

protected consensus bond series 2

investing with confidence










Irish Life

more options for your future

product snapshot

Protected Consensus Bond

Aim		Access to some of the performance of our Consensus Fund, with capital protection at the end of six years.
Risk		Low
Capital protected		Yes, at the end of the six-year period.
Funds available		One
Time period		Six years for full capital protection. You can access the cash-in value of all or part of your investment at any stage.
Start date		Any investments we receive will be invested in the Protected Consensus Fund on the 7th working day of the following month.
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.



protected consensus bond series 2

Investing with confidence

The information in this booklet was correct as of November 2006 but will change.

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investing with confidence



Investing with confidence

You won't be surprised that investing in shares or property tends to reward investors with the best returns over the long-term. That's the main reason why so many people choose to invest in those types of investments.

One of the most popular ways for investors to benefit from a mix of shares, property and fixed-interest bonds is by using an investment fund such as our Consensus Fund.

Our Consensus Fund has one of the best track records around. If you had invested in the Consensus Fund when it was launched on 1 January 1996, your money would have more than doubled in value – rising by over 138%.

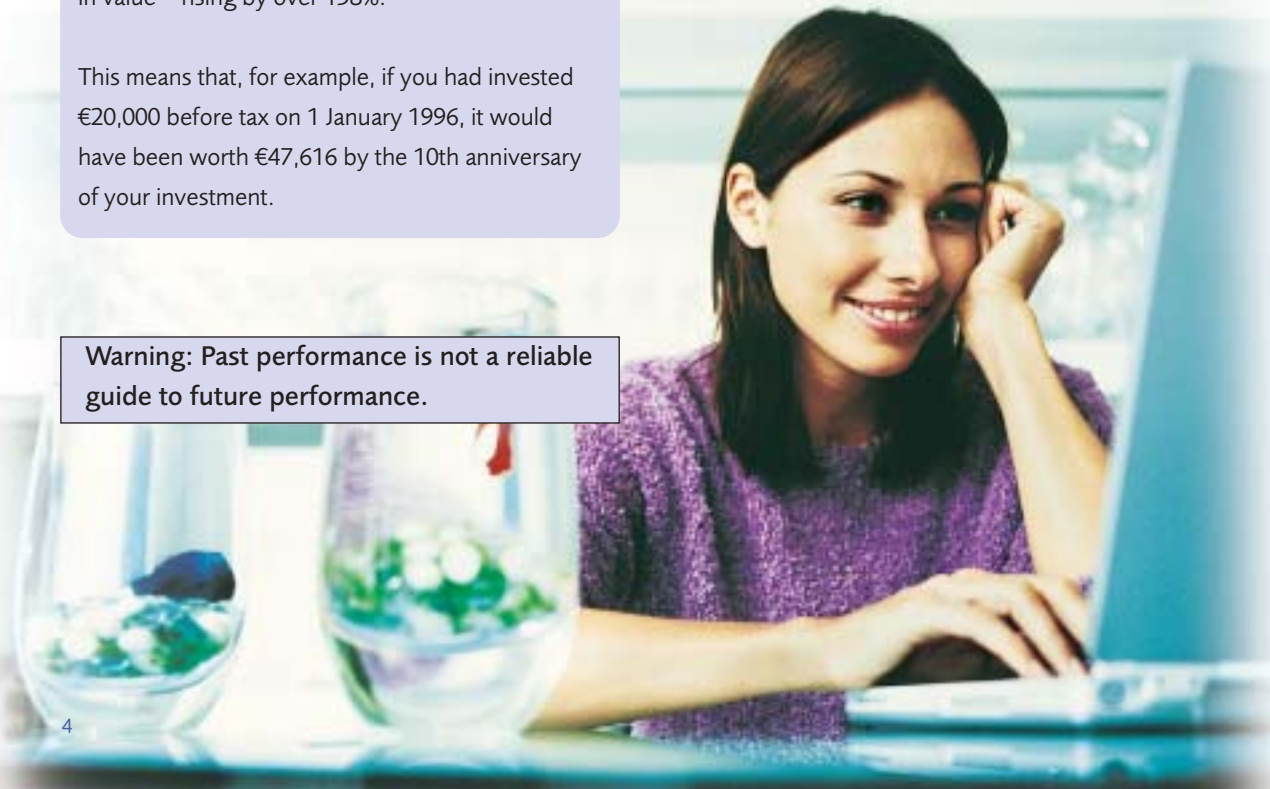
This means that, for example, if you had invested €20,000 before tax on 1 January 1996, it would have been worth €47,616 by the 10th anniversary of your investment.

