CLEAR PRSA

A straightforward Personal Retirement Savings Account

About us

Established in Ireland in 1939, Irish Life is now part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

Great-West Lifeco and its subsidiaries, including The Great-West Life Assurance Company, have a record for financial strength, earnings stability and consistently high ratings from the independent rating agencies. The Great-West Life Assurance Company has an AA rating for insurer financial strength from Standard & Poor's.

Information correct as of February 2014. For the latest information, please see www.irishlife.ie.

Clear PRSA	
Aim	To build up a fund to help provide for your retirement.
Risk	Low to high depending on option or mix of options chosen.
Funds Available	22.
Time Period	Normally between ages 60 and 75.
Jargon-free	Yes.

Committed to Plain English

There is no financial jargon in this booklet and everything you need to know is written in an upfront and honest way.

We are delighted to have received the 'Best in Plain English' Award from the Plain English Campaign. This award recognises our contribution to communicating clearly. For this award, we were chosen ahead of 12,000 other organisations from 80 countries.

Best in the World at Plain English

Honesty Mark 063 Honesty and clarity approved by Plain English Campaign

Warning: If you invest in this product you will not have access to your money until age 60 and/or you retire.

Contents

All information including the Terms and Conditions of your plan will be provided in English.
The information and figures quoted in this booklet are correct as at February 2014 but may change.

1 Introduction

This booklet will give you details of the benefits available on the Clear PRSA plan. It is designed as a guide that allows us to explain the product to you in short and simple terms. There will be more specific details and rules in your Terms and Conditions booklet which you should read carefully.

Our service to you

Putting you first

We are committed to providing excellent customer service to you at all times from the moment you apply right throughout the life of your plan. When you ring us, you will get straight through to our award-winning service team, based in Ireland, who will be on hand to listen to your queries and help you when you are looking for answers. Here is just a sample of the services we offer.

You can change your mind

We want to make sure that you are happy with your decision to take out this plan. If after taking out this plan you feel it is not suitable, you can cancel it within 30 days from the day you receive your welcome pack. We will refund any regular contributions you have made. We will return any single contributions or transfers, less any fall in investment values during the period and in line with Revenue rules.

Keeping it simple – clear communication

Because financial products can be complicated and difficult to understand, we are committed to using clear and straightforward language on all our communications to you. As a result, we work with Plain English Campaign to make sure all our customer communications meet the highest standards of clarity, openness and honesty.

Keeping you up to date

We are committed to keeping you informed about your plan. Because of this, every year we will send you a statement to keep you up to date on your plan details.

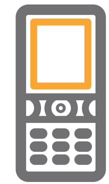
Online services

We have a range of online services available for you. You can check the details of your plan online by visiting www.irishlife.ie. You will need a PIN, which you recieve when you start your plan. If you have lost your PIN or need a new one, contact our customer service team on 01 704 1010.

Our online services help you keep up to date, at any time, with how your plan is performing. You can:

- View the current value of your plan;
- Change your choice of fund;
- View your annual benefit statements; and
- Use our information service - weekly investment market updates, fund information and fund prices.

You can also phone our automated Customer Information Line on 01 704 1111, to obtain a current value, access our weekly market update and to change your PIN.



How to contact us

If you want to talk to us, just phone us on 01 704 1010.

Our lines are open:

8am to 8pm Monday to Thursday
10am to 6pm Friday
9am to 1pm Saturday.

In the interest of customer service, we will record and monitor calls.

You can also contact us in the following ways:

Email:	customerservice@irishlife.ie
Fax:	01 704 1900
Write to:	Customer service team, Irish Life, Lower Abbey Street, Dublin 1.
Website:	www.irishlife.ie

Any problems?

If you experience any problems, please call your financial adviser or contact our customer service team. We monitor our complaint process to make sure it is of the highest standard. We hope you never have to complain. However, if for any reason you do, we want to hear from you.

If, having contacted our customer service team, you feel we have not dealt fairly with your query, you can contact The Office of the Pensions Ombudsman. For further information please see page 36.

What is a PRSA?

PRSA stands for 'Personal Retirement Savings Account'. It is a contract between you and a PRSA provider, in this case Irish Life. PRSAs make it easier to save for retirement because they offer value for money, flexibility and convenience. Whether you are an employee, self-employed or between jobs, a PRSA helps you save for retirement. And if your employment status changes or you move to a new employer, you may be able to bring your PRSA with you. You can also use your PRSA to add to the pension benefits already available from your job.

How PRSAs work

Contributions

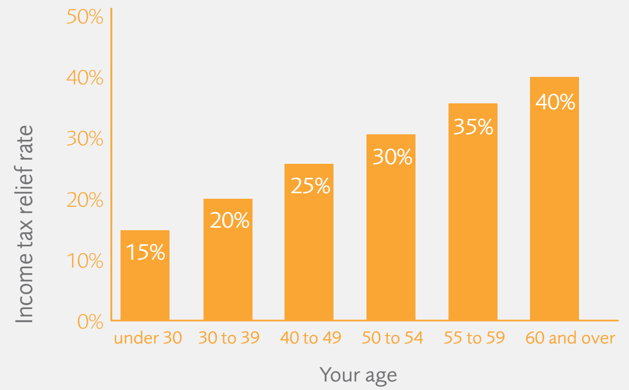
You invest regular contributions or one-off contributions, or both. Most people choose regular contributions because it is easier and smoothes out the cost. If you are an employee and are not in a pension plan at work, your employer could also contribute to your plan.

Income tax relief

To encourage people to save for retirement the Government provides significant tax relief on PRSA pension plans.

You can claim income tax relief on your contributions and tax free investment returns. You may also be able to take a retirement lump sum on retirement - some or all of this may be tax free. Pension income in retirement is subject to income tax, the Universal Social Charge (USC), PRSI (if applicable) and any other taxes or government levies on withdrawal.

You are not guaranteed income tax relief, but you will generally get income tax relief on contributions up to the percentage of net relevant earnings defined as follows.



If you are an employee, these limits include any contribution your employer may make. Any employer contributions over these limits will be treated as a benefit-in-kind (a perk that does not take the form of salary) for the employee. The employee must pay the USC on any employer contribution.

Please talk to your financial adviser for more information on the possible benefits-in-kind implications on your employer contributions.

If you contribute more than these amounts, or if you contribute during a period when you are unemployed, you can carry forward income tax relief for future years.

Earnings are defined as follows:

- If you are an employee, your earnings are your salary plus any overtime, bonuses and benefits-in-kind.
- If you are self-employed, your earnings are your 'net relevant earnings'. (That is, your income during a tax year, less any allowances, losses and certain charges and deductions (such as mortgage interest) you can claim income tax relief on).

Income tax relief is not available on net relevant earnings which are more than €115,000 and include contributions to other approved pension arrangements, such as retirement annuity contracts, other PRSAs and employee contributions to company pension schemes (including Additional Voluntary Contributions). To be eligible to claim relief, your income must be taxable under Schedule E or Schedule D (case I or II).

Growth

We invest your contributions (less any contribution charge) in a fund where any growth achieved will not be taxed. Sometimes the fund you have chosen may have to pay tax on some of the assets held outside of Ireland depending on the tax rules of the country.

Retirement fund

By the time you retire you will hopefully have built up a big enough fund for your retirement.

Normally, you can take your benefits between the ages of 60 and 75, but there are certain exceptions (see page 33 for more details). At that stage, you'll have a number of choices in terms of what you want to do with your money.

First of all, you can take a part of your pension fund as a retirement lump sum. You may be able to take some or all of this retirement lump sum tax free. The amount of this will depend on Revenue limits and your job status (for example self-employed or an employee) at the date you take your benefit.

Depending on your circumstances the balance of the fund can be used for one or more of the following:

- buy a pension for life
- leave the rest of your retirement fund in your PRSA plan and continue as an investment until a later date; or
- take as a taxable cash sum.

