





Life Long Cover

A whole of life plan, suitable for Inheritance Tax planning (Section 72)



Irish Life

product snapshot

Life Long Cover		
Aim		To help protect your family's standard of living if you die or; To provide tax efficient inheritance planning cover for your family so as not to impact their inheritance. Life long cover is not a savings plan and will not provide a cash surrender value at any stage.
Cost of cover		The cost of your cover will stay the same throughout your plan (unless you choose indexation).
Time period		This is a whole of life plan. You will be insured for your whole life until you die, as long as you continue to pay your regular payments.
Jargon-free		Yes.

Our guarantee to you

There is no financial jargon in this booklet and everything you need to know is written in an upfront and honest way. The paper in this booklet came from a managed forest.

We provide all information, including the terms and conditions of your plan in English.

Life Long Cover

Life Long Cover is provided by
Irish Life Assurance plc (Irish Life)

Contents

	Page
1 Introduction	3
2 Life Cover	6
3 Life Long Cover	8
Your benefits explained	
Free benefits	
- Terminal illness benefit	
- Accidental death benefit	
- NurseAssist 24/7	
- Children's life cover	
Indexation	
4 Inheritance Planning	13
- Life Long Cover (Inheritance Plan)	
5 Our service to you	20
6 Your questions answered	23
7 Your Customer Information Notice	29



Introduction

You never know what lies ahead, or what life will throw at you next

Life Long Cover can give you the peace of mind that if you die, your family could be protected from any potential inheritance tax liability or it could provide a lump sum to help them financially after you are gone.

Life Long Cover is a simple straight forward plan, guaranteed throughout your life. This means that **Life Long Cover** will provide the level of life cover you choose for your whole life, as long as you continue making your regular payments.

The cost of the plan reflects this. If you only require life cover for a specified period or term, perhaps one of our term cover products may be more suitable for you. Please speak to your financial adviser about the excellent range of alternative plans we offer.

Five great reasons to choose Life Long Cover.

1

Life Long Cover offers you guaranteed cover against the following incidents which could affect your family's future income.

- Death;
- Terminal illness;*
- Accidental death;
- Children's death;*

*Not available where **Life Long Cover** is being used for inheritance planning as these benefits could impact the plan's eligibility for inheritance tax relief (Section 72).

2

If you do not plan ahead, your family could be faced with a difficult decision between having to sell part of their inheritance, or having to borrow money to pay the resulting tax bill. If your family is likely to have to pay inheritance tax when you die, it is a good idea to protect them against this beforehand.

Life Long Cover provides a tax efficient solution to your beneficiaries' inheritance tax liability.

3

Life Long Cover offers you the security that your benefits and regular payments will remain the same over the course of your life (this is not applicable if you choose inflation protection).

4

We also offer you a wide range of free services including 'NurseAssist 24/7'. This is a unique, free service that allows you to phone a team of trained nurses who can help you with any questions or concerns that you might have about you or your family's health.

5

When you buy Life Long Cover, you are buying the peace of mind in choosing Irish Life, the number one protection company in Ireland. We have been providing protection products for over 70 years and are the largest provider of family protection in Ireland.

How much will Life Long Cover cost me?

Please see the below example for the average cost of Life Long Cover. These examples are based on non smokers.

€400,000 Life Long Cover		
	Regular payments	Regular initial payments if you choose indexation
Single Life		
Male aged 50	€457.00	€477.34
Female aged 50	€417.00	€435.54
Joint Life last survivor		
Male and female aged 50	€290.12	€302.95



This booklet will give you details of the benefits available on the Life Long Cover plan. We will talk you through the service we offer, and will answer some of the most common questions that we are asked. It is only a guide that allows us to explain the product to you in simple terms. There will be more specific details and rules in your Terms and Conditions Booklet which you should read carefully.

Please note: Life Long Cover will not provide a cash in value at any stage.



Life cover

What is life cover?

Life cover pays a lump sum to your family when you die. They can use this lump sum to:-

- help pay for any inheritance tax bills,
- help pay off bills or the mortgage,
- help cover funeral expenses,
- give your dependents an income when they need it most.

You should be aware that there are different types of life cover plans available. Some may be more suitable for specific purposes than others. For example decreasing cover generally protects your mortgage if you die or term life cover provides life cover for a certain term only. If you feel that one of these types of products is more suited to your needs, please speak to your financial adviser about the excellent range of alternative plans we offer.



Remember: Life Long Cover will not provide a cash in value at any stage.

How much life cover do I need?

If you take out a **Life Long Cover** plan, the level of life cover required will depend on your circumstances, how much cover you already have, and whether you need cover for the whole of your life. If you need it only for a specified term, then a term product may be cheaper and more suitable for you.

In considering the cover required you should take account of the following:-

- any other loans and bills;
- the income your family will need to live on.
- any funeral expenses and
- any inheritance tax that may arise

Why do I need life cover?

The most recent Irish Census (CSO 2006) shows that 5,859 people died before reaching age 65 that year. It is important to protect your family's lifestyle if you die. State benefits are limited, and because the regular bills will still be rolling in, your family could suffer financial hardship if you die.

We paid out over €80 million in life cover claims to thousands of families in 2009. But in many cases it was not enough to provide a proper income because the amount of cover people chose was too low.

③

Life Long
Cover

Is this plan suitable for me?

Suitability snapshot

Who might find Life Long Cover suitable?

Life Long Cover could be suitable if you

- ✓ Want a guaranteed protection plan for life with payments that don't change –unless you choose the indexation option;
- ✓ Have assets you wish to make inheritance tax provision for.
- ✓ Want cover for the rest of your life. (Because cover is for your whole life, you may potentially pay more for this cover and must continue to make payments even after you retire.)
- ✓ Only need life cover benefits.
- ✓ Are aged between 18 and 75.

Who is Life Long Cover less suitable for?

Life Long Cover may not be suitable if you:

- ✗ Are looking for flexible payments and the possibility to change your cover in the future.
- ✗ Do not need to plan for inheritance tax.
- ✗ Are looking for a plan with an encashment value.
- ✗ Want additional benefits on your plan for example Specified Illness Cover.
- ✗ Are looking for a plan that provides cover for a specified term or to cover your mortgage. (You would prefer to make payments over a shorter period and because it is for a specified term, you should pay less for this.)
- ✗ Are not aged between 18-75.

If you feel that Life Long Cover may not be suitable for you, please speak to your financial adviser about the excellent range of alternative plans we offer.

Life Long Cover – your benefits explained

Life Long Cover provides different types of life cover. The one applicable to you will be specified in your policy schedule.

- Single cover – this means that the plan covers one individual and the life cover will be paid out once, upon that persons death.
- Dual cover- this means that both lives are covered individually. We will pay out on either life in the event of a death. The plan will continue with full cover on the other person provided the payments continue to be paid.
- Joint life, first death – this means that both lives are covered. We will pay out once, when either you or your partner die, whichever death is first. The plan will then end.
- Joint life, second death – this means we will pay the life cover when the second death of the lives covered occurs. After the first death of the two lives covered, payments must continue, and we will not pay any benefit.

Life Long Cover provides you with cover throughout your whole life. The cost of the plan reflects this. If you only require life cover for a specified period or term, perhaps one of our term life cover products may be more suitable for you.

Please speak to your financial adviser about the excellent range of alternative plans we offer.



The plan does not have a cash in value at any stage.

Life Long Cover provides a lump sum payment on death only (or upon the diagnosis of a terminal illness).

Please see the following page for details.

The cost of Life Long Cover

The amount you will pay depends on your sex, your age, your health, whether you smoke, how much protection you want. The least you can pay is €15 each month.

Your regular payment level is set at the start of the plan and is guaranteed to remain unchanged throughout unless you have chosen inflation protection (indexation). Please see page 9 for details on inflation protection (indexation).

Life Long Cover – Free benefits

Free early payment if you are diagnosed with a terminal illness*

*Not available where Life Long Cover is being used for inheritance planning as these benefits could impact the plan's eligibility for relief from inheritance tax (Section 72).

If you are diagnosed as having a terminal illness, we will pay you your benefit straight away. A terminal illness is a condition that, in the opinion of the appropriate hospital consultant and our chief medical officer, is highly likely to lead to your death within 12 months.

If this plan is taken out on a 'Joint Life, second death' basis, the terminal illness benefit applies on the event of the second death only.

Free accidental death benefit

This is an automatic benefit we offer if you take out life cover, from the time we receive your filled-in application form, as long as you are under age 65.

The cover available with the accidental death benefit stops when:

- we accept your application;
- we offer special terms;

- we refuse your application;
- we postpone your application; or
- 30 days have passed;

whichever is earlier.

If you die in an accident during this time, we will pay your estate your life cover amount up to €150,000.

If this plan is taken out on a 'Joint Life, second death' basis, the accidental death benefit applies on the event of the second death only.

Free guaranteed insurability

If you take out Life Long Cover and you then get married, have a child, or your Inheritance Tax liability increases before age 65, you can ask us to set up a new life cover plan for €100,000 (or half of your original benefit, whichever is lower) without having to provide any information about your health. Please see your Terms and Conditions Booklet for more information.

Free children's life cover*

*Not available where Life Long Cover is being used for inheritance planning as these benefits could impact the plan's eligibility for inheritance tax (Section 72).

If you take out Life Long Cover, we also automatically cover each of your children

under 21 for €6,000 life cover for as long as you are covered. During the first six months we only cover them for accidental death. We will only pay one claim for each child no matter how many plans you have with us.

Free NurseAssist 24/7

This free, confidential service allows you to phone a team of trained nurses who can help you by answering a full range of questions or concerns you might have about you and your family's health.

This can range from:

- information on medicines and drugs;
- information on social services, self-help groups and other services;
- screening for minor illnesses;
- counselling services for bereavement, trauma and illness; and
- information on the legal and financial effects of bereavement.

You can call NurseAssist 24/7 on 1850 22 88 33 at any time, day or night.

You will need to give them your member number, which is the same as your **Life Long Cover** plan number. This will be on your welcome pack.

NurseAssist 24/7 is a confidential advisory service. It is not designed to replace your doctor. The team of nurses will not have access to your plan details or application form.

Extra benefit:

Indexation

What is inflation protection?

This option allows you to increase your cover every year (to keep in line with the cost of living). And, you do not have to provide evidence of your health. This is often called 'indexation'.

Why do I need inflation protection?

This option protects the real value of your cover as time passes. If you do not take this option, your cover will stay the same throughout the term of your plan.

How inflation protection works

- You will have to pay an extra charge for this benefit. This extra charge will depend on your age and the term of your plan.
- At the moment the amount you are covered for will increase by 5% a year. Your payment will go up by 8% each year to reflect the extra cover and the fact that you are older.
- If you refuse this option two years in a row, we will not offer you any further increases.

4

Inheritance Tax planning: Life Long Cover (Inheritance Plan)

The tax information and details in section 4 are correct as of May 2010.

What is inheritance tax?

Inheritance tax is a tax due when someone inherits money, property or other assets and is normally payable very shortly after the death of the person they are inheriting the assets from.

Do I need to worry about inheritance tax?