Warning: Past performance is not a reliable guide to future performance.

This is just one reason why our Consensus Fund has become one of Ireland's most popular funds, with investments currently worth over €5 billion (July 2006).

In the past, to get the higher potential returns that our Consensus Fund gives, you had to be willing to take the risk that your money could also fall in value. If you've put a lot of time and effort into building up your savings or lump sum, quite often the last thing you want to do is to take any risks with it.

The good news is that there is now a way to benefit from some of the performance of our Consensus Fund even if you want to take a more cautious approach. This is exactly what the Protected Consensus Bond Series 2 is all about.



A quick guide to the Protected Consensus Bond Series 2

The Protected Consensus Bond Series 2 is a new investment that gives you the opportunity for higher potential returns, with the confidence of knowing that your money is protected at the end of the six-year investment period. Your money will be invested in our Protected Consensus Fund. The performance of this fund will be based on the returns from our Consensus Fund and fixed-interest bonds.

The Protected Consensus Fund gives you two important safety features.

- 1 The amount you invest is protected at the end of six years.
- 2 A unique "lock-in" feature gives you added security by protecting 80% of the highest value of your investment over the six years.

The capital protection outlined above will be reduced to allow for any withdrawals you make.

Protected Consensus Fund: your investment mix

At the start, 80% of the performance of the Protected Consensus Fund will be based on the returns from our Consensus Fund and 20% from fixed-interest bonds. The fixed-interest bonds are used mainly to provide security for your investment.

Once your investment has started, if the Consensus Fund goes up in value, the amount of the Protected Consensus Fund that is linked to the performance of the Consensus Fund is generally increased. If the value of the Consensus Fund goes down, the amount of your Protected Consensus Fund that's linked to the performance of the Consensus Fund will be reduced.

The Protected Consensus Bond Series 2 gives you the benefit of capital protection at the end of the investment. This also means your growth potential is lower than if you invested direct in our Consensus Fund, without any capital protection.

The capital protection and the investment returns on the Protected Consensus Fund are provided to us by JP Morgan Chase Bank. Please see 'How are the capital protection and the investment returns provided?' on page 18 for full details.



three great benefits of the Protected Consensus Bond Series 2



Three great benefits of the Protected Consensus Bond Series 2

Your Protected Consensus Bond Series 2 gives you many benefits, including:

- 1 built-in security features;
- 2 great track record of the Consensus Fund; and
- 3 great service.

1 Built-in security features



You have the comfort of knowing that, at the end of the six-year investment period, you will get back:

- the amount you invested;
 - 80% of the highest value of your Protected Consensus Bond Series 2 during the investment; or
 - the cash-in value of your investment at that stage;
- whichever is the highest.

The capital protection outlined above will be reduced to allow for any withdrawals you make.

Our lock-in feature gives you the benefit of knowing that if the value of your investment grows very strongly (by more than 25%) you could protect some of that growth. This means that you will have increased the minimum amount you will get back at the end of your investment (see 'A look back' on page 13 for more details).

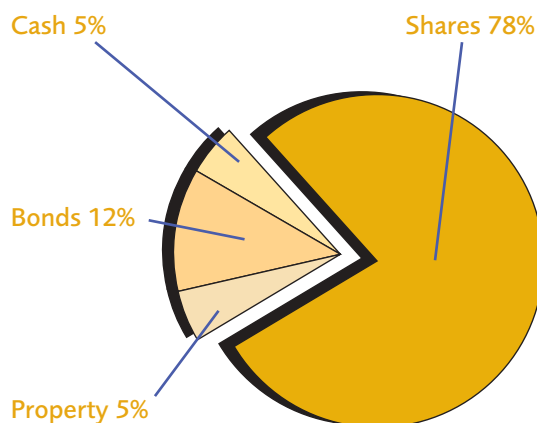
2 Great track record of the Consensus Fund

Your investment returns will be linked to the performance of our Consensus Fund and fixed-interest bonds. The Consensus Fund uses the combined wisdom of Ireland's leading investment managers to work out how much to invest in each of the main types of investments – shares, property, fixed-interest bonds and cash.



Our Consensus Fund usually has between 60% and 80% invested in shares and 5% and 10% invested in property, with the rest invested in fixed-interest bonds and cash. This means that usually over 70% of the Consensus Fund will be invested in shares and property – the two investments with the best potential growth over the long-term.

The Irish Life Consensus Fund



This is how the Consensus Fund is spread at 1 December 2006. It will change in the future. The Protected Consensus Fund is linked to some of the performance of this fund.



3 Great service

There's no replacement for regularly sitting down and reviewing your investments with your financial adviser. However, we have developed a range of ways that keep you up to date on your Protected Consensus Bond Series 2.



By phone

You can check the value of your investment over the phone, any time of day or night, seven days a week. When you start your Protected Consensus Bond Series 2, you will receive your own personal identification number (PIN). This allows you to do the following.

- You can check the value of your investment.
- You can hear our daily update on the investment markets.

Simply ring 01 704 1111.



On-line

If you prefer to keep updated on-line, you can also track the progress of your Protected Consensus Bond Series 2 at www.irishlife.ie by registering for our on-line service.



Yearly statement

We will also write to you every year to update you on how your Protected Consensus Bond Series 2 is performing. The statement will clearly show you the current value of your investment.

Customer line

We're here to answer any questions you have about your investment. You can contact us in any of the following ways.

- **By phone:**

01 704 1010

- | | |
|----------------------|------------|
| • Monday to Thursday | 8am to 8pm |
| • Fridays | 8am to 6pm |
| • Saturdays | 9am to 1pm |

To help improve our services to you, we will record or monitor calls.

- **By e-mail:**

customerservice@irishlife.ie

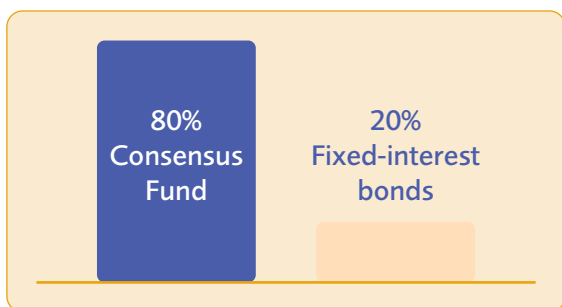
how the Protected Consensus Fund works

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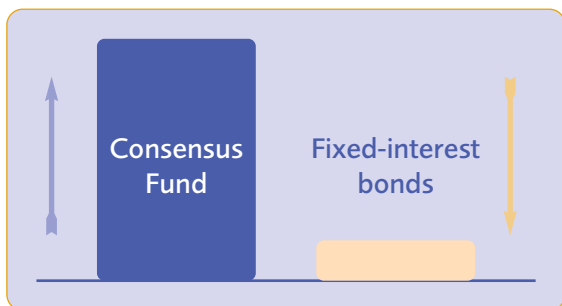


How the Protected Consensus Fund works

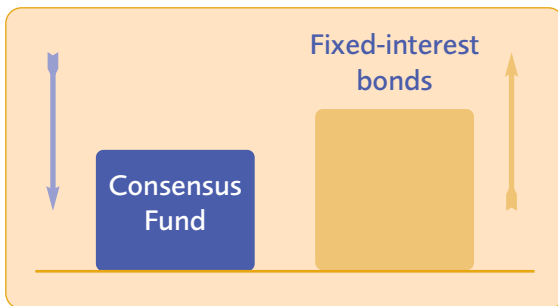
The performance of the Protected Consensus Fund will be based on a mix of two assets - our Consensus Fund and fixed-interest bonds. At the start, 80% of the performance of the Protected Consensus Fund will be based on the returns from our Consensus Fund and 20% from fixed-interest bonds.



After your investment has started, the amount of the Protected Consensus Fund that is linked to the returns of the Consensus Fund and fixed-interest bonds depends on the performance of those investments and is worked out using a formula. When the Consensus Fund is doing well, the amount of your money linked to the performance of the Consensus Fund will generally be increased to take advantage of that growth, and the amount linked to fixed-interest bonds will be reduced.



Similarly, if the value of the Consensus Fund falls, the amount of your money linked to the performance of that fund will generally be reduced, and the amount linked to the fixed-interest bonds will be increased. At all times, at least 15% of the Protected Consensus Fund will be linked to the Consensus Fund returns.



If investment markets perform poorly, more of the Protected Consensus Fund could be linked to the performance of fixed-interest bonds than to the Consensus Fund. If markets have very large falls, most of your investment would be linked to the returns from fixed-interest bonds. This would reduce your potential for growth over the rest of your investment.

Summary of your investment mix

- At the start, 80% of the performance of the Protected Consensus Fund is linked to the Consensus Fund returns. This amount will change depending on how the Consensus Fund performs.
- Up to 100% of the Protected Consensus Fund could be linked to the Consensus Fund returns.
- At least 15% of the Protected Consensus Fund will be linked to our Consensus Fund returns at all times.

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

how Protected Consensus Bond
Series 2 would have performed
in the past



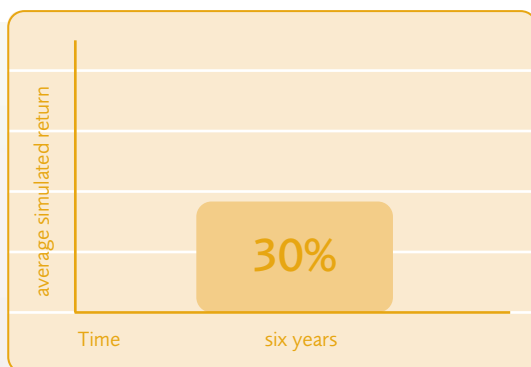
How Protected Consensus Bond Series 2 would have performed in the past

The Protected Consensus Bond Series 2 is a new investment. However, we can show you how it would have performed if it had been available in the past. This is known as the simulated past performance.

There are three examples on the following pages that aim to show you, in detail, how the Protected Consensus Bond Series 2 would have worked in different stockmarket conditions during the last 10 years. These examples show six-year periods when there was:

- a strong performance period for stockmarkets;
- a strong performance period initially for stockmarkets followed by a fall; and
- a period when stockmarkets had very significant falls.

The examples should help you understand how the Protected Consensus Fund would have worked in those specific periods. The average past returns for the Protected Consensus Bond Series 2 over all of the six-year investment periods since 1996 would have been 30% before tax. This is the average return for all six-year periods if you had started a Protected Consensus Bond Series 2 between 1 January 1996 and 1 March 2000. This means that the last investment period ended on 1 March 2006.



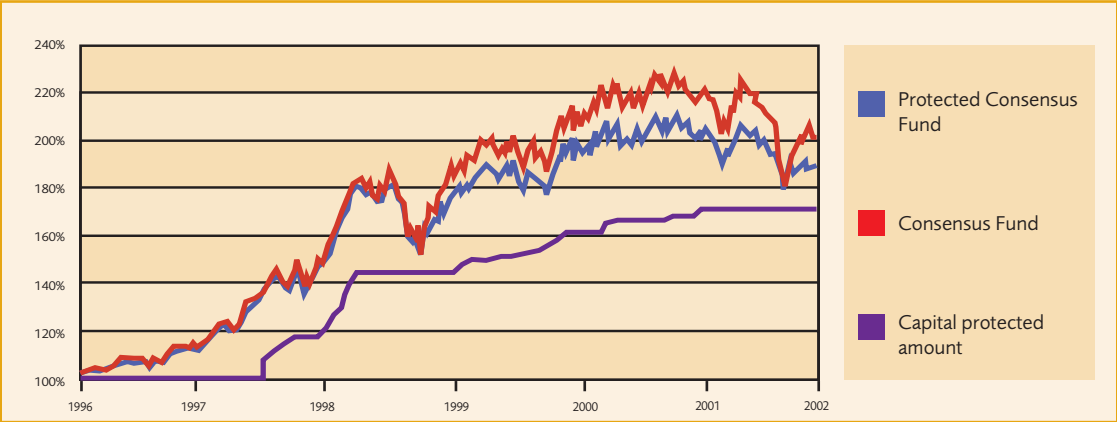
This is the average simulated past return before tax at the end of the investment period. This means that there would have been a range of returns – some of which were obviously higher and lower than the average. This simulation of past performance is not a guarantee of future returns. Investments can fall as well as rise in value.

A look back

The return on the Protected Consensus Fund is linked to the performance of the Consensus Fund and fixed-interest bonds. Because we use a formula to work out how much of the Protected Consensus Fund should be linked to each of these assets, we can show you (simulate) how it would have performed in different situations in the past.

Please remember that these examples should help you understand how the Protected Consensus Fund would have worked in these specific circumstances. They are not estimates of your future returns.

Example 1: Assuming a strong performance period for stock markets such as 1 January 1996 to 31 December 2001



(Source: Irish Life Investment Managers)

If the conditions above were repeated in the future, the Protected Consensus Fund should behave in the following way.

Performance: you should share in the significant growth of the Consensus Fund when it is growing strongly for most of the investment period.

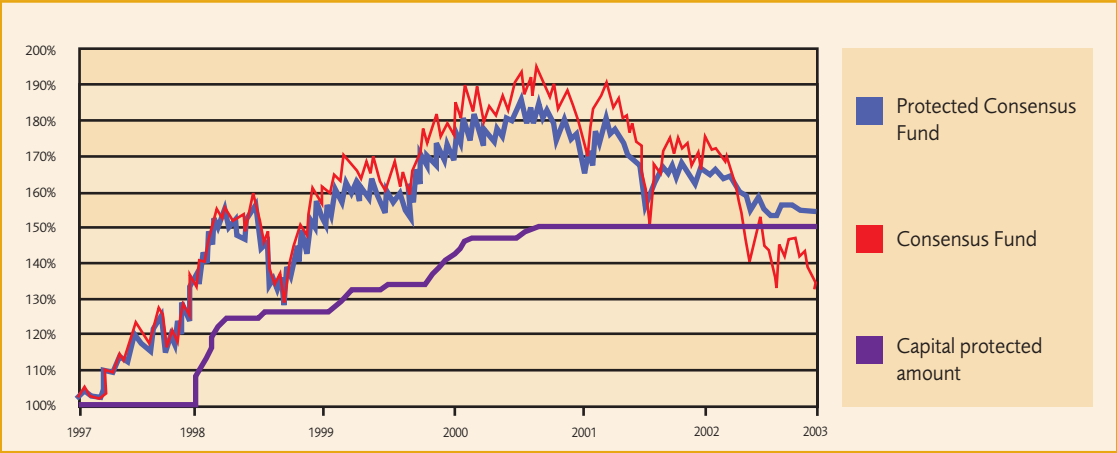
Ups and downs: you should have lower levels of ups and downs than the Consensus Fund.

Capital protection: the lock-in feature would apply. Your capital protected amount at the end of the six years should go up because the Protected Consensus Fund would have grown by more than 25%.

Investment mix: generally, there should be a high level of your investment linked to Consensus Fund returns. In the example above, your Protected Consensus Bond Series 2 would have had the following amounts linked to the performance of the Consensus Fund at the end of each year.

Amount in:	Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consensus Fund	80%	95%	100%	90%	100%	85%	48%
Fixed-interest bonds	20%	5%	0%	10%	0%	15%	52%

Example 2: Assuming a strong performance period initially for stock markets, followed by large falls - for example, during the period 1 February 1997 to 31 January 2003



(Source: Irish Life Investment Managers)

If the conditions above were repeated in the future, the Protected Consensus Fund should behave in the following way.

Performance: your investment should have performed strongly as the Consensus Fund rises in value. However, you should also have been protected from the bigger falls that took place later in the Consensus Fund.

Ups and downs: you should have lower levels of ups and downs than the Consensus Fund.

Capital protection: the lock-in feature would apply. Your capital protected amount at the end of the six years should have increased because the Protected Consensus Fund would have grown by more than 25%.

Investment mix: the amount linked to Consensus Fund returns should be high while markets are growing. As markets start to fall, the amount linked to Consensus Fund returns should go down. In the example above, the Protected Consensus Bond Series 2 would have had the following amounts linked to the performance of the Consensus Fund at the end of each year.

Amount in:	Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consensus Fund	80%	100%	100%	100%	85%	55%	15%
Fixed-interest bonds	20%	0%	0%	0%	15%	45%	85%

Warning: These figures are estimates only. They are not a reliable guide to the future performance of this investment.

Example 3: Where the stock markets went up in value for a short period followed by very significant falls for the rest of the investment period - for example, during the period 1 March 2000 to 28 February 2006



The example above includes the period from 2000 to early 2003. This was one of the worst periods ever for stock markets.

If the conditions above were repeated in the future, the Protected Consensus Fund should behave in the following way.

Performance: you should have been protected from most of the very significant falls in the Consensus Fund. This is because we would reduce the amount linked to the performance of the Consensus Fund as it falls in value. However, this also means that your investment would have lower growth potential.

Ups and downs: you should have much lower levels of ups and downs than the Consensus Fund.

Capital protection: your capital protected amount at the end of the six years would remain at your original investment amount.

Investment mix: the levels linked to the performance of the Consensus Fund would go down and could reach the minimum of 15%. In the example above, the Protected Consensus Bond Series 2 would have had the following amounts linked to the performance of the Consensus Fund at the end of each year.

Amount in:	Start	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Consensus Fund	80%	81%	43%	21%	25%	22%	27%
Fixed-interest bonds	20%	19%	57%	79%	75%	78%	73%

Note: This simulation of past performance may not be a reliable guide to future performance which depends on future investment conditions. This simulation assumes that no withdrawals have been made. As you can see, investments can fall as well as rise. The above performance includes fund management charges and is before tax.
(Source: Irish Life Investment Managers)

your questions answered

5



Is this the right investment for me?

The Protected Consensus Bond Series 2 could suit you if the following apply to you.

- You want to invest for six years.
- You want an investment that protects your money and understand that this protection applies at the end of that six-year period.
- You are looking for an investment that gives you the potential for very good returns over the long-term but you do not need to have a specific level of return.
- You are happy to settle for potentially lower long-term returns than you could achieve by investing without capital protection.

When will my investment start?

We will invest any investment we receive on the 7th working day of the following month.

What are the smallest and largest amounts I can invest?

The smallest amount you can invest in the Protected Consensus Bond Series 2 is €20,000 and the most you can invest is €1,000,000.

What are the charges?

We take the following charges from your investment. We use these charges to cover the cost of setting up and running your investment.

1 A fund charge each year

This charge is equal to 1.75% a year of the value of your Protected Consensus Fund.

2 Early exit charge

We assume that you will invest for the full six years to take advantage of the capital protection. If you cash in any of your investment before the end of the six years, you will have to pay the following charge on the amount you cash in.

Year 1	5%
Year 2	4%
Year 3	3%
Year 4	2%
Year 5	1%
Year 6	1%

Can I take an income?

We recommend you invest for six years to benefit from the capital protection. You can ask us to automatically cash in up to 5% a year of the value of your Protected Consensus Bond Series 2 to give you an income. There is no early exit charge on any income you take.

You can take your income every month, three months, six months or year. If you want to take a monthly income, we will pay it direct to your bank.

You should understand the following if you take an income.

- The level of your income will change each year. This is because you are withdrawing part of the value of your Protected Consensus Bond Series 2 each year. The fund value will change during your investment period and could be less than the original amount you invested.
- Your capital protected amount at the end of six years will be reduced to take account of any income you receive. For example, if you take an income of 3% a year, your capital-protected amount at the end of the six years will reduce by 3% every year. The following table, using an initial investment of €100,000, shows how your capital-protected amount would reduce if you took an income of 3% a year from the value of your investment.

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

When	Capital protected amount
Start of investment	€100,000
End of year 1	€97,000
End of year 2	€94,090
End of year 3	€91,267
End of year 4	€88,529
End of year 5	€85,873
End of year 6	€83,297

Any income we pay you will be taxed based on the growth made by that particular amount you are withdrawing. The tax rate is currently 23% (this is the standard rate of income tax plus 3%). We will take this tax and pay it to the Irish Revenue on your behalf.

Can I cash in some or all of my investment?

The Protected Consensus Bond Series 2 protects your money at the end of the six-year investment period. That's why we recommend that you invest for the full investment period. You can cash in some or all of your investment at any stage. You will have to pay the early exit charge shown above. You should also understand that:

- there is no guarantee of how much your investment will be worth (it could be higher or lower than the amount you invested); and
- your capital protected amount will be reduced to take account of any withdrawals you make.

The smallest amount you can take from your investment is €350 after tax. The value of your investment after you cash in part of your investment must be at least €1,250. You will have to pay tax on any profit you make on any withdrawals from your investment.

What tax do I have to pay?

You will pay tax on the profit you make if:

- you cash in all or part of your investment either before or at the end of your investment period;
- we pay death benefits; or
- you transfer your Protected Consensus Bond Series 2 to someone else.

The tax rate is currently 23%. This is the current standard rate of income tax (20%) plus 3%. We pay this tax for you and take the amount from anything we pay you. If you do not cash in your investment at the end of the six-year period, we will switch your investment into our cash fund. If you have not cashed in your investment before the 8th anniversary of your Protected Consensus Bond Series 2, you will have to pay tax on your profit at that stage and every eight years after that. Where tax is deducted from your fund on each eight anniversary, this tax can be offset against any tax that is payable on a subsequent full encashment. This information is based on current tax law, which could change in the future.

What happens if I die?

If you die during the six-year period, we will pay 100.1% of the value of your Protected Consensus Bond Series 2 on the date you die. The capital protection does not apply if you die. This means that the cash-in value could be higher or lower than the amount you invested. We take off tax at the current rate of 23% on any profit made. If you own your Protected Consensus Bond Series 2 with another investor and one of the investors dies, we will transfer your investment to the other investor. No tax will be paid at this stage.

How are the capital protection and the investment returns provided?

JP Morgan Chase Bank provide the capital protection and investment returns on the Protected Consensus Fund to us. They also work out how much of the Protected Consensus Fund is linked to the performance of our Consensus Fund and fixed-interest bonds. If you would like further details of how this is done, please contact us.

Your contract is with us (Irish Life). We have formed a contract with JP Morgan Chase Bank for them to provide the capital protection and the investment returns to us. We are committed to passing the full value of the amounts we receive (less the fund charge) from JP Morgan Chase Bank to you. However, we are limited to the amounts we actually receive from JP Morgan Chase Bank under the terms of the contract. We will not use any of our other assets to meet these commitments.

What happens at the end of the investment period?

Your Protected Consensus Bond Series 2 will end after six years. At that stage, we will put the value of your investment into our cash fund until you cash it in.

Who should I talk to if I have any concerns?

We hope you never have to complain but if you do, we want to hear from you. Please contact us.

In writing:

Customer Service Department
Irish Life
Lower Abbey Street
Dublin 1

By phone:

01 704 1010

Our working hours are as follows.
8am and 8pm Monday to Thursday
8am and 6pm on Fridays
9am and 1pm on Saturdays

We will record or monitor calls to help improve our service to you.

By e-mail:

customerservice@irishlife.ie

You should also ask us for a copy of our Complaints Charter. This sets out how we deal with any complaints, including how quickly we will respond to any complaints we receive.

If, having contacted us, you still feel we have not dealt fairly with your complaint, you can contact:

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

Lo-call: 1890 88 20 90

Fax: 01 662 0890

Email: enquiries@financialombudsman.ie

Website: www.financialombudsman.ie

What happens after I apply?

When we receive your application, we will send you our welcome pack. This pack includes:

- an investment schedule that sets out the details of your Protected Consensus Bond Series 2;
- a booklet that sets out the terms and conditions of your investment;
- a copy of this booklet; and
- your Customer Information Notice.

Can I change my mind?

We want to make sure that you are happy with your decision to invest in the Protected Consensus Bond Series 2. As a result, you will have 30 days from the day we send you your welcome pack to change your mind and cancel the investment. If you decide to cancel at that stage, you will get back the original amount you invested, less any reduction in the value of your investment that may have taken place while the investment was in place.



your Customer Information Notice

your Customer Information Notice

Introduction

This notice is designed to highlight some important details about the investment and, along with the Protected Consensus Bond Series 2 booklet, is meant to be a guide to help you understand your investment. Full details on the specific benefits and options that apply to you will be contained in your investment 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 investment 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 sales advisor or your insurer Irish Life, who will deal with your enquiry at our Customer Services Department, Lower Abbey Street, Dublin 1.

Plain English Campaign's Crystal Mark does not apply to this Customer Information Notice as the wording cannot be changed for legal reasons.

Customer Information Notice

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

Customer Information Notice

A. INFORMATION ABOUT THE POLICY

1. MAKE SURE THE POLICY MEETS YOUR NEEDS!

The Protected Consensus Bond Series 2 is a lump-sum investment for six years with capital protection at the end of that period. 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 sales adviser must indicate whether paragraph a) or paragraph b) below applies.

☐ a) This investment replaces in whole or in part an existing investment with Irish Life, or with another insurer, which has been or is to be cancelled or reduced. Your sales advisor 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 sales advisor before you complete the rest of the application form.

☐ b) This investment does not replace in whole or in part an existing investment with Irish Life or with any other insurer which has been or is to be cancelled or reduced.

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

You can cash in all or part of your Protected Consensus Bond Series 2 at any stage.

Cashing in before the sixth anniversary of the start of your investment will result in an early exit penalty being applied.

If you cash in any or all of your investment before the capital protection date, there is no guarantee on the amount you will get back. It may be less than the amount you have invested. Your capital protection will also be reduced in proportion to the amount you have cashed in.

Customer Information Notice

3. WHAT ARE THE PROJECTED BENEFITS UNDER THE POLICY?

The following tables set out the costs and benefits for a typical Protected Consensus Bond Series 2. The figures will obviously vary based on each individual's personal details.

The figures below are based on an investment of: €50,000.

TABLE (A):

Year	A € Total amount of premiums paid into the policy to date	B € Projected investment growth to date	C € Projected expenses and charges to date	D=A+B-C € Projected policy value before payment of taxation	E € Projected policy value after payment of taxation
1	50,000	2,641	2,833	49,808	49,808
2	50,000	5,410	3,188	52,223	51,711
3	50,000	8,314	3,565	54,748	53,656
4	50,000	11,357	3,967	57,390	55,690
5	50,000	14,545	4,993	59,552	57,355
6	50,000	17,856	5,437	62,419	59,563

IMPORTANT: THIS ILLUSTRATION ASSUMES A RETURN OF 5.6% PER ANNUM. THIS RATE IS FOR ILLUSTRATION PