the Guaranteed Fund at any time other than every fifth anniversary of the date your investment started. We call this reduction a market value adjustment. We will not reduce the value of money you take out as part of a regular withdrawal or when you die.

You will find full details in our plan terms and conditions which you can ask us for.

Cash Fund

This fund invests in deposits and short-term investments on international money markets. It is guaranteed not to fall in value.

Medium-risk funds

medium risk

Consensus Fund

This new fund is Ireland's most popular fund, currently managing over €2.5 billion in pension assets. It is so successful because its approach is based on the combined wisdom of the main pension investment managers in Ireland. The fund matches the investments they make in shares, property, bonds and cash. The Consensus Fund aims to provide performance that is consistently in line with the average of all funds in the market.

The main advantages of this fund are that:

- there is no risk of choosing the wrong investment manager; and
- it is more cost-effective than actively-managed funds, which could mean better long-term performance.

Irish Life Active Managed Fund

This fund is managed by Irish Life Investment Managers – one of Ireland's top investment companies. Like most actively-managed funds, this fund invests mainly in shares, with some investment in bonds, property and cash.

Pension Protection Fund

This fund invests in long-term Irish Government shares to protect the buying power of your retirement fund. This makes it an attractive fund if you plan to use your retirement fund to buy an annuity at some later date.

Fixed Interest Indexed Fund

The aim of this fund is to provide reasonable long-term returns with low risk. The assets of this fund are mainly invested in government stocks (gilts) and other fixed-interest shares in the Eurozone and overseas.

Property Funds

We offer two commercial property funds. Property has always been a popular asset for Irish investors and these two funds give you the chance to benefit from the expertise and experience of our property team. This team has been managing property for over 30 years and is the biggest property manager in Ireland.

Because of the nature of property investment there may be a delay in taking money out of our property funds.

- You may have to give us up to six months' notice in writing before you can cash in, switch or transfer all or part of the fund invested in property. We need the notice period because of the high cost and time involved in selling properties. The value you receive would be based on the value of your fund at the end of the notice period.

- When more customers are moving out of a property fund than making new investments in it, we will reduce the value of the units in the fund to reflect some or all of the costs associated with buying and selling property. This reduction will be different for the Irish and UK property funds.

Irish Life Property Fund

This fund invests in a wide range of Irish retail, office and industrial property that has the potential to provide a good income from rent, and the possibility of increasing your initial investment.

Irish Life UK Property Fund

The Irish Life UK Property Fund gives you access to the UK commercial property market. This fund is unique in that it invests directly in UK property and indirectly, through property partnerships. Approximately 75% of the fund is invested directly in retail, office and commercial properties in the UK.

The remaining 25% is invested in property partnerships managed by UK Based fund managers such as CB Hilier Parker.

Borrowings by the partnership

One of the main attractions of this is the partners' ability to borrow. They will add to the money invested in the limited partnerships using borrowing which allows the fund to invest in a larger number of properties.

An example of how this works is set out below: €100,000 invested in the fund will usually be invested in the following way

Directly held property		€75,000
Investment in partnerships	€25,000	
Partnership borrows	€50.000	
Indirect exposure		€75,000
Total exposure:		**€150,000**

This would mean that we invest €1.50 in property on your behalf for every €1 you invest in the UK Property Fund.

The example assumes 67% gearing by the indirect property vehicle and does not take account of currency. The actual level of borrowing could be between 67% and 80%.

While this feature of matching your investment with borrowings gives the potential for improved returns, it also increases the level of risk associated with the investment. The fund will benefit from improved returns when the return from the properties goes over the level of interest payments on the borrowing. Borrowing can also result in an increased drop in the value of investments if the return from the properties falls. The value of the fund at any time will be net of any amount borrowed.

Additional points to note

- The UK-based fund managers managing the property partnerships will take a charge that equals about 0.375% a year on the UK Property Fund and may also be paid an incentive fee if they achieve superior returns on the fund on a long term basis

- Investment in the UK Property Fund will be in euro and the properties will be valued in sterling. However, the value of your investment is protected from any negative movements in the value of sterling. We will charge the cost of this currency protection to the fund on an ongoing basis.