In general, anyone who inherits money, property or other assets from you when you die may have to pay inheritance tax. Your husband or wife will not have to pay inheritance tax when you die. The amount of tax will depend on:

- the value of their inheritance;
- previous gifts or inheritances they have received; and
- their relationship to you.

If you do not plan ahead, your family could be faced with a difficult decision between having to sell part of their inheritance, or having to borrow money to pay the tax bill. If your family is likely to have to pay inheritance tax when you die, it is a good idea to protect them against this beforehand.

The inheritance tax rate and tax-free threshold amounts

Most individuals will pay inheritance tax at 25% on the value of any inheritance over a certain amount. The threshold, or amount that a beneficiary can inherit tax-free, depends on their relationship with you. These tax-free amounts change each year in line with inflation.

Below are the amounts from 1 January 2010.

Group	Relationship to Disposer	Group Threshold 2010
A	Son/Daughter	€414,799
B	Parent*/Brother/Sister/Niece/Nephew/Grandchild	€41,481
C	Relationship other than Group A or B	€20,740

*In certain circumstances a parent taking an inheritance from a child can qualify for Group A threshold. For more information please log on to <http://www.revenue.ie/en/tax/cat/gift-inheritance.html>.

Paying tax

Your beneficiaries will normally have to pay tax shortly after your death. Unpaid tax attracts interest at a rate of about 8% a year.

Are there any tax reliefs or exemptions available to reduce the tax which has to be paid?

Yes, there are. The most important relief is the 'spouse exemption' which was introduced in the 1985 Finance Act.

This Act also introduced an exemption on the proceeds of life-assurance plans to encourage people to plan for paying inheritance tax. If a life-assurance plan is put in place to provide for the tax, the Revenue will not charge inheritance tax on the plan proceeds if the money is used to pay any inheritance tax which may arise when the lives covered under the plan die. However, certain conditions must be met.

Other reliefs and exemptions have been introduced over the years, mainly to encourage private enterprise and to prevent families from having to sell a family farm or business (for example) and indeed the family home in certain circumstances.

- **Agricultural relief** – the taxable value of farmland, buildings and stock can be reduced by 90% subject to certain conditions including that the beneficiary is a qualifying farmer and keeps the property for six years.
- **Business relief** – can provide a similar reduction of 90% in the taxable value of businesses or private companies, if both the business and the beneficiary meet certain qualifying conditions.
- **Family home** – this exemption will apply in relation to gift and inheritance tax on the value of a 'dwelling', but only if the beneficiary satisfies a number of conditions.

What assets is inheritance tax charged on?

All assets are taken into account

- the family home;
 - a second home for example a holiday home or investment property;
 - the value of all investments, including cash, pension and life-assurance benefits;
 - personal property, for example, house contents, jewellery
- and so on.

The personal representatives of the person who has died must list all the assets and liabilities of the deceased's estate and fill in a tax return for inheritance tax purposes.

The problem

John and Mary Browne are both age 50. They have two children, Mark 25, and Anne 23.

List of assets	€
Family home	€950,000
Investment property	€800,000
Pension scheme	€150,000
Cars	€40,000
House contents	€60,000
Total	€2,000,000

John and Mary have both made their wills so that when the first person dies everything goes to the survivor. When both John and Mary have died, all their assets will be divided equally between their two children.

What is the likely inheritance tax that the children will have to pay if both parents die tomorrow in an accident?

Based on the current value of their assets the value of each child's inheritance is €1,000,000. Assuming both Mark and

Anne can take advantage of the full €414,799 threshold, they will each pay tax at 25% on €585,201. So the total inheritance tax bill following the death of John and Mary Browne could be €292,600.

The solution

To cover the tax bill, John and Mary could take out **Life Long Cover** (Inheritance Plan) with life cover of €292,600 to be paid after they both die when Mark and Anne inherit their assets and are subject to inheritance tax.

The cost of the plan based on the couple's current age and assuming that they both don't smoke is about €213.57 a month to provide long-term cover. The cost works out at less than 1% a year of the estimated tax bill. Remember the money paid out from **Life Long Cover** (Inheritance Plan) will be exempt from inheritance tax, if it is all used to pay inheritance tax!

How can Life Long Cover (Inheritance Plan) give me the protection I need?

We have designed **Life Long Cover** (Inheritance Plan) to help you to provide the funds for your family to pay inheritance tax arising in the event of your death in a tax efficient manner. The plan will provide a cash payment when you die which your

family can use to pay any tax bill that might arise at that stage.

Your beneficiaries will not normally have to pay inheritance tax on the **Life Long Cover** (Inheritance Plan) cash payment once they use it to pay inheritance tax (as defined in Section 72, CAT Consolidation Act 2003). The following example shows the potential tax advantage in taking out **Life Long Cover** (Inheritance Plan).

Type of plan	Sum assured	Potential inheritance tax	Benefit to estate /family
Standard life cover	€250,000	€62,500	€187,500
Section 72 Life Long Cover	€250,000	€0	€250,000

Personal or family protection

You can arrange the plan to pay out when you die (single life) or to pay out only when both you and your husband or wife dies (joint-life second death).

The joint-life option is commonly used for family situations, along with a joint-life last-survivor will. This means inheritance tax will only arise when your children inherit following the death of both you and your husband or wife.

If you arrange the plan on the lives of both yourself and your husband or wife, we will not make any payment when the first person dies. The premium must continue to be paid, and we will pay out on the second death.



We recommend that you take your plan out in trust for your next of kin. This means that we pay the benefit quickly and in line with your wishes. As a result, you will need to fill in a trust application as well as our normal application for protection.

What is a trust?

A trust is a legal document which allows your plan to be held for the benefit of nominated beneficiaries - normally your next of kin. The person who holds the plan and looks after all dealings with us in relation to the plan is called a trustee.

Under our trust, you or you and your husband or wife (in the case of a joint plan) are the trustees while you are alive. On the trust you can choose someone to take over as trustee when both lives assured are dead.

Do I have to put the plan in trust?

You don't have to put the plan in trust. But to make sure that you can avail of the tax relief of **Life Long Cover** (Inheritance Plan), Revenue recommend the plan either be issued in trust or that you say in your will that the plan benefits should be used to pay inheritance tax for your dependants.

Although we provide standard trust forms, we recommend that you get professional advice for all aspects of inheritance tax and estate planning.

How much inheritance tax protection do I need?

The level of inheritance tax protection you need and whether you need a single or joint-life plan will depend on the size of your estate, who you plan to inherit your assets, and when they are likely to inherit. The person advising you about this plan can help you decide on the level of cover and type of plan you need.

The value of your assets may go up or down, however your **Life Long Cover** (Inheritance Plan) level can only be based on the estimated value of the assets at the time you decide to take out this cover. Your **Life Long Cover** (Inheritance Plan) cannot be adjusted in the future. So if the cover

amount is higher than your beneficiaries inheritance tax amount, they may have to pay inheritance tax on the excess.

The cost of Life Long Cover

The amount you will pay depends on your sex, your age, your health, whether you smoke, and the value of the assets you are making provisions for. The least you can pay is €15 each month.

Life Long Cover payments are guaranteed to remain the same

At the beginning of your plan, we can quote you the estimated cost to provide inheritance tax protection. Your regular payment level is set at the start of the plan and is guaranteed to remain unchanged throughout unless you have chosen inflation protection (indexation). Please see page 12 for details on inflation protection (indexation).

Revenue guidelines state that if your payments double or halve in any continuous eight-year period, your plan may cease to qualify for Section 72 relief. Together with your financial adviser you decide what regular payments you can afford based on your needs.



Remember: Life Long Cover (Inheritance Plan) is designed to provide a lump sum payment on death only. No other benefits are payable in any circumstances. **The plan does not have a cash in value at any stage.**



Important note: Revenue set conditions

The benefit of using Life Long Cover (Inheritance Plan) is that your beneficiaries will not have to pay inheritance tax on the plan proceeds in certain circumstances. To benefit from this generous tax exemption the plan must, at all times, meet certain conditions laid down by the Revenue Commissioners. For example, some of the conditions relate to substantially increasing or reducing the level of payments you make into the plan or not making your payments on time.

If you have any questions on these conditions, you should contact your financial adviser or talk to us.

Main Revenue conditions

- To qualify for Section 72 relief the person covered under the plan must also make the regular payments and must make them on time.
- The level of protection or cover on the plan normally must be at least eight times the value of the regular payments being made each year.
- A joint-life plan can only be taken out by a married couple.
- You must continue to make regular payments for at least eight years.
- If you stop making regular payments, even after the eight-year period, you cannot restart.
- If your payments double or halve in any continuous eight-year period, in certain circumstances, your plan may cease to qualify for Section 72 relief.



Our service
to you

When taking out your plan

Taking out cover has never been easier

When applying for cover, we want to make this process as simple and hassle-free as possible. We have an electronic application form that your financial adviser can fill in with you. And, once you apply for cover using the electronic application form, your adviser should know, within 24 hours, if we have accepted your application for cover at normal rates and if not what the next step is for you.

You can then track where your application is at any time by contacting your adviser, or calling us on 01 704 1010.

You can change your mind

We want to make sure that you are happy with your decision to take out **Life Long Cover**. If after taking out this plan, you feel it is not suitable, we guarantee to pay all your money back within the first 30 days after we send you details of your plan. The 30-day period starts from the day we send you your **Life Long Cover** welcome pack.

Throughout your plan

Our commitment to 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 informed

We are committed to keeping you informed about your plan. Because of this, every year we will send you a statement to tell you what your protection benefits are.

European Communities (Distance Marketing of Consumer Financial Services) Regulations 2004

If a financial service or product is provided on a 'distance basis' (in other words, with no face-to-face contact), we have to give you certain information. We have included this information under various headings in this booklet, in the customer information notice at the back of this booklet, in the Terms and Conditions Booklet and in your terms of business letter

All information including the terms and conditions of your plan will be in English.



If you want to talk to us

If you want to talk to us, just phone **01 704 1010**. We're here to answer questions about your plan.

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 by:

E-mail: customerservice@irishlife.ie

Fax: 01 704 1900

Write to: Customer service team
1 Lower Abbey Street
Dublin 1.

Website: www.irishlife.ie

If you experience any problems

If you experience any problems, please call your financial adviser, or contact our customer service team, on the number shown.

We monitor our complaint process to make sure it is of the highest standards. We hope you never have to complain. However, if for any reason you do, we want to hear from you. If, having contacted the customer service team, you feel we have not dealt fairly with your query, you can contact:

The Financial Services Ombudsman's
Bureau
3rd Floor Lincoln House
Lincoln Place
Dublin 2.

Lo-call: 1890 88 20 90
E-mail: enquiries@financialombudsman.ie
Fax: 01 662 0890
Website: www.financialombudsman.ie

6

Your questions answered

What does Life Long Cover do?

Life Long Cover is a guaranteed whole of life plan. It pays out a guaranteed lump sum when you die. The lump sum is guaranteed, as long as you have paid your regular payments until the date of your death.

How much do I pay?

The amount you pay will depend on:

- your sex;
- your age;
- your health;
- whether you smoke;
- how much protection you want; or the value of the assets you are making

Inheritance Tax provisions for.

How do I pay?

We want to make paying as hassle-free as possible. As a result, with **Life Long Cover** you pay by direct debit.

Who will the life cover protect?

Life Long Cover can provide the following cover:

- Single cover – this means that the plan covers one individual and the life cover will be paid out once, upon that persons death.
- Dual cover – this means that both lives are covered individually. We will pay

out on either life in the event of a death. The plan will continue with full cover on the other person provided the payments for that person's benefits continue to be paid.

- Joint life, first death – this means that both lives are covered. We will pay out once, on either death of you or your partner depending on which death occurs first. The plan will then end.
- Joint life, second death – this means we will pay the life cover when the second death of the lives covered occurs. After the first death of the two lives covered, payments must continue, and we will not pay any benefit.

The type of cover applicable to you will be specified in your policy schedule.

How long will I be covered for?

You will be insured for your whole life until you die, as long as you continue to pay your regular payments. The plan does not have a cash in value at any stage.

Who can apply for cover?

Anyone aged 18 to 75 who is living in the Republic of Ireland can apply for

Life Long Cover.

What if I want to change my level of cover and the amount I pay?

This is not possible. We have kept the plan as simple as possible to keep the costs down.

What happens if I miss or stop making payments?

If you take this plan out as [Life Long Cover](#) and you stop making payments, the plan also stops. You are no longer covered for life cover.

If you take this plan out as [Life Long Cover](#) (Inheritance Plan) to qualify for Section 72 inheritance tax relief you must continue to make the regular payments and you must make them on time. If you stop making regular payments, you cannot restart and your plan may cease to qualify for Section 72 relief.

Will you review the payment I pay for my Life Long Cover in any way?

We guarantee that the monthly payment you pay will not increase, unless you choose the inflation protection (indexation) option.

Protect against inflation (indexation)

You probably expect the overall value of your assets will increase over time. This means the likely tax bill for your family when they inherit will also increase. If you also include the inflation protection option (indexation), it can help protect against this.

Is Life Long Cover a savings plan?

No. **The plan does not have a cash in value at any stage.** The payments you make pay for the cost of the Life cover amount only. You must keep making payments for the cover to continue.

What are the charges that I pay for Life Long Cover?

We include the cost of setting up and managing the plan, including sales and commission costs, in your payments.

Are there any situations in which you will not pay my benefit?

We have listed a summary of these situations below.

- We may refuse to pay a claim if you have given incorrect information or did not tell us something that would have affected our assessment of your application when you first took out the plan. You must tell us, on your application form, everything relevant about your health, occupation, hobbies and pastimes. If you do not and you make a claim, we may not pay your benefit. We will send you a summary of the medical information in your application form. You should check this to make sure that you have answered all the health questions accurately.
- We will not pay life cover benefit if your death is caused by suicide, or execution in a foreign country, within a year of the plan starting.
- We will only pay accidental death benefit and terminal illness claims if you were living in the European Union, Australia, Canada, New Zealand, Norway, South Africa, Switzerland or the United States of America. If you move outside of these countries, you must let us know immediately so that we can decide whether your benefits should continue.

Will any tax have to be paid on the plan?

Usually tax does not have to be paid on life cover benefits but in some circumstances tax may have to be paid on life cover.

For example, when you die, the life cover is paid to your estate, it may be viewed as another taxable inheritance, and add to the ultimate tax liability. This means your beneficiaries may have to pay inheritance tax on the proceeds from the plan.

However, if you are taking out the plan as [Life Long Cover](#) (Inheritance Plan) the intention is that your beneficiaries will use the money from the plan to pay their inheritance tax bill. If the amount payable under the [Life Long Cover](#) (Inheritance Plan) is greater than your beneficiaries inheritance tax liability then they may have to pay inheritance tax on the excess.

Please see the Inheritance planning section of this booklet for further details.

We recommend you get independent tax advice from your accountant or tax adviser.

We will collect any levies (charges) imposed by the Government.

What happens after I apply for Life Long Cover?

We assess all applications to see if we think you are an acceptable risk. Your answers to the various questions on our

application form give us the information we need to decide whether to accept your application. We have already stated how important it is to tell us everything relevant when answering the questions on the application form.

We accept most applications after assessing the application form alone. However, if you have a history of ill health or you want a high level of cover, we may need a report from your doctor. Once you have signed the application form, you have given us your permission to ask for this report. The report is filled in by your doctor using your records and will include details of your visits, results of any investigations, current medication and habits such as smoking, drinking or taking drugs. The fact that we may get a report does not mean you must not give us full information on the application form. In a small number of cases you may also need to have a medical examination with a doctor we choose.

We keep all the information we receive strictly confidential. If we accept your application, we will send you:

- a letter which will give you information about your plan;
- your Terms and Conditions Booklet;
- your plan schedule setting out how

much you need to pay and what cover you have;

- a summary of the medical information in your application form; and
- a detailed customer information notice which gives you extra information about the plan.

When you receive these, you should make sure that the details in them are correct and that you are happy with the plan.

Remember that your **Life Long Cover** plan is a long-term commitment. You have 30 days after we send you this information to cancel the plan. If you decide to do this, we will refund any payments you have made.

Who will receive the benefit when I die?

Life Long Cover

We pay the benefit to your personal representatives.

Life Long Cover (Inheritance Plan)

If the plan has been set up under trust (as recommended) we will pay the benefit to the trustees who will then be responsible for passing it on to your beneficiaries. Your beneficiaries then use the money to pay their inheritance tax.

If there is no trust, we pay the benefit to your personal representatives in line with

your will. This assumes that you say in your will that the benefit from the plan is to be used to pay inheritance tax for some or all of your next of kin. If you do not make specific provision either in your will or by setting up a trust the benefit could be viewed as another taxable inheritance, and added to the ultimate tax liability.

How to make a Life Long Cover claim?

If you die and your personal representatives need to make a claim, they should contact your financial adviser or our customer service team. We will send them a claim form and explain what to do.

We will always need a filled-in claim form, the plan schedule, and the original death certificate. In some circumstances, we will need a certified copy of the will and grant of probate. If there is no will, we may need letters of administration.

It is our policy to start paying interest on any life cover claim from two months after the date of death. This is in line with industry standards.

When we receive all the documents and information we need, we will normally make a payment within five days. If our payment is delayed, as a gesture of goodwill we will pay interest from the date

of death rather than from two months after the date of death.

If your benefit has been legally transferred to your mortgage lender, we will pay the benefit to the lender.

We do not pay any extra claim amount to cover the level of interest built up on a mortgage between the date of your death and the date we settle the claim. Please see www.irishlife.ie/claims.html for more information on claims.



Your customer information notice

The Plain English Crystal Mark does not apply to this section.

CONTENTS

INTRODUCTION

A. INFORMATION ABOUT THE POLICY

1. Make sure the policy meets your needs!
2. What happens if you want to cash in the policy early or stop paying premiums?
3. What are the projected benefits under the policy?
4. What intermediary/sales remuneration is payable?
5. Are returns guaranteed and can the premium be reviewed?
6. Can the policy be cancelled or amended by the insurer?
7. Information on taxation issues
8. Additional information in relation to your policy
 - What are the benefits and options under this plan?
 - What is the term of the contract?
 - Are there any circumstances under which the plan may be ended?
 - Is there an opportunity to change your mind?
 - Law applicable to your plan
 - What to do if you are not happy or have any questions?

B. INFORMATION ON SERVICE FEE.

C. INFORMATION ABOUT THE INSURER/INSURANCE INTERMEDIARY/SALES EMPLOYEE.

D. INFORMATION TO BE SUPPLIED TO THE POLICYHOLDER DURING THE TERM OF THE INSURANCE CONTRACT.

Introduction

This notice is designed to highlight some important details about the plan and, along with the **Life Long Cover** booklet, is meant to be a guide to help you understand your plan. Full details on the specific benefits and options that apply to you will be contained in your plan schedule, terms and conditions booklet and personalised customer information notice which you will receive when the contract is in place. It is important that you should read these carefully when you receive them as certain exclusions and conditions may apply to the benefits and options you have selected.

A copy of the terms and conditions booklet is available on request.

Any Questions?

If you have any questions on the information included in this customer information notice you should contact your financial adviser or your insurer Irish Life, who will deal with your enquiry at our Customer Service Team, Lower Abbey Street, Dublin 1.

A. INFORMATION ABOUT THE POLICY

1. MAKE SURE THE POLICY MEETS YOUR NEEDS!

The **Life Long Cover** plan is a regular payment whole of life assurance plan. The plan provides life cover only. If you opt for the indexation option the level of benefits will automatically increase each year. The payment you make will also increase each year. Currently, the rate of increase for benefits is 5% each year and the rate of increase for the payment is 8% each year. If chosen, indexation will stop at age 75.

You are entering into a commitment to make a regular payment over a relatively long term. Unless you are fully satisfied as to the nature of this commitment having regard to your needs, resources and circumstances, you should not enter into this commitment.

Your financial adviser must indicate whether paragraph a) or paragraph b) below applies.

a) This plan replaces in whole or in part an existing plan with Irish Life, or with another insurer. Your financial adviser will advise you as to the financial consequences of such replacement and

of possible financial loss as a result.

You will be asked at the beginning of your application form to confirm this in writing. Please ensure that you have completed this section of the form and that you are satisfied with the explanations provided by your financial adviser before you complete the rest of the application form.

b) This plan does not replace in whole or in part an existing plan with Irish life or with any other insurer.

2. WHAT HAPPENS IF YOU WANT TO CASH IN THE POLICY EARLY OR STOP PAYING PREMIUMS?

The plan does not acquire a cash or surrender value at any stage.

If you stop making payments, all cover under the plan will end and we will not refund any of your payments.

3. WHAT ARE THE PROJECTED BENEFITS UNDER THE POLICY?

The following payment and benefit details are for a typical **Life Long Cover** plan. The figures will obviously vary based on each individual's personal details. The figures below are based on the following details:

Protection Benefits:	Life cover of €120,000 Cover is on a dual life basis.
Lives Covered:	Male, non-smoker aged 50 next birthday. Female, non-smoker aged 49 next birthday.
Payments:	€263.00 per month payable by direct debit. No indexation option has been selected.
Term:	This is a whole of life plan.

The plan provides protection benefits for the remainder of your lifetime as long as you continue to pay premiums. The plan does not acquire a cash or surrender value at any stage.

ILLUSTRATIVE TABLE OF PROJECTED BENEFITS AND CHARGES

	A	B	C	D	E = A + B – C – D
Year	€	€	€	€	€
	Total amount of premiums paid into the policy to date	Projected investment growth to date	Projected expenses and charges to date	Projected cost of protection benefit to date	Projected policy value
1	3,156	0	2,803	353	0
2	6,312	0	5,567	745	0
3	9,468	0	8,288	1,180	0
4	12,624	0	10,974	1,650	0
5	15,780	0	13,615	2,165	0
6	18,936	0	16,196	2,740	0
7	22,092	0	18,712	3,380	0
8	25,248	0	21,155	4,093	0
9	28,404	0	23,508	4,896	0
10	31,560	0	25,785	5,775	0
11	34,716	0	27,959	6,757	0
12	37,872	0	30,020	7,852	0
13	41,028	0	31,953	9,075	0
14	44,184	0	33,787	10,397	0
15	47,340	0	35,494	11,846	0
16	50,496	0	37,035	13,461	0
17	53,652	0	38,389	15,263	0
18	56,808	0	39,536	17,272	0
19	59,964	0	40,434	19,530	0
20	63,120	0	41,020	22,100	0

The payment made throughout the term of the plan includes the cost of the protection benefits, and all charges, expenses, intermediary remuneration and sales remuneration associated with your plan. It does not include any government levies that may be payable.

The charges shown in column C include the cost of intermediary/sales remuneration incurred by Irish Life, as described in section 4.

The premiums shown in column A do not include the government levy.

4. WHAT INTERMEDIARY/SALES REMUNERATION IS PAYABLE?

The level of intermediary/sales remuneration shown is based on the typical plan outlined in section 3 above. The figures will vary based on the exact plan details in each case. Figures for your specific plan details will be shown in your welcome pack.

ILLUSTRATIVE TABLE OF INTERMEDIARY/SALES REMUNERATION

Year	€ Premium payable in that year	€ Projected total intermediary/ sales remuneration payable in that year
1	3156	3629
2	3156	95
3	3156	95
4	3156	95
5	3156	95
10	3156	95
15	3156	95
20	3156	95

The projected intermediary/sales remuneration shown above includes the costs incurred by Irish Life in relation to the provision of sales advice, service and support for the plan. These costs are included in the plan charges set out in column C of the illustrative table of projected benefits and charges in section 3.

5. ARE RETURNS GUARANTEED AND CAN THE PREMIUM BE REVIEWED?

The payment is guaranteed to provide protection cover for the remainder of your lifetime, assuming no changes to your payment or benefits (other than indexation increases).

6. CAN THE POLICY BE CANCELLED OR AMENDED BY THE INSURER?

We may cancel your plan if you stop making payments.

You must provide any information or evidence which we need to administer the plan.

If we receive evidence that your date of birth as shown on your application form is incorrect, we will adjust the benefits appropriately or we may end your cover and refuse to pay any claim.

We may end your cover and refuse to pay a claim if you do not give us information (or if you give us incorrect information) regarding an illness or condition that will affect our assessment of your application at the time you complete the application for this plan. If that information is not true and complete or if we do not receive all relevant information, we may end your cover and refuse to pay any claim.

If this happens you will lose all rights under the plan and we will not refund your payments. Relevant information includes anything that a reputable insurer might regard as likely to influence the assessment and acceptance of your application. We will provide a copy of the information you gave us in your application or any other forms that you have filled in for us if you ask.

7. INFORMATION ON TAXATION ISSUES

If you wish, you can apply to have this plan effected and approved by the Revenue Commissioners under Section 72 of the CAT Consolidation Act 2003. If the plan is approved by the Revenue Commissioners it is intended to pay certain inheritance tax arising when the last remaining life covered dies without any additional inheritance tax arising on the proceeds of the plan.

If approved under Section 72, Inheritance Tax will not be payable on the benefit to the extent that the proceeds are used to pay allowable inheritance tax. If any of the benefit is not used to pay allowable inheritance tax then the beneficiaries may have to pay inheritance tax on that amount of the death benefit. There is no inheritance tax due on an inheritance between a married couple.

To avail of this relief, the plan must be approved by the Revenue Commissioners at the outset. It is not possible to gain Section 72 status for your plan at a later date.

Under current Irish law, tax does not usually have to be paid on life cover, but in some circumstances tax may be due. For example, if the life cover is paid to your estate, your beneficiaries may have to pay inheritance tax (there is no inheritance tax due on an inheritance between a married couple).

Where the plan is owned by a company or where payments are made by anyone other than the legal owner of the plan, for example from a company or business account, there may be tax implications. In these circumstances we recommend that a financial advisor be consulted regarding any possible taxation implications. Any taxes or levies imposed by the government will be collected by Irish Life and passed directly to the revenue commissioners.

Please contact your financial adviser or Irish Life if you do not fully understand the likely tax treatment of any benefits payable in connection with your [Life Long Cover](#) plan.

Loss of Section 72 status

The exemption from inheritance tax outlined will only apply if the plan continues to qualify as a Section 72 plan. The plan could lose its Section 72 status in certain circumstances. These are outlined in the Terms and Conditions booklet.

If Section 72 status is lost it cannot be reinstated.

Please contact your financial adviser or Irish Life if you do not fully understand the likely tax treatment of any benefits payable in connection with your [Life Long Cover](#) plan, or if you are unsure if any changes you wish to make to the plan might jeopardise its Section 72 status.

8. ADDITIONAL INFORMATION IN RELATION TO YOUR POLICY

What are the benefits and options provided under this plan?

Life cover

If there is one life covered named on the plan schedule (single life basis), we will pay the life cover shown on the plan schedule plus any increase due to indexation when the life covered dies. The plan will then end.

Where there are two lives covered named on the plan schedule the plan will have been sold on either a dual life, joint life first death or joint life second death basis. The plan schedule will specify the basis the plan has been written under.

- If the plan has been sold on a dual life basis, we will pay the life cover shown for each life on the plan schedule plus any increase due to indexation when each of the lives covered die. The plan will not end until both lives have died and a death benefit has been paid on each death. When a life covered dies, payments must continue until the death of the remaining life covered.
- If the plan has been sold on a joint life first death basis, we will pay the life cover shown on the plan schedule plus any increase due to indexation when the first death of the lives covered occurs.

The plan will then end even though one life is still alive.

- If the plan has been sold on a joint life second death basis, we will pay the life cover shown on the plan schedule plus any increase due to indexation when the second death of the lives covered occurs. After the first death of the two lives covered, payments must continue, and we will not pay any benefit.

If, at any stage, you choose to reduce your life cover and payment, the amount we pay on death will be reduced accordingly. If you have taken out this plan for the purposes of paying inheritance tax due on the death of the life covered or on the event of the second death if taken out on a joint life second death basis, and this plan has been approved by the Revenue Commissioners under Section 72 of CAT Consolidation Act 2003 then it is not possible to reduce your benefit amounts or payments at any stage. Reducing your benefits could result in your eligibility for relief your Section 72 being lost.

Accidental Death Benefit

We will pay the death benefit (to a maximum of €150,000) on accidental death between the time the application is received by Irish Life (together with a completed direct debit) and the earlier of the following:

- the day of the final underwriting decision if terms are being offered

- the day of the underwriting decision if we are declining or postponing cover
- 30 days from the date we receive the application

For this benefit, "Accidental Death" means death caused solely and directly as a result of an accident caused by violent, visible and external means and independently of any other cause.

There are the following restrictions:

- The benefit payable is subject to the lower of the life sum assured or €150,000
- The benefit is subject to a maximum entry age of 64
- Exclusions apply around the nature of the death e.g. suicide or intentional self-inflicted injury causing death are excluded. There are further details of the exclusions in the terms and conditions booklet.

We will only pay once under Accidental Death Benefit in respect of any life, regardless of the number of policies or applications a person has with Irish Life.

Guaranteed Insurability

Guaranteed Insurability is an option we offer on all **Life Long Cover** plans and is a way of increasing your life cover without having to provide evidence of health.

This is an automatic additional benefit. If cover has not ended, you can ask us to set up a new plan for the lesser of:

- 50% of the original benefit amount at the start date of your plan or
 - €100,000
- without having to provide evidence of health, within three months of one of the life events described below occurring.

This option can be exercised after any of the following life events:

- Marriage
- Increase in Capital Acquisitions Tax liability
- Birth (or adoption) of a child.

The maximum number of times you may exercise this option is twice. The cost of the new plan will be based on the terms applying at that time. You will need to provide independent proof of the increase in Capital Acquisitions Tax liability, marriage or birth before we can set up the new plan. You must ask for a new plan under this option within three months of the marriage, birth or date of the increase in the Capital Acquisitions Tax liability.

Exclusions apply to this option which you should be aware of. There are further details of these exclusions in the Terms and Conditions booklet.

What is the term of the contract?

The plan provides protection benefits for the remainder of your lifetime as long as you continue to make payments.

Are there any circumstances under which the plan may be ended?

We may cancel your plan if you stop making payments.

Is there an opportunity to change your mind?

You have an opportunity to cancel this plan if you are not satisfied that the benefits meet your needs. You may do this by writing to the Customer Service Team at Irish Life within 30 days of the date we send you the details of your plan. On cancellation all benefits will cease and Irish Life will refund your payments.

Law applicable to your plan

Irish Law governs the plan and the Irish Courts are the only courts that are entitled to settle disputes.

What to do if you are not happy or have any questions?

If for any reason you feel that this plan is not right for you, or if you have any questions, you should contact Irish Life Customer Service Team, Lower Abbey Street, Dublin 1 who will deal with your enquiry. Our Customer Service Team also operate an internal complaints procedure and any complaints you may have will, in the first instance, be fully reviewed by them. If you feel we have not dealt fairly with your complaint, you should contact the Financial Services Ombudsman's Bureau at 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

B. INFORMATION ON SERVICE FEE

There are no charges payable to Irish Life other than those set out in your table of benefits and charges and in your Terms and Conditions Booklet.

C. INFORMATION ABOUT THE INSURER/INSURANCE INTERMEDIARY/SALES EMPLOYEE

Insurer

The Life Long Cover plan is provided by Irish Life Assurance plc, a company authorised in Ireland. Irish Life Assurance plc is regulated by the Central Bank of Ireland. You can contact us at Irish Life Centre, Lower Abbey Street, Dublin 1, by telephone at 01 7041010, by fax at 01 7041900, and by e-mail at customerservice@irishlife.ie. In the interest of customer service, we will record and monitor calls.

Insurance Intermediary/Sales Employee

The financial adviser should insert details of their name, legal status, their address for correspondence and a contact telephone number/fax number or e-mail address and where relevant, the companies with whom agencies are held.

No delegated or binding authority is granted by Irish Life to your sales adviser in relation to underwriting, claims handling or claims settlement.

D. INFORMATION TO BE SUPPLIED TO THE POLICYHOLDER DURING THE TERM OF THE INSURANCE CONTRACT

We at Irish Life are obliged by law to tell you if any of the following events occurs during the term of your contract:

- we change our name;
- our legal status changes;
- our head office address changes;
- an alteration is made to any term of the contract which results in a change to the information given in paragraph A(8) of this document.

**We offer investment, protection, pension
and savings products.**

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
e-mail: customerservice@irishlife.ie
website: www.irishlife.ie
write to: Irish Life Assurance plc, Lower Abbey Street, Dublin 1.



From sustainably managed forests -
For more info: www.pefc.org

Irish Life Assurance plc is regulated by the Central Bank of Ireland. In the interest of customer service we will record and monitor calls. Irish Life Assurance plc, Registered in Ireland number 152576, VAT number 9F55923G.