Income tax, the USC, PRSI (if applicable) and any other taxes or government levies due at the time will be taken from each of these options. We explain your retirement options more fully on pages 24 to 28.

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

Warning: The value of your investment may go down as well as up.

2 Clear PRSA

Our Clear PRSA helps you build up a fund for your retirement.

Everybody knows that it makes sense to plan for retirement. Yet many people put off starting a pension because they think pensions are confusing or hard work.

Clear PRSA can offer you the perfect solution – an easy-to-understand pension plan which puts you in control while offering you great choice.

Suitability snapshot

This plan might suit you if you:

- ✓ are looking for a long-term investment plan to provide for your retirement;
- ✓ have at least €300 a year to invest;
- ✓ don't need access to your investment until you retire (age 60);
- ✓ are happy with the charges set out in this booklet;
- ✓ are happy with the choice of funds available;
- ✓ would like to take advantage of the income tax relief available on the pension contributions; and understand that when you retire, your pension benefits (after the retirement lump sum) are taxed as income. Please see page 25 for more details.

This plan might not suit you if you:

- ✗ do not need a plan to provide for your retirement;
- ✗ have less than €300 a year to invest;
- ✗ need to get access to your investment before you retire (age 60);
- ✗ want a plan which offers more funds but may have higher charges as a result;
- ✗ are not happy with the choice of funds available; or
- ✗ are not currently paying income tax, and cannot take advantage of the income tax relief available on pension contributions.

If you think the Clear PRSA plan could be suitable for you, please talk to your financial adviser. If your personal circumstances change please contact your financial adviser.

What are the charges?

Clear PRSA offers you great value for money, giving you a straightforward pension solution with very competitive charges.

Contribution charges

Table 1 – contribution charge on regular contributions

Regular contribution each year	Contribution charge	Percentage of contribution invested	Reduced contribution charge after five years*	Percentage of contribution invested
Less than €9,000	5%	95%	4.5%	95.5%
€9,001 to €11,999.99	4.25%	95.75%	3.75%	96.25%
€12,000 or more	3.5%	96.5%	3%	97%

*Reduced contribution charge after five years
As shown in table 1 above, after your PRSA has been in place for five years, we will reduce the contribution charge by 0.5%.

Table 2 – contribution charge on one-off contributions

One-off Contribution	Contribution charge	Percentage of contribution invested
Less than €12,500	5%	95%
€12,501 to €24,999.99	4.25%	95.75%
€25,000 or more	3.5%	96.5%

Contribution charge on transfer contributions

There is no contribution charge on funds transferred into your PRSA from approved pension schemes, so 100% of the contribution will be invested.

If your regular contributions change in the future

If you change your regular contributions in the future, this may change the contribution charge you pay.

Increased regular contribution

If you increase your regular contribution, and this results in your regular contribution going into a higher band (as shown in table 1), the contribution charge for the higher band will apply to all of your increased contribution.

For example, if your regular contribution is €8,000 a year, the contribution charge is 5%. If you increased your regular contribution to €10,000, it would go up into the higher band and the contribution charge would be 4.25% on €10,000.

Reduced regular contribution

If you reduce your regular contribution, and this results in your regular contribution going into a lower band (as shown in table 1), the contribution charge for the lower band will apply to all of your reduced contribution.

For example, if your regular contribution is €10,000 a year, the contribution charge is 4.25%. If you reduce your contribution to €8,000, it would go down into the lower band and the contribution charge would be 5% on €8,000.

Contribution limits for regular payments

As we have explained, there is no maximum limit on the total amount that can be paid into this plan. However, the highest regular contribution you can pay is:

- €5,000 a month;
- €7,500 every three months;
- €15,000 every six months; and
- €30,000 a year

You can pay any contribution over these amounts as a one-off contribution. The charges for one-off contributions are shown in table 2 on page 9.

Yearly fund charge

Over the term of your plan, we take a monthly charge from the value of your retirement fund. This charge is equal to 1% a year.

Please see your Preliminary Disclosure Certificate which shows you how the yearly fund charge affects a typical PRSA.

Government Levies

We will take any government levies due and pass them direct to the Revenue Commissioners. These levies will be taken from your fund.

What funds are available?

The following funds are available. These are explained in detail in the Fund Guide section.

Recommended Portfolio Funds

Managed Portfolio Fund 1 (Foundation)
Managed Portfolio Fund 2 (Base)
Managed Portfolio Fund 3 (Core)
Managed Portfolio Fund 4 (Intermediate)
Managed Portfolio Fund 5 (Dynamic)
Managed Portfolio Fund 6 (Aggressive)

We recommend you use the Managed Portfolio Funds with our Lifestyle Options. See pages 11 to 14.

Funds only available with Lifestyle Options and Default Investment Strategies

Annuity Fund
ARF Fund
Stability Fund

Other Funds

Global Cash Fund
Pension Protection Fund
Indexed Euro Corporate Bond Fund
Consensus Cautious Fund
Consensus Fund
Consensus Equity Fund
Indexed Irish Equity Fund
Indexed European Equity Fund
Indexed Japanese Equity Fund
Indexed North American Equity Fund
Indexed Pacific Equity Fund
Indexed UK Equity Fund
Indexed European Property Shares Fund

What investment strategies are available?

We have four investment strategies for you to choose from – the Annuity Lifestyle Option, the ARF Lifestyle Option, the Default Investment Strategy (Annuity) and the Default Investment Strategy (ARF). If you don't choose an investment strategy when you take out your PRSA, we will automatically put you into the Default Investment Strategy (Annuity). We also have a number of funds for you to choose from if you don't want to invest in any investment strategy.

1 Lifestyle option strategies

Our lifestyle options strategies involve gradually moving your investment into a mix of low and medium-risk funds as you move closer to retirement.

It is generally recommended that the Managed Portfolio Funds form part of the lifestyle option, but you can choose your own funds if you prefer. The percentage invested in each fund at any one time depends on how long you have left to your retirement date.

The Annuity Lifestyle Option

If you are more than 25 years from your chosen retirement date, we fully invest your contributions in the Managed Portfolio Funds or the funds of your choice. Between 25 years to six years before you retire, we will switch 2% of your fund into the Stability Fund every year.

When you are six years before retirement, 60% of your fund is invested in your fund choice and 40% in the Stability Fund. At that date, we gradually switch the total fund and future contributions into the Global Cash Fund and the Annuity Fund until one year before your retirement.

For the last year your fund is entirely in the Global Cash Fund (25%) and Annuity Fund (75%).

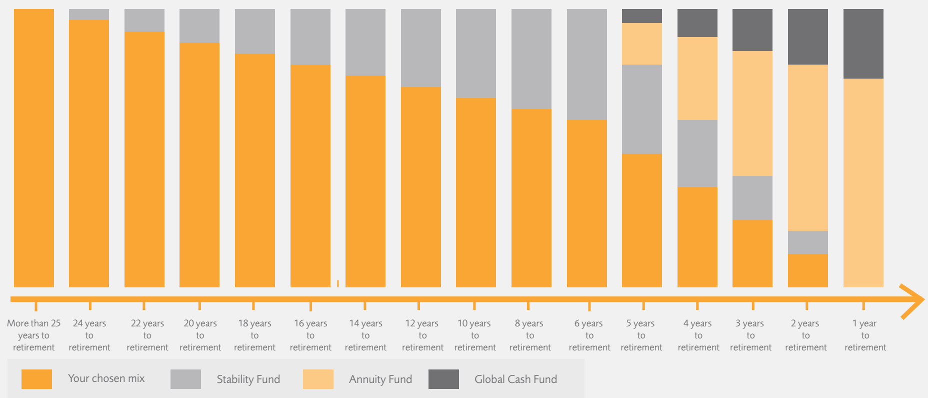
This strategy will suit you if you aim to buy an annuity with your retirement fund.