High-risk funds

high risk

Actively-managed funds

These share-based funds aim to do better than other managed funds by using active investment strategies. Based on the investment managers' view of the world economies and stock markets, they will decide:

- which countries to invest in; and
- which shares to buy.

You can choose between the following fund managers.

Irish Life Investment Managers (ILIM)

Irish Life

Irish Life is one of Ireland's largest investment managers, managing over €21.5 billion.

They were the number one fund manager in the active managed fund category in Ireland in 2003 and 2004. They were also the winners of the 2005 MoneyMate Fund Manager Award for the best investment fund performance over the last three years, and are consistently among the top fund managers in Ireland (Source : Mercer fund survey).

- The **Global Opportunities Fund** focuses on identifying opportunities in companies where ILIM sees hidden value not yet recognised by the markets. The fund will invest in a range of shares across all geographic and industry sectors. ILIM identifies opportunities based on strong research and in-depth company analysis by their team of industry specialists. ILIM's particular strength in industry expertise has contributed to this fund's strong performance.

Fidelity Investments

Fidelity is the world's largest investment company and manages over €600 billion on behalf of 15 million customers around the world. They have an exclusive relationship with us in Ireland and manage certain funds for us.

- The **Managed International Fund** invests just in company shares from around the world, and so is a suitable choice if you want to increase your returns as much as possible, and you are comfortable with short-term ups and downs in the market.

- The **European Growth Fund** invests a range of actively-managed shares, mainly in Europe, aiming to achieve long-term growth for your initial investment. The fund manager invests wherever they find shares they believe are not valued highly enough.

Indexed funds

Indexed funds simply invest in all the shares that make up a particular stock market's index. These funds aim to match the average returns of all the shares that make up the index. For example, the Irish Equity Indexed Fund will invest an equal percentage in all of the companies that make up the Irish Stock Exchange (ISEQ index). As a result, the performance of this fund should reflect the performance of the Irish stock market. The specialist index funds available are:

- Irish Equity Indexed Fund;
- Japanese Equity Indexed Fund;
- European Equity Indexed Fund;
- North American Equity Indexed Fund;
- Pacific Equity Indexed Fund;
- UK Equity Indexed Fund; and
- Ethical Global Equity Fund.

Indexed Global Equity Fund

This fund aims to achieve good growth by investing in Irish and international shares that the Consensus Fund invests in. Because this fund only invests in shares, it offers the possibility of excellent growth over the long term, but it also carries the risk of significant ups and downs. However, because it is more broadly based than the other index funds, it spreads the risk more.

Important Information

Currency Risk

The funds that invest outside of the Eurozone carry a risk related to currency. This is because these funds are priced in euros but they invest in assets outside the eurozone so they are valued in their local currency. For example, the North American Indexed fund aims to track the performance of the FT North American Index of US shares. These shares are bought in US dollars. The value of the Indexed US fund will be affected by:

1. how those shares perform in their local currency; and
2. Any movements in the euro and US dollar exchange rates.

For example, if there has been no change in the value of the shares in US dollars, but the US dollar falls in value compared to the euro, the Indexed US fund would fall in value. In the same circumstances, a rise in the value of the US dollar would result in a rise in the value of the Indexed US fund.

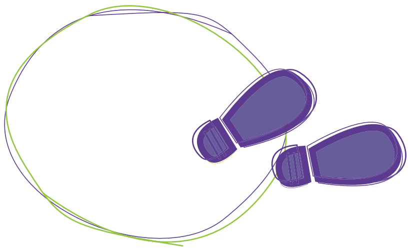
Timing Risk

If you invest in the Fidelity funds, it is likely that the performance of your investment in those funds through your **Complete Solutions** investment will be slightly different from the performance of the Fidelity funds.

This could be due to any possible timing or trading delays in transferring your investment into those funds and any changes in the values of currencies.

Addtional specialist funds may be listed in your Terms and Conditions booklet but these require specialist advice and would only be suitable for particular investors.

5 Income options



You can take a regular income of up to 9% of your initial investment every year from your **Complete Solutions** ARF, as long as the fund is large enough to provide this. Unlike an annuity, this income is not guaranteed for life. Your fund can fall as well as rise and the income you take could reduce your fund quicker then expected if markets conditions are poor.

If you choose to buy an annuity with your pension fund, you are changing your retirement fund into a guaranteed income for life. Depending on the type of annuity you choose, it does not matter if returns from investment markets are poor, or if you live for a very long time, because you are guaranteed to be paid a known income for the rest of your life.

The aim of the table on the next page is to compare the advantages of buying an annuity or an ARF with your pension fund to provide a regular income. The table shows the yearly income you could receive from an investment of €100,000 if you retired at age 65.

a The annuity option

The estimate shows a single-life annuity. We guarantee to pay this amount for life - no matter how long you live for. It is based on Irish Life's current annuity rates. The payment in this case increases by 3% each year, to give your income some protection against inflation. There is no cash-in value once you have bought the annuity. There may be a value payable on death depending on the guarantees that were selected on the annuity.

b The ARF option - a regular income from age 65

The estimate shows the effect of taking the same level of income from the approved retirement fund as the annuity would pay, using two different growth rates as fund returns can go up and down. The example shows how taking the same level of income as an annuity might pay could reduce the value of your fund over time. On the other hand, you (or your dependants if you die) still own the value of the fund, which is left. In reality, the income from the ARF may go up and down in line with market conditions and the tax that applies.

(You will have to pay income tax on income under either option).

You can get a quotation giving future estimated fund values based on your initial investment from your financial adviser.

	Annuity with payments increasing at 3% each year for male life		ARF growing at 3% a year		ARF growing at 6% a year	
Age	Annual income before tax	Cash in value	Annual income before tax	Cash in value before tax	Annual income before tax	Cash-in value before tax
65	4,913	-	4,913	91,694	4,913	94,439
66	5,060	-	5,060	88,198	5,060	93,710
67	5,212	-	5,212	86,285	5,212	94,755
68	5,369	-	5,369	84,004	5,369	95,562
69	5,530	-	5,530	80,530	5,530	95,154
70	5,696	-	5,696	75,976	5,696	93,551
71	5,866	-	5,866	71,184	5,866	91,702
72	6,042	-	6,042	66,144	6,042	89,593
73	6,224	-	6,224	60,848	6,224	87,205
74	6,410	-	6,410	55,287	6,410	84,521
75	6,603	-	6,603	49,450	6,603	81,522
76	6,801	-	6,801	43,329	6,801	78,188
77	7,005	-	7,005	36,912	7,005	74,499
78	7,215	-	7,215	30,190	7,215	70,433
79	7,431	-	7,431	23,151	7,431	65,966
80	7,654	-	7,654	15,785	7,654	61,074
81	7,884	-	7,884	8,079	7,884	55,732
82	8,120	-	8,120	23	8,120	49,912
83	8,364	-	23	-	8,364	43,586
84	8,615	-	-	-	8,615	36,725
85	8,873	-	-	-	8,873	29,296
86	9,140	-	-	-	9,140	21,268
87	9,414	-	-	-	9,414	12,605
88	9,696	-	-	-	9,696	3,272
89	9,987	-	-	-	3,301	-
90	10,287	-	-	-	-	-

The above figures are based on a single investment of €100,000. The annuity rates used for these examples are current rates quoted by Irish Life as at July 2005. These are not guaranteed, and the actual pension depends on annuity rates when you retire. The rate quoted is for a man – rates for a woman would be lower than this. The growth rates shown for the example of the ARF are before deduction charges. The ARF figures assume that all funds are invested in the Consensus Fund. The actual return will depend on future investment returns, which would be higher or lower than this.

Lump-sum withdrawals

You can also take one-off lump sums out of your ARF or AMRF. The smallest amount you can take is €350 and the value of the investment after the withdrawal must be €1,000. You may have to pay income tax on any withdrawals you make.

With your AMRF you can only withdraw any growth over and above the original investment amount you need.

If you take out some or all of your money during the first five years of your investment, you will pay a charge for cashing it in (see page 22). This does not apply if you take a regular income from your ARF plan.

Conclusions

The annuity option pays a known income for life, no matter how long you live. This is especially important if your pension fund is your only form of income when you retire. The ARF is ideal if you want to keep control of your money, but there is more risk. As the table shows, if investment returns are poor, or you take your income at too fast a rate, your fund could run out before you die.

If you want to make regular withdrawals from your approved retirement fund, please remember the following points.

- Making regular withdrawals may reduce the value of your ARF, especially if investment returns are poor or you choose a high rate of withdrawal (or both).
- Regular withdrawals over a long period may use up all of your ARF.
- The higher the level of regular withdrawal you make, the higher the chances are that you will use up your ARF in your lifetime.
- If your pension fund will provide your only or main source of income after you retire, you should consider investing some or all of it in an annuity so you have an income for life.

6 Charges

This section will show you the charges applying to your ARF/AMRF contract.

The same charges apply to both the **Complete Solutions** ARF and AMRF plans.

Initial charge

We will use your investment (your retirement fund) to buy units in one or more funds. The amount of your investment used to buy units depends on the size of your retirement fund.

If your initial investment is	**We will invest**
less than €25,000	98% of your investment into the fund or funds you choose
between €25,000 and €49,999	99%
between €50,000 and €249,999	100%
between €250,000 and €499,999	100.5%
€500,000 or more	101%

If, for example, your initial investment is €20,000, we will use €19,600 or 98% of this amount to buy units in the funds you choose. The 2% is a charge. If for example your limited investment is €300,000 we will use €301,500 or 100.5% of this amount to buy units in the funds you choose.

Fund charge

We make the charge based on the value of the fund at a given time. The actual charge depends on the fund you have chosen. The fund charge is deducted from the fund value every month and is reflected in each funds unit prices. The annual fund charge for each fund is shown below.

Low risk

Cash Fund	1.5%
Guaranteed Fund	1.75%
Secured Performance Fund	2.0%

Medium risk

Consensus Fund	1.5%
Irish Life Active Managed Fund	1.5%
Pension Protection Fund	1.5%
Fixed Interest Indexed Fund	1.5%
Irish Life Property Fund	1.75%
Irish Life UK Property Fund	1.75%

Note: The UK Property Fund has further charges deducted within the fund before the above charge is applied. See page 13 for full details.

High risk

• Irish Life Global Opportunities Fund	1.5%
• Indexed Global Equity Fund	1.5%
• Irish Equity Indexed Fund	1.5%
• UK Equity Indexed Fund	1.5%
• European Equity Indexed Fund	1.5%
• North American Equity Indexed Fund	1.5%
• Japanese Equity Indexed Fund	1.5%
• Pacific Equity Indexed Fund	1.5%
• Ethical Global Equity Fund	1.5%
• Fidelity Managed International Fund	2.25%
• Fidelity European Growth Fund	2.25%

Charge for early withdrawal

If you take your money out more than five years after you put it in, we will pay you your fund value. (You must pay income tax on this amount). However, if you want transfer or withdraw your investment less than five years after putting your money in, we will reduce your fund value by taking off a charge as follows:

Number of years left until the fifth anniversary of your plan	Percentage for cashing in early
1 or less	1%
between 1 and 2	3%
between 2 and 3	5%
between 3 and 4	5%
less than 5	5%

This refers to the anniversary of the date you invest. You may make two investments into the one plan at different times. The charge applies to each separate investment. For example, if you made an extra investment during year three and you withdraw all of your investment during year four, we will take a 5% charge from your extra investment, but a 3% charge from your initial investment amount.

You may want to receive a regular income from your ARF plan. We allow you to take a regular income of up to 9% of your original investment every year. We will not take an early withdrawal charge on these payments.

7 keeping you informed

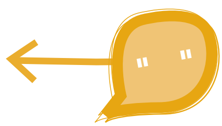
As this is a major long-term investment, we make sure that we will keep you informed about your **Complete Solutions** ARF or AMRF and how it's doing so that you can review it regularly. We're here to give you the information you need, when you need it.

- You can phone 01 704 1111 to check the value of your **Complete Solutions** plan.

- Every year we write to you to let you know how your ARF or AMRF plan is doing. We will show you what you've paid and what your plan is worth. This will contain a report of how your investment is performing.

- By logging onto our website (www.irishlife.ie), you can see how each of the funds is doing and get answers to frequently asked questions.

- There is no substitute for one-to-one advice and we would recommend that you regularly review the progress of your **Complete Solutions** ARF or AMRF plan with your financial adviser.



To help improve customer service we will record or monitor calls.

8 Your questions answered

Am I eligible to invest in an approved retirement fund or an approved minimum retirement fund?

Whether or not you can invest in an ARF or an AMRF depends on what type of pension plan you already have. The option to invest in an ARF or an AMRF will apply if you are using the funds from one or more of the following contracts.

Personal pension plan

If you took out your pension plan when you were self-employed, a sole trader, a partner, or you worked for a company that did not have a pension scheme, you most likely have a personal pension plan.

Director's pension plan

If you are a director of the company and have a company pension plan where the company has made some or all the contribution. You must control more than 5% of the voting rights of the employer to use the AMRF or ARF options.

Additional Voluntary Contribution (AVC) plan

If you contributed extra amounts to top up your company pension plan, you can invest the money, built up in your pension fund from your Additional Voluntary Contributions, in an ARF or AMRF.

Personal Retirement Savings Plan (PRSA)

The ARF and AMRF options are available using the fund built up in the PRSA. However, there is the option to leave your fund under your PRSA and apply the same rules as if it were an ARF or an AMRF. For example, you can make withdrawals from your PRSA fund whenever you want. **You do not have to move your funds from a PRSA to take advantage of ARF-type benefits.**

Whether you decide to move your fund from a PRSA to an ARF or AMRF depends whether the ARF or AMRF offers different options. For example, what investment choices do you have in that new product (in other words, is it different from your existing PRSA)? You should also consider the charges under the new product versus the existing charges under your PRSA. There may be more considerations and you should discuss this choice with your financial adviser.

Are there any restrictions to investing in an Approved Retirement Fund?

To invest in an ARF, you must be able to show the Revenue Commissioners that you have a guaranteed income for life from other sources of at least €12,700 a year. Examples of the types of guaranteed income that the Revenue Commissioners will accept include:

- your state pension benefits;
- any pensions paid from occupational pension schemes; or
- an annuity guaranteed for life which you have bought with the proceeds of another pension fund.

If you do not have a guaranteed income for life of €12,700 a year, you must invest the first €63,500 in an approved minimum retirement fund or buy an annuity for the same amount.

An AMRF is similar to an ARF, except that there are restrictions on what you can take from the fund. You cannot take any money from your initial investment in an AMRF until you reach 75, unless you do this to buy an annuity. However, you can make withdrawals from any growth that has built up in your fund.

The most you can invest in an AMRF is €63,500. When you reach 75, restrictions on your ARF cease to apply.

Will I have access to my money?

Yes. You can make withdrawals from your ARF as often as you need to. With your AMRF you can only take income from the growth made above the original investment amount. After age 75 you can make withdrawels from your AMRF as often as you need to. An early withdrawal chage will apply if you take cash within the first 5 years of your investments.

Will I have to pay tax on my ARF or AMRF?

Your fund invests in special tax-exempt funds. This means that you do not pay any tax while you leave your money invested. You will have to pay income tax and PRSI (the health levy part, 2% in July 2005) on any withdrawals that you take from your fund. We will take the tax from each withdrawal you make. We take income tax at the higher rate, unless you send us a certificate of tax-free allowances for the year in which the withdrawal is made.

What happens to my fund if I die?

One of the main differences between an ARF, or AMRF, and an annuity is that with an ARF or AMRF you own your own retirement fund.

This means that when you die, you can leave the funds in your ARF or AMRF to your next of kin or other beneficiaries.

When you die, we will pay 101% of the value of your **Complete Solutions** ARF fund.

If you leave the funds to your husband or wife, we can transfer the funds to an ARF/AMRF in their name. In all other cases, the funds are wound up and we pass the proceeds to your estate.

What about tax if I die?

If your funds are transferred to an ARF in your husband's or wife's name, there is no income or capital acquisitions tax (CAT) due.

If you leave your funds to anyone else, they may have to pay income tax or CAT depending on who they are and their circumstances.

If your estate has to pay income tax, we must take this before paying the proceeds of your fund to your estate.

Table A – summary of the tax rules after your death (based on rates at July 2005)

ARF inherited by	Income tax due	Capital Acquisitions Tax due?
Surviving husband or wife	None if transferred into an ARF in the husband's or wife's name	No
Your children if under 21	None	Yes. Can inherit up to €466,725 each without paying CAT. Then must pay CAT at 20% on any amounts over this.
Your children if 21 or over	Yes, at standard rate of 20%	No
Anyone else	Yes, at marginal rate of either 20% or 42%	Yes. Can inherit up to a certain threshold amount depending on their relationship to you. Then they must pay CAT at 20% on any inheritance over this.

If you leave the ARF to your surviving husband or wife, the funds would be taxed on their death as follows.

Table B – summary of the tax rules after the death of your surviving husband or wife (based on rates at July 2005)

ARF inherited by	Income tax due	Capital Acquisitions Tax due?
Your children if under 21	None	Yes. Can inherit up to €466,725 each without paying CAT. Then must pay CAT at 20% on any inheritances over this.
Your children if 21 or over	None	No
Anyone else	Yes, at standard rate of 20%	Yes. Can inherit up to a certain amount depending on their relationship to you. Then they must pay CAT at 20% on any inheritance over this.

What level of potential returns can I expect to receive?

It is important to realise that the value of ARF/AMRF investments will go up and down and that there is the possibility that, at any time, the value of your ARF/AMRF can be lower than your initial investment. Any returns shown are examples only and are not a guide to future performance. Any returns will depend on investment and economic conditions at the relevant time in the future.

Who is my plan provided by?

Your plan is provided by Irish Life Assurance plc. Your plan will set out the details of your contract with us. This booklet tells you about our approved retirement fund and approved minimum retirement fund and answers the questions that you may have. It is only meant to be a guide to help you understand your investment and does not give all the details of your plan. These details will be in your plan schedule. We will include more specific details and rules in your plan terms and conditions, which you should also read carefully.

Can I cancel my plan?

You have 30 days after we send you this information to cancel your plan. If you decide to do this, we will return any contributions you have made in line with Revenue rules, less any reduction in investment values during the period. The information in this booklet is based on our understanding of current law, tax and Revenue practice in July 2005.

Your application form, terms and conditions and schedule will be your legal contract with us. The contract will be governed by Irish law. The Irish courts are the only courts that are entitled to hear disputes.

Who should I talk to if I have any questions or complaints?

If you have any questions about your ARF or AMRF plan, you should talk to your financial adviser or phone our customer service department. We will do everything possible to sort out your query.
If you have a complaint and feel that you have not got satisfaction by contacting the above, you should write to:

Customer Service Department
Irish Life
Lower Abbey Street
Dublin 1.

If you are still not satisfied, you can contact:

The Financial Services Ombudsman
32 Upper Merrion Street
Dublin 2.

Family law and pensions

If you legally separate or divorce, you can apply to the court for a pension adjustment order, covering the benefits paid under this policy for your husband or wife. Please contact us or your solicitor for more details.

Products we offer

Investments

Low risk options

- Tracker bonds
- With-profit bonds

Higher growth options

- Property bonds
- Unit-linked share investments

Protection

- Term life cover
- Mortgage protection
- Flexible family protection
- Income protection
- Inheritance tax planning

Savings

- Savings plan

Pensions

- Personal pensions (including PRSAs)
- Company pensions
- (AVC) pensions
- Pension life cover
- Post-retirement options

Keeping in contact

Each year, we will send you a statement, which keeps you up to date on your plan, explaining the benefits, cash-in values (where appropriate) and other relevant information concerning your plan.

You can call us six days a week on our customer helpline where we will do our best to answer your question. Our websites are available 24 hours a day, seven days a week. At www.irishlife.ie, you can, among other things, find our online customer service forms and information on your nearest financial adviser.

Personal financial advice

It takes just a short time for a professional financial adviser to sit down with you and review your personal finances. An adviser will tell you the most suitable ways for you to get the most benefit from your money, taking account of all your existing financial commitments.

How to contact our Customer Service Department

Call or fax us at:

tel: 01 704 1010 fax: 01 704 1900

Email us at:

customerservice@irishlife.ie

Visit our website at:

www.irishlife.ie

Or write to us at:

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

Lines are open between 8am and 8pm Monday to Thursday, 8am and 6pm on Fridays and from 9am and 1pm on Saturdays. Calls will be recorded or monitored to help improve customer service.

Irish Life
www.irishlife.ie

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Plain English Campaign

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