The table below shows how your investment is automatically switched between funds in the Annuity Lifestyle Option. If, for example, you take out a Clear PRSA and you have 18 years to retirement, we will at first invest 84% of your contributions in your own choice of funds and 16% in the Stability Fund.

The ARF Lifestyle Option

If you want to invest your retirement fund in an Approved Retirement Fund (ARF) when you retire, you can choose our ARF Lifestyle Option. This is identical to our Annuity Lifestyle Option except that instead of switching into the Annuity Fund, you will switch into the ARF Fund. As with the Annuity Lifestyle Option, you can invest in the Managed Portfolio Funds or choose your own funds.

Annuity Lifestyling Strategy



We do not recommend the lifestyle option strategies if you want to invest in low-risk funds. This is because with those strategies your investment is gradually moved into a mix of low-risk and medium-risk funds.

The current risk and volatility levels associated with your chosen funds and the other funds in the lifestyle options are outlined further on in this booklet. You should ensure that you are happy with the risk and volatility levels your funds will be invested in throughout the lifetime of your plan. All funds can rise and fall in value.

You can switch out of a lifestyle option strategy at any time.

The percentage invested in each fund at any one time depends on the term you have to go to your retirement date. If your retirement fund is automatically moved into less risky funds, such as bonds, and stock markets rise in the years leading up to your retirement, this could lead to your retirement fund being less than it could have been.

Please note that the lifestyling switching process is automated and will commence once you have selected lifestyling and are less than 25 years to retirement. This could take up to 5 working days to commence from the start date of your plan.

2 Default Investment Strategies

The default investment strategies include funds chosen by us. You cannot choose your own funds. We will gradually switch your investment to certain low and medium-risk funds as you get closer to retirement. These strategies are designed to meet the needs of typical investors who are planning to buy an annuity or invest in an ARF when they retire. They invest through unit-linked funds. The assets which are invested in these funds will spread risk, can be cashed in quickly, and are valued often.

Default Investment Strategy (Annuity)

If you are more than 25 years from your chosen retirement date, your contributions are fully invested in the Managed Portfolio Fund 4 (Intermediate). Between 25 years and six years before you retire, each year we will switch 2% of your retirement fund and future contributions into the Stability Fund. When you are six years from retiring 60% of your retirement fund will be invested in the Managed Portfolio Fund 4 (Intermediate) and 40% in the Stability Fund.

At that date, we gradually switch your retirement fund and future contributions into the Global Cash Fund and the Annuity Fund until one year before you retire.

For the last year, 25% of your retirement fund is invested in the Global Cash Fund, and the other 75% is invested in the Annuity Fund.

Default Investment Strategy (ARF)

The Default Investment Strategy (ARF) is suitable if you plan to invest your retirement fund in an Approved Retirement Fund when you retire.

Our Default Investment Strategy (ARF) is identical to our Default Investment Strategy (Annuity), except your investment is switched into our ARF Fund rather than our Annuity Fund.

If you choose a default investment strategy, you should know that the funds we have chosen could fall in value, some more than others, during the term of your plan. The default investment strategies try to make sure that the value of your pension fund does not change dramatically as you get nearer your chosen retirement date.

If your retirement fund is automatically moved into less risky funds, such as bonds, and stock markets rise in the years leading up to your retirement, this could lead to your retirement fund being worth less than it could have been.

You can switch out of a default investment strategy at any time. However, once you have switched out of a default investment strategy, you cannot switch back in. There is no charge for any of the switches made within the Default Investment Strategy.

Please note that the lifestyling switching process is automated and will commence once you have selected lifestyling and are less than 25 years to retirement. This could take up to 5 working days to commence from the start date of your plan. This applies to all four strategies explained in this section. You will be fully invested in your own choice of funds until this switch happens.

3 Other investment options

If you do not choose to invest in any of these strategies, you can choose any one, or a combination, of the other funds available (up to 10 funds) that we describe in in the Fund Guide section.

If you choose your own funds, we will not automatically switch your funds into more secure funds as you get nearer retirement. However, at any stage over the term of your contract, you can ask to switch funds into more secure funds, or into one of our strategies described above. Fund switching is free.

Warning: The value of your investment may go down as well as up.

Warning: This product may be affected by changes in currency exchange rates.

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

3 Fund Guide

Through Clear PRSA we offer a choice of top-quality funds to meet your needs.

All the funds are managed by Irish Life Investment Managers (ILIM) - they are Ireland's biggest fund manager. They currently manage over €38 billion of assets for private investors and leading Irish and international companies. Their ability to consistently deliver excellent performance has seen them at the top of investment tables and win many awards.

The wide range of funds gives you access to different options including low-risk funds, share funds, property share funds and portfolio funds, which include a mixture of different types of investments.

The fund that is right for you depends on:

Amount of risk

Lower-risk funds aim to protect your investment from large falls in value, but the potential for large gains is lower than if you choose a higher-risk fund.

Higher-risk funds, such as those investing in company shares, do not aim to protect your investment from large falls in value, but you do have the potential to gain much more, especially over the long term. If you invest in these types of fund, you should realise that, in wanting a higher return, you need to accept that the value of these funds can move up and down, sometimes by large amounts.

How long you want to invest for

If you are investing in a pension plan it is important to consider how long you have left until you retire. If you are many years away from retirement you may be able to accept more risk than somebody who is quite close to retirement.

Volatility scale and risk levels

To help you choose between funds we rate the possible level of 'volatility' of each fund on a scale of 1 to 7 (Volatility refers to the potential ups and downs that a fund may experience over time).

A fund with a risk level of 1 is very low risk and a risk level of 7 is very high risk. You should remember that risk and potential return are closely linked. In other words, investments which are higher risk tend to have higher returns over the long term, but can also experience higher falls.

Our volatility scale assumes that all investments are held on a long-term basis. If an investment is held for a short term, it will usually have a greater level of risk than the volatility scale shows.

You can usually reduce the level of risk attached to an investment by diversifying (splitting the investment 'eggs' between different 'baskets') and leaving the investment where it is for a longer period of time. (In other words, the longer you hold volatile investments for, the less volatile the returns become).

Our volatility scale can change. Therefore the volatility ratings in this booklet may not be the most up-to-date ratings. Please visit our website www.irishlife.ie to see the most up-to-date volatility scale.

Think about how you feel about the risks associated with investing. Everyone's situation is different and everyone handles risk differently. Together with your financial adviser you can decide which level of risk you are open to.

On page 17 we have set out the full range of investment funds available. We divided these into high-risk funds with the potential for higher returns, medium-risk funds with the possibility of medium return, and low-risk funds with lower potential for returns.

Volatility 1

Global Cash Fund

Volatility 2

ARF Fund

Stability Fund

Volatility 3

Consensus Cautious Fund

Indexed Euro Corporate Bond Fund

Managed Portfolio Fund 1 (Foundation)

Managed Portfolio Fund 2 (Base)

Volatility 4

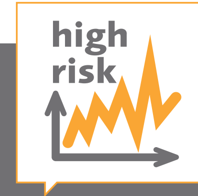
Annuity Fund

Consensus Fund

Managed Portfolio Fund 3 (Core)

Managed Portfolio Fund 4 (Intermediate)

Pension Protection Fund



Volatility 5

Consensus Equity Fund

Indexed North American Equity Fund

Indexed UK Equity Fund

Managed Portfolio Fund 5 (Dynamic)

Volatility 6

Indexed European Equity Fund

Indexed European Property Shares Fund

Indexed Japanese Equity Fund

Indexed Pacific Equity Fund

Managed Portfolio Fund 6 (Aggressive)

Volatility 7

Indexed Irish Equity Fund

You can choose any combination of up to 10 funds. The section below gives a description of each of the funds available to you.

Portfolio funds (recommended if you choose a lifestyle option investment strategy)

A portfolio fund combines a number of funds which invest in different types of asset. Irish Life Investment Managers choose the individual funds that make up a portfolio fund.

Our portfolio funds have been designed to be used as the main funds within our lifestyle option strategies and default investment strategies, and with our Stability, Annuity or ARF Funds.

Medium risk funds

Managed Portfolio Fund 1 (Foundation)

(Volatility **3**)

This portfolio fund is currently invested in the Consensus Cautious Fund (see page 20 for description). It provides access to cash, bonds and equities, and sometimes to alternative assets such as property.

Managed Portfolio Fund 2 (Base)

(Volatility **3**)

This portfolio fund is currently invested 70% in the Consensus Cautious Fund (see page 20 for description) and 30% in the Consensus Fund (see page 20 for description). It provides access to cash, bonds and equities, and sometimes alternative assets such as property.

Managed Portfolio Fund 3 (Core)

(Volatility **4**)

This portfolio fund provides access to cash, bonds and equities as well as alternative assets such as property. The fund is currently invested 70% in the Consensus Fund (see page 20 for description) and 30% in the Consensus Cautious Fund (see page 20 for descritption).

Managed Portfolio Fund 4 (Intermediate)

(Volatility **4**)

Most of this portfolio fund is invested in a diversified mix of global equities, with some bonds and other types of asset such as property. This fund is currently invested 80% in the Consensus Fund (see page 20 for description) and 20% in the Consensus Equity Fund (see page 21 for description).

High risk funds

Managed Portfolio Fund 5 (Dynamic)

(Volatility **5**)

Most of this portfolio fund is likely to be invested in global equities, with some bonds and other types of asset such as property. This fund is currently invested 70% in the Consensus Equity Fund (see page 21 for description), 20% in the Consensus Fund (see page 20 for description) and 10% in the Indexed Pacific Fund (see page 21 for description).

Managed Portfolio Fund 6 (Aggressive)

(Volatility **6**)

Most of this fund is invested in a mix of global equities. This fund is currently invested up to 85% in the Consensus Equity Fund (see page 21 for description) and 15% in the Indexed Pacific Equity Fund (see page 21 for description).

Funds to be used only with Lifestyle Options and Default Investment Strategy.

The following funds are specifically designed to be used with the portfolio funds above as part of our lifestyle option investment strategies.

Low risk funds

ARF Fund

(Volatility **2**)

This fund is largely made up of bonds and cash which currently account for about 70% of the fund, with the rest in shares and alternatives (for example emerging market shares). This fund aims to provide moderate returns.

Stability Fund

(Volatility **2**)

This fund invests mostly in bonds and cash with a small amount in shares. This is different to a standard managed fund which has a higher proportion of shares in it. This fund aims to provide moderate returns with low levels of ups and downs.

Medium risk fund

Annuity Fund

(Volatility **4**)

This fund invests in long-term Eurozone government bonds. The aim of the investment is to pay for an annuity when you retire.

Other available funds

We also have 14 other funds from which you can build your own mix of funds to be used with or without the lifestyle option investment strategies.

Low risk funds

Global Cash Fund

(Volatility **1**)

This fund invests in bank deposits and short-term investments on international and domestic money markets. It is intended to be a low-risk investment, but you should be aware that this fund could fall in value. This could happen if, for example, a bank the fund has a deposit with cannot repay that deposit, or if the fund charge is greater than the growth rate of the assets in the fund.

Medium risk funds

Indexed Euro Corporate Bond Fund

(Volatility **3**)

This fund invests in investment-grade euro corporate bonds which become due for payment at different times. By providing access to a wide range of companies who issue bonds, the fund aims to provide long-term returns which are greater than can be achieved by investing in cash or government bonds. This fund is suitable if you want a reasonable return with less risk than share based investments. The fund aims to track the performance of the Merrill Lynch EMU Large Cap Corporate Bond Index.

Consensus Cautious Fund

(Volatility **3**)

The Consensus Cautious Fund is a managed fund, where currently 65% of the assets are invested in the Consensus Fund and 35% track the performance of shorter- term Eurozone government bonds. The Consensus Cautious Fund aims to give mid-range levels of return with lower levels of ups and downs.

Consensus Fund

(Volatility **4**)

This fund is Ireland's most popular fund, currently managing over €5 billion in assets. Its success is based on an approach which combines the wisdom of the main 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 pension managed funds in the market.

Pension Protection Fund

(Volatility **4**)

Currently this fund invests largely in long-term Eurozone government bonds and cash. The balance of the fund may have direct or indirect exposure to global interest rate markets. The aim of this fund is to pay for an annuity when you retire.

This fund should broadly follow the long-term changes in annuity prices due to interest rates, i.e. if long-term interest rates fall, the value of this fund will increase to roughly compensate for the rise in annuity prices. Long-term interest rates are just one of the main factors that determine the cost of an annuity and there will be times when the fund will not track annuity prices closely and no guarantee can be given in relation to such movements.

High risk funds

Indexed North American Equity Fund

(Volatility **5**)

This fund concentrates on North American equities. The fund's aim is to match the average return of all the shares that make up the FTSE North America Index.

Consensus Equity Fund

(Volatility **5**)

This fund aims to give good growth by investing in the Irish and international shares that the Consensus Fund invests in. By taking the average investment that all managers are making, the Consensus Equity Fund avoids the risks associated with relying on the decisions of just one fund manager. Managing assets in line with the index removes the risk associated with some managers making poor decisions.

Indexed UK Equity Fund

(Volatility **5**)

This fund concentrates on UK equities. The fund's aim is to match the average return of all the shares that make up the FTSE UK Index.

Indexed European Equity Fund

(Volatility **6**)

This fund concentrates on European equities. The fund's aim is to match the average return of all the shares that make up the FTSE Europe Ex UK Index.

Indexed Japanese Equity Fund

(Volatility **6**)

This fund concentrates on Japanese equities. The fund's aim is to match the average return of all the shares that make up the FTSE Japan Index.

Indexed European Property Shares Fund (Volatility **6**)

This fund invests in shares of European property companies and Real Estate Investment Trusts (REITs). REITs are an effective, low cost and easy way to invest in property. REITs generally contain borrowings of about 50% and so are more risky than investing in property that does not have any borrowing associated with it.

The fund tracks the FTSE EPRA/NAREIT Europe Ex UK Liquid 40 index which invests in listed property companies across mainland Europe.

Indexed Pacific Equity Fund (Volatility **6**)

This fund concentrates on Pacific equities, which includes countries such as Hong Kong, South Korea and Australia. The fund's aim is to match the average return of all the shares that make up the FTSE Pacific Ex Japan Index.

Indexed Irish Equity Fund (Volatility **7**)

This fund concentrates on Irish equities. The fund's aim is to match the average return of all the shares that make up the ISEQ Index.

Warning: The value of your investment may go down as well as up.

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

Warning: This Clear PRSA may be affected by changes in currency exchange rates.

Important information about available funds

This section gives you information about tax, currency, charges and important information relating to investing in our funds.

Delay periods

In certain circumstances we may need to delay switches, withdrawals or transfers out of a fund. The circumstances in which we may delay a switch, withdrawal or transfer can include the following.

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

The amount then switched, withdrawn or transferred will be based on the value of the units at the end of the delay period.

Reducing the value of the fund

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. This is 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.

Currency

Funds that invest outside of the Eurozone carry a risk related to currency. This is because the funds are priced in euro but the assets that are invested outside the Eurozone are valued in their local currency. This can increase or reduce your returns depending upon how those local currencies are performing compared to the euro.

For example, the Indexed UK Equity fund aims to track the performance of the FTSE UK Index. These shares are bought in pounds sterling. The value of the Indexed UK Equity Fund will be affected by how the shares of the companies perform and any movements in the euro and sterling exchange rate. If, for example, there has been no change in the value of shares in sterling, but sterling falls in value against the euro, the Indexed UK Equity Fund would fall in value. Obviously, in the same circumstances, a rise in the value of sterling would result in an increase in the value of the Indexed UK Equity Fund.

Warning: This Clear PRSA may be affected by changes in currency exchange rates.

Tax

The personal income tax relief you may be entitled to is explained on page 5.

Under current Irish tax rules, the growth of all pension funds, including PRSAs, is not taxed until the benefits are taken. However, if your chosen fund invests in assets outside Ireland, the fund may have to pay tax on these investments.

We will take tax on income or profits if this is necessary under the tax rules of the country the assets are held in. In some instances, withholding tax or other taxes may apply, depending on the tax rules of the country. We will take any tax due from the fund, and this is reflected in the returns of the fund.

If tax legislation and practice changes during the term of your plan, we will amend this in the fund value as a result.

This information is based on current tax law, which could change in the future.

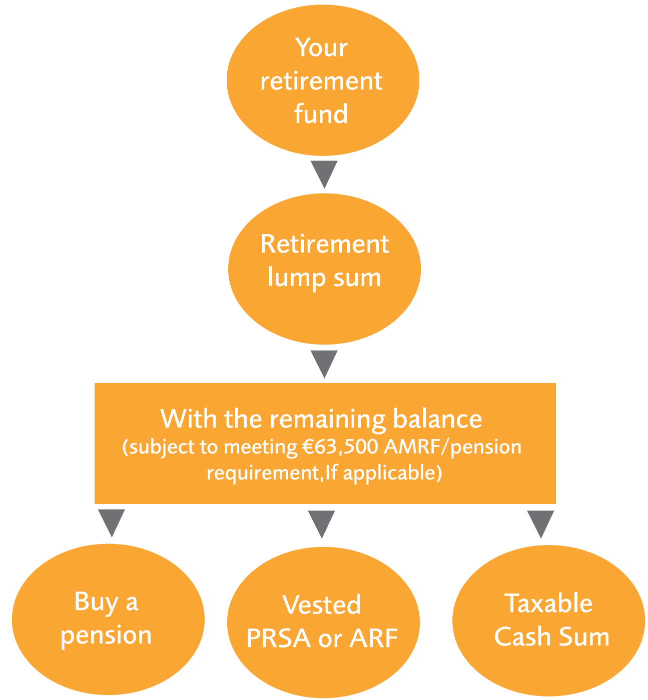
General Information

If you have chosen to invest in a fund that invests in shares or bonds the assets in that fund may be used for the purpose of securities lending which aims to earn an extra return for the fund. Although this increases the level of counterparty risk within a fund, it provides an opportunity to increase the return.

We can change the range of funds we offer, and we may decide to stop giving access to certain funds. In this case you can switch out of those funds into any other funds that are open at the time. We may also restrict the option to switch to, or invest top-up contributions in, any funds. We will give you one month's notice before we make this change.

4 Your options when you retire

One of the benefits of Clear PRSA is that you will have a number of options when you retire, including taking part of your pension fund as a retirement lump sum. You don't need to decide now what you're going to do, you can make your decisions closer to retirement when you have a better idea of how you'd like to spend the money you've built up.



Retirement lump Sum

You can take part of your pension fund as a retirement lump sum. You may be able to take some or all of this retirement lump sum tax free.

The amount you can take as a retirement lump sum will depend on whether or not you are a member of an occupational pension scheme.

- If you are self-employed, or an employee but not a member of an occupational pension scheme, you can take 25% of the fund as a retirement lump sum.
- If you are a member of an occupational pension scheme and have contributed AVCs (Additional Voluntary Contributions), your PRSA will be a PRSA AVC and the retirement lump sum from your PRSA AVC will depend on how you take your retirement lump sum from your occupational pension scheme.

If you take 25% of your occupational pension scheme as a retirement lump sum, then you can also take 25% from your PRSA AVC as a retirement lump sum.

Your other option is to take a maximum retirement lump sum between your occupation pension scheme and PRSA AVC of up to 150% your final salary. However, this depends on the length of time you have actually been employed. If this is less than 20 years or you leave employment before your normal retirement date, the retirement lump sum will be reduced.

Let's take an example:

If your employer's scheme provides you with 100% of your final salary as a retirement lump sum, you can use your PRSA AVC to provide the other 50%, as long as you have the number of years service to allow this.

The maximum tax free retirement lump sum you can receive is €200,000. Retirement lump sums between €200,000 and €500,000 will be subject to standard rate income tax (currently 20%). Any retirement lump sum greater than €500,000 will be taxed at your marginal income tax rate. The Universal Social Charge, PRSI (if applicable) and any other taxes due at that time will also be deducted. Both the €200,000 and €500,000 limits include all retirement lump sums you have received since 7 December 2005.

After you've taken your retirement lump sum, you have three options.

A Buy a pension for life
B You can invest the rest of your fund; or
C You can take as a taxable cash sum.

We discuss these options as follows.

A Buying a pension for life

You can use the rest of the fund if any to buy a pension (in other words, a regular income which will be paid for the rest of your life, or annuity). Usually, this means that you pay your pension fund over to us (or another insurance company if you'd prefer) and we'll guarantee to pay you a regular amount every month while you're still alive.

You can also choose other options, for example having the income increase each year, or having part of it paid to your spouse, civil partner or dependent after you've died. There is also an annuity investment protection option which means when you die any remaining money not paid will be paid to your estate. You don't have to make any of these decisions until you actually retire. If, when you retire, you do decide to buy an annuity, the pension is treated as normal income so you will have to pay income tax and any other taxes due at that time. Also, because it is a pension for you, you cannot cash it in, change it to a lump sum, or transfer it to someone else in the future.

If you are a member of an occupational pension scheme and you have paid AVCs into a PRSA, there may be limits on the maximum pension allowed. For more information please read our 'Additional Voluntary Contributions and your Personal Retirement Savings Account' booklet.

B You can invest the rest of your fund

After taking your retirement lump sum, you can continue to invest the rest of your pension in a fund that you can manage and control during your lifetime, and then leave to your family when you die. Depending on your circumstances, you will have two options for investing your pension fund.

Option 1

Leave your funds in your Clear PRSA

If you leave the remaining fund in your Clear PRSA, your plan is called a Vested PRSA. Depending on your circumstances at the time you take your retirement lump sum, you may have to keep up to €63,500 in your Vested PRSA - this is called your restricted fund. You will not be able to take withdrawals on the fund below the amount of the restricted fund. You will not have to keep a restricted fund if you meet one of the following conditions:

- You receive a guaranteed pension income of €12,700 a year; or
- You have invested €63,500 in an Approved Minimum Retirement Fund (AMRF); (see option 2 for more information) or
- You have €63,500 in a separate Vested PRSA along with any amount you have invested in an AMRF; or
- You have used at least €63,500 to buy a guaranteed pension income for life.

Anything over your restricted fund will be treated in a similar way to an Approved Retirement Fund (ARF) (see below).

When you turn age 75, you will not be able to make further withdrawals from your Vested PRSA (however the minimum withdrawal requirements will continue to apply - see the Minimum withdrawal amount section below for further information). If you want to take withdrawals greater than the minimum withdrawal amount, you should speak to your financial adviser who can discuss other options with you.

Minimum withdrawal amount

The Finance Act 2006 introduced an obligation on all Qualifying Fund Managers to take tax from ARF funds every year as if you had taken a minimum withdrawal. The Finance Act 2012 extended this tax requirement to Vested PRSAs. We are a Qualified Fund Manager. Each December, we will review any regular withdrawals you have taken during the year. If you haven't taken any regular withdrawals, or if the withdrawals you have taken are lower than the minimum withdrawal amount, we will pay you the minimum withdrawal amount less any income tax, PRSI (if this applies), the USC and any taxes or government levies due at that time. We will only take the minimum withdrawal amount from your ARF or Vested PRSA from the year you turn 61.

The current minimum withdrawal amount is 5% of the value of your funds at the end of each year. You will have to appoint a nominee Qualified Fund Manager (QFM) if the total value of your ARFs and Vested PRSAs (less the restricted fund if you have one) is more than €2,000,000. The nominee QFM is responsible for making sure a withdrawal of 6% is taken from the total value of your Vested PRSAs (above the restricted amount) and ARFs. We will pay you a minimum withdrawal of 5% as outlined above. **It is your responsibility to tell us if you have other ARFs and Vested PRSAs with a total value of more than €2,000,000.**

The restricted fund in a Vested PRSA is not covered by this rule until you turn age 75. However, if at any stage in the future you become entitled to a guaranteed income which brings your total guaranteed income up to €12,700 a year, or if you invest more funds in a separate AMRF (see below for more information on AMRFs), the requirement to keep a restricted fund will no longer apply. The minimum withdrawal requirement will then apply to the full value of your Vested PRSA. **It is your responsibility to let us know if your income circumstances change**.

Warning: The income you get from this investment may go down as well as up.

Option 2

Invest in an ARF

Instead of leaving your fund invested in your PRSA, you can invest the rest of it in an ARF or AMRF of your choice. Then you can make withdrawals from your ARF when you need them. However, you will have to pay tax on any withdrawals you make. You can use your fund at any time to buy an annuity. From the year you turn 61 you will have to take a minimum regular income from your ARF. See the minimum withdrawal amount section on page 26 for more information.

AMRF

If you do not have a guaranteed pension income for life of at least €12,700 a year when you retire, you must invest €63,500 in an AMRF (or the rest of your fund if it is less than this amount) or buy a pension with the same amount. The main difference between an AMRF and an ARF are the restrictions placed on withdrawing your AMRF fund. You can withdraw any gain you make within the AMRF over and above the original amount you invest and will have to pay tax on any withdrawals you make.

However, until one of the following happens (whichever is first) you cannot make withdrawals from the original amount you invested.

- You start receiving a guaranteed pension income for life from other sources (currently €12,700 a year), or
- You reach age 75.

It is your responsibility to let us know if your income changes.

Whether you decide to take money from the fund within the Vested PRSA or transfer to an ARF, it is important to remember that the value of your fund may be reduced over time if the level of income is high and the investment return is not high enough to maintain this.

Making regular withdrawals may reduce the value of your fund, especially if investment returns are poor or you choose a high rate of withdrawal (or both). It is possible that your fund could run out before you die. The higher the level of regular withdrawal you make, the higher the chances are that you will use up your fund in your lifetime. What is most important is that you make sure you have a reasonable fund when you retire so you can make these choices. If you do not have a guaranteed pension income that will maintain your current standard of living during retirement, we recommend that you think about buying a pension before choosing to draw an income from your Vested PRSA or invest in an ARF.

All of these options and limits are based on current laws and regulations, which could change in the future.

C Taking your pension fund as taxable cash sum

Before you can take this option, you need to have a guaranteed pension income for life of €12,700 a year or leave €63,500 in your Clear PRSA as a Vested PRSA or an AMRF. You will have to pay income tax at your highest rate on the cash lump sum along with any other taxes and government levies due at that time.

The limits above may change in the future.

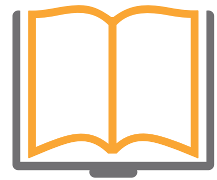
When you are taking your retirement benefits, you will need to give us all relevant information about your existing pension arrangements and income. We will let you know the restricted fund amount that applies to you when you are taking your retirement benefits.

5 Your questions answered

Am I eligible to take out this plan?

You can take out this plan if:

- You are a resident (you live permanently) in Ireland and you are between the ages of 18 and 75; and
- you are self-employed or in a job which is non-pensionable; or
- you are a member of an occupational pension scheme and want to pay AVCs into a PRSA to boost your retirement benefits (see note 1); or
- you are unemployed.



Note 1. If you plan to pay AVCs into your Clear PRSA, we recommend you also read our guide called 'AVCs and your PRSA - A guide for members of Occupational Pension Schemes'. Certain restrictions apply and we outline these in the guide. You cannot pay AVCs into defined – benefit occupational pension schemes through your Irish Life Clear PRSA plan.

What payment options do I have?

You can choose between making regular contributions, adding a one-off lump sum at any stage or paying contributions separately. Most people tend to pay regularly. You can pay:

- regular contributions by direct debit (every month, every three months, every six months or every year);
- one-off contributions by cheque; and
- if you are an employee, by having your contributions taken from your salary. If you are not in an occupational scheme at work, any employer contributions will be added to your personal contributions. If you start your PRSA by paying one-off contributions, you will not be able to pay regular contributions into that PRSA.

If you are a member of an occupational pension scheme at work, it is not possible for your employer to contribute to your PRSA as contributions can only be paid by you as AVCs.

Can my employer take contributions from my salary?

Yes. Your employer can take contributions from your salary whenever you are paid. This could be every week, two weeks or month. We will then take this contribution from your employer's bank account. Your plan will be a monthly-paid plan and we will collect contributions from your employer every month.

For example, if you are paid weekly and decide to make a regular contribution of €60, we multiply €60 by 52 (weeks in a year) and divide it by 12 (months in a year). We will then set up your plan for €260 every month. We will collect this from your employer's bank account every month by direct debit. As a result, at certain times, your employer may hold deductions from your payroll in their bank account for a short period before they send them to us and we invest them in your plan. We invest contributions on the day we receive them.

What is the minimum amount I can contribute?

The minimum amount you can contribute by direct debit is €300 a year.

What is the maximum amount I can contribute?

You can contribute regularly into your plan up to the following limits.

- €5,000 if you pay it each month;
- €7,500 if you pay it every three months;
- €15,000 if you pay every six months; or
- €30,000 if you pay it each year.

You can pay more than these amounts and they will be treated as one-off contributions each year. One-off contribution charges are shown on page 9. Please read page 5 to find out the income tax relief limits.

Can I change the amount I pay, or even stop paying for a while?

If you want to, you can increase your contributions, reduce your contributions or take a break from making payments at any time. Reducing and increasing your contribution could change the contribution charge relating to your regular contribution.

Also, you should note that the estimated value of your pension fund, which we include in the 'Statement of Reasonable Projection' of your welcome pack when you take out your PRSA plan, is based on the contribution level that you agreed to pay when you started the plan.

So if you reduce or stop your contributions, it will reduce the value of your pension when you retire. If you are going to miss any contributions, you should contact your financial adviser or our Customer Service Team.

Can I transfer my existing pension funds into Clear PRSA?

You can transfer any existing pension funds from approved retirement annuity contracts, PRSAs and occupational pension schemes into your PRSA. You can also transfer funds from pension arrangements overseas. We will not add a contribution charge to that transfer contribution. You should think carefully about transferring funds from one plan to another. Some restrictions apply to transfers from occupational pension schemes and arrangements from overseas.

Do my contributions increase with inflation?

When you take out your plan, you can choose to have your contributions increase with inflation. If, like most people, you choose this option, your contribution will increase each year in line with the Consumer Price Index (a measurement of inflation), or by 5% if this is higher. If your employer takes your contributions from your salary, this option is not available.

How do I get income tax relief on my Clear PRSA contributions?

If we take your personal contributions from your bank account, you can apply to your inspector of taxes to have your tax credits adjusted to reflect your pension contributions. If your contributions are paid from your salary you will receive immediate income tax relief. Any employer contributions will receive corporation tax relief in the year the contribution was made. If you are self-employed, you must include your pension contribution in your self assessment tax returns in order to get income tax relief.

Income tax relief is not available on net relevant earnings which are more than €115,000 including contributions to other approved pension arrangements.

For certain occupations you may get tax relief of 30% of your earnings, no matter how old you are. In general, these tend to be professional sportspeople who earn their income from that occupation.

Can I cancel my plan?

If, after taking out this plan, you feel that it is not suitable, you may cancel it by writing to us at: Irish Life Assurance plc, Lower Abbey Street, Dublin 1.

If you do this within 30 days of the date you receive your statement of reasonable projection, we will cancel the plan. We will refund any regular contributions you have made. We will return any one-off contribution or transfers received less any fall in value due to market conditions and in line with Revenue rules. After the 30 days are over, you do not have the option to cancel your plan and get a refund if the plan is not suitable. You can stop contributing to your plan at any time, but you will not usually be able to take the benefits from your plan before you reach age 60.

What is the minimum term?

There is no minimum term on this Clear PRSA plan.

Can I stop paying into my plan?

If you decide to stop making contributions, your pension fund stays invested and continues to grow tax-free. Obviously, the value of your fund when you retire will be lower at retirement than if you had continued paying. Before stopping contributions, you should be sure that you have made other arrangements for your retirement. You should contact your financial adviser for more details.

Is there any limit on the size of my pension fund or my tax-free cash?

For tax purposes, the maximum pension fund you can have is €2,000,000 from all sources. This is called the Standard Fund Threshold (SFT). If you have pension funds over this amount, you will be taxed at the higher rate for income tax (currently 41%). This tax is taken from the pension fund before your retirement benefits are payable. You should contact your financial adviser for more details.

You will have to pay standard rate income tax on any retirement lump sum between €200,000 and €500,000. Any amounts over €500,000 will be taxed at your marginal income tax rate, the USC, PRSI (if applicable) and any taxes or government levies will be taken.

What is a Personal Fund Threshold?

If you have a Personal Fund Threshold Certificate issued from the Revenue, your maximum pension fund at retirement may be more than €2,000,000. You should contact your financial adviser for more details.

Do I have to pay tax on my pension?

We must pay benefits under this plan in line with current tax law. Any Government taxes or government levies will be collected by us and passed directly to the Revenue Commissioners as required. Under current law, when you retire you can take some of the fund as a retirement lump sum tax free. We explain how much of a retirement lump sum you may be able to take tax-free on page 25. You will have a number of options as to how you can use the rest of your pension fund. The tax you pay will vary depending on which one you choose.

If you choose to buy a pension for life, your income will be taxed as income in the normal way.

If you invest in an ARF or continue to invest in your PRSA as a Vested PRSA, you will have to pay tax on any withdrawals that you make.

When is the earliest I can take my pension and do I have to retire?

If you are self-employed, you can take your benefits from age 60. You do not have to retire to take your pension benefits. Some occupations, such as a pilot, fisherman, jockey, professional rugby player and so on, allow you to retire earlier.

If you are an employee and you are not a member of an occupational pension scheme, you can take your benefits at any time after your 50th birthday. If you do this between age 50 and 60, you must retire from your job. If you take benefits from age 60, you do not have to retire and you can continue to work while enjoying the benefits from your PRSA.

If you are a member of an occupational pension scheme at work and have paid AVCs into a PRSA, your retirement age must be the same as the retirement age under your pension scheme at work. We will pay benefits in line with your main scheme. You will need the permission of the trustees of your work scheme to take your benefits. This may mean that you will need to retire so you can take benefits before the scheme's normal retirement age.

If you are sick, it is possible to take benefits earlier than shown above. See further on for more details.

What happens if I stop working?

If you stop working but do not plan to begin taking benefits, you can either:

- stop contributing to the plan (perhaps until you start working again); or
- continue to contribute to the plan. If you continue to contribute, income tax relief on the contributions may have to be carried forward to when you have earnings in the future.

What happens if I have to retire early because of ill health?

If you have to retire early because of ill health (that is, you are permanently unable to carry out your own occupation or any occupation of a similar nature for which you are trained to do so because of a mental or physical condition), you can take your pension benefits immediately. However, your pension may be low because your contributions are stopping at an earlier age and the pension will have to last longer as you will be retiring earlier. If you retire early because of ill health, you must give us medical evidence to support this.

The definition of ill health in Section 787k of the Taxes Consolidation Act 1997 is you are "permanently incapable through infirmity of mind or body of carrying out his or her own occupation or any occupation of a similar nature for which he or she is trained or fitted".

Can I take money out of my PRSA?

In most cases you will only be able to access your PRSA from age 60 or due to early retirement. Please see above for more information on early retirement.

Where you have paid Additional Voluntary Contributions (AVCs) into your PRSA you can take a once off withdrawal up to a maximum of 30% of the value of your AVCs before April 2016. If you decide to take a withdrawal which is less than 30% of the value of your AVCs, you will not be able to take another withdrawal.

You will have to pay income tax at your marginal rate if you take a pre-retirement AVC withdrawal. We are obliged to deduct income tax at the highest rate (currently 41%) from this withdrawal unless you provide us with a tax certificate before the withdrawal is paid.

Taking a pre-retirement AVC withdrawal will reduce the amount available to you in retirement. Before deciding to take a withdrawal from your AVCs you should be sure that you have made other arrangements for your retirement. You should contact your financial adviser for more information on this.

If you are a member of an occupational pension scheme at work and are paying AVCs into your PRSA, you have to take benefits at the same time. It may be possible to cash in the value of your plan if it is €650 or less and you have not paid contributions into your PRSA in the two years before you ask to cash it in.

If the value of your fund is €650 or less and you do not pay any more contributions into it for two years, we have the right to ask that you transfer your fund to another approved pension scheme or start to pay contributions again. We will write and tell you about this. If we don't hear back from you within three months of this request, we could decide to automatically refund the value to you.

What happens if I leave employment?

If you are self-employed and paying into a Clear PRSA and then move into a job which has a pension scheme, your contributions into your Clear PRSA should either stop or become AVCs linked to your main scheme. The way you make your contributions could change (in other words, from direct debit to your employer taking them from the payroll) and you should contact your financial adviser or Irish Life.

If you are employed in a job which does not have a pension scheme and then you become self-employed, you can continue your contributions as normal. If you move into a job which has a pension scheme, your contributions into your Clear PRSA should either stop or become AVCs linked to your main scheme. The way you make your contributions could change (for example, from direct debit to your employer taking them from the payroll) and you should contact your financial adviser or Irish Life.

If you are a member of an occupational pension scheme and are paying AVCs into PRSAs but leave that job, your contributions can continue but they will become 'ordinary' contributions unless you join another job with a pension scheme. This may mean changing the way you make your payment (for example, from your employer taking payments from the payroll to direct debit from your own bank account).

If you move from a job which has an occupational pension to another job with an occupational pension, the payroll system may change from your old employer to a new employer. We can only do this if you let us know immediately about this change.

It is important that we keep a record of your employment history so we can pay out the correct benefit to you when you retire. Changing your job does not mean that you have to stop paying into your Clear PRSA. It just means that you may have to change the way you pay your contributions and you should let us know as soon as possible if you change your job. There may be restrictions on paying AVCs into some occupational pension schemes. These are outlined in the Irish Life Guide on AVCs.

What happens if I die before starting to take my benefits?

We will pay the value of your Clear PRSA to your estate. Your dependants may have to pay inheritance tax depending on who inherits the fund. Tax law changes over time and you should get independent tax advice on this.

What happens if I die after starting to take my benefits?

If you have taken your retirement lump sum, and you have decided to continue investing through your Clear PRSA as a Vested PRSA, we will pay any value left in your Vested PRSA to your estate. Your dependents may have to pay tax, depending on who inherits the funds.

If you leave the funds to your spouse or registered civil partner, they can transfer the funds to an ARF in their own name. In all other cases, we pass the funds to your estate. If your estate has to pay income tax, we must deduct this before paying the proceeds to your estate.

Generally the amount is treated as income for the year of you death. There are a number of exceptions to this rule:

Income tax is not due if:

- The funds are transferred to an ARF in your spouse's or registered civil partner's name. However PAYE is due on any future withdrawals.
- The funds are transferred for the benefit of your children who are under 21 on the day you die.

Income tax will be due at a rate of 30% if the value of your Vested PRSA is transferred for the benefit of any of your children who are over 21 on the day you die.

As well as income tax, there may also be Capital Acquisitions Tax due on the value of your plan, if your Vested PRSA is not paid to your spouse or registered civil partner or to any of your children over 21 year of age. The beneficiaries are responsible for paying this tax. Tax law changes over time and you should get independent tax advice on this.

Can I move my money to another provider?

You can transfer your plan to another approved PRSA provider at any stage. You can also transfer your assets to an approved occupational pension scheme if you are a member of that scheme and the trustees are willing to allow this. You may also be able to make a transfer to an approved pension arrangement outside the state. Some restrictions apply to transfers to pension arrangements overseas.

We do not charge you for transferring out of the PRSA unless you are in a fund which restricts you from leaving before an agreed date. We may also set a delay period before a transfer can take place. You should check with your financial adviser if this applies to your chosen fund. Please also see the relevant fund description in this booklet and your terms and conditions document. These give you an idea of whether these restrictions could apply.

Family law and pensions

If you go through a separation or divorce, a court application for a pension adjustment order (for the retirement or death benefits we pay under this plan) may be made. You can get more information on how a pension adjustment order works from your solicitor or the Pensions Board. If a pension adjustment order has been granted on your plan, you must let us know. You can get more information on how a pension adjustment order works from the Pensions Board at the following address:

The Pensions Board, Verschoyle House,
28/30 Lower Mount Street, Dublin 2.

Phone: 01 613 1900

Fax: 01 631 8602

Who should I talk to if I have a complaint?

If you believe that you have suffered a financial loss as a result of your Clear PRSA being poorly managed or if there is a dispute of fact or law, you should contact our Customer Service Team. As a PRSA provider, we must set up an "internal disputes resolution" procedure. You can ask us for a copy of this at any time. After writing to us with your complaint, we will make a decision on it and let you know. If you are unhappy with this decision, under Part XI of the Pensions Act, 1990 as amended, you can take your complaint to the Pensions Ombudsman at the following address.

The Office of the Pensions Ombudsman,

36 Upper Mount Street,

Dublin 2.

Phone: 01 647 1650

Fax: 01 676 9577

Email: info@pensionsombudsman.ie

Website: www.pensionsombudsman.ie

The Pensions Ombudsman will investigate the matter for you. Both you and we can appeal against their decision to the High Court. For more information on your rights, please contact the Ombudsman's office.

If you have any other type of complaint, please contact our Customer Service Team.

We will review your complaint and let you know the outcome. If you are not satisfied with this, we will let you know where you can go to take your complaint further.

The Pensions Ombudsman does not investigate every customer complaint. Sometimes complaints are dealt with by other industry regulators, such as the Pensions Board, the Financial Regulator or the Financial Services Ombudsman. Our Customer Service Department can let you know which regulator is most suitable for your complaint. However, the decision as to which office will deal with your complaint lies only with that office.

If you have any other type of complaint, please contact our Customer Service Team.

Who is my Clear PRSA contract provided by?

Your contract is in the form of a plan and is provided by Irish Life Assurance plc. It sets out the details of your contract with us. This booklet is only meant to be a guide to help you understand your PRSA 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 terms and conditions booklet, which you should also read carefully.

Your application form and plan 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 disagreements. The information in this booklet is based on our understanding of current law, tax and Revenue practice. Irish Life's PRSAs are approved by the Pensions Board and the Revenue Commissioners. The approval number of your standard PRSA is APP/K/640/S.

6 Glossary

Annuity / pension for life

When you retire you can use your retirement fund to buy an annuity. This is a guaranteed income from your pension fund after you retire. This income is paid on a regular basis for the rest of your life.

Approved retirement fund (ARF)

When you retire you can invest your retirement fund into a personal investment account called an approved retirement fund. You can withdraw money from the account when you need it.

Approved minimum retirement fund (AMRF)

When you retire, if you do not have a guaranteed pension income for life of €12,700 a year, and you are not buying an annuity, you must leave €63,500 invested in your Vested PRSA as a restricted fund or invest this amount from your pension fund into a personal investment account called an AMRF.

These limits may change in the future.

Additional voluntary contributions (AVCs)

Extra contributions you can pay into your PRSA to add to the pension benefits already available from your company pension scheme.

Bonds

A bond is a type of loan given to a company or a government. Say for example a government wants to raise money, they can issue a bond. If you loan money to a government you get your money back after the set timeframe and you will also receive a fixed interest rate.

Commodities

Raw materials or basic agricultural products that can be bought and sold in recognised markets. Examples of commodities include oil, gas, gold, wheat and cattle.

Chosen retirement date

The date you want to retire and take your pension benefits. Your chosen retirement age must be between age 60 and 75.

Consumer Price Index (CPI)

A measure that examines the change in prices of particular household goods and services, such as transport, food and medical care.

Equities/shares
Investing in equities means investing in companies on the stock market, and the investor becomes a shareholder.

For the purpose of the funds that invest in shares, as described in this booklet, we are the investor and so the shareholder. How those companies perform affects whether the price of units in the fund rises or falls.

Government bonds/gilts
Bonds issued by governments. These governments regularly pay a fixed rate of interest for a set period of time, after which the initial investment is returned.

Indexed fund
A fund that is index-linked, means it tracks the performance of a particular stock- market index, rather than investing in specific assets that the manager believes will do better.

Inflation
The rate at which the general level of prices for goods and services increases, and as a result, the buying power of money falls.

Investment-grade
When a bond is rated investment grade, the government that issued it (the bond issuer) is considered to be able to meet its obligations, exposing investors to a reduced level of risk. The grade a bond is rated as is based on a number of criteria, including the likelihood that the bond issuer will be able to pay interest and repay the amount you originally invested, in full and on time.

One-off contributions
These are also known as single contributions, as these contributions are not paid into your PRSA plan on a regular basis and can often be different amounts of money.

Personal retirement savings account (PRSA)
Personal retirement savings accounts are a type of pension plan introduced in 2002. PRSAs are available to everybody up to the age of 75, whether they are employed, self-employed, work at home or on a temporary career break. They are convenient, flexible pension plans that you can take with you if you move jobs.

Return
Return means the money or the profit you make on an investment. However, if markets do not perform well, your return could be less than the amount you invested. In other words, return means the profit or loss you make on your investment over a period of time.

Regular contributions
Contributions you pay into your PRSA on a regular basis (for example, every month or every three months). These regular contributions are usually a set amount of money for a set period of time.

Securities lending
When an investment manager lends securities owned by its clients to a third party.

Unit-linked fund
A unit-linked fund combines your money with money from other investors and buys units in a fund. The number of units you get depends on how much you invest and the price of the units at the time you buy.

Vested PRSA

A Vested PRSA is

- a PRSA where the PRSA customer has taken their retirement lump sum and left the rest of their fund invested in the PRSA; or
- a PRSA where benefits have been paid from the main scheme (in the case of a PRSA where additional voluntary contributions (AVCs) have been paid).

Volatility

The potential ups and downs that a fund may experience. The more volatile a fund is, the more likely it is to experience ups and downs that could have a significant effect on the value of your retirement fund.

Contact us

Phone: 01 704 1010
8am to 8pm Monday to Thursday
10am to 6pm on Fridays
9am to 1pm on Saturdays

Fax: 01 704 1900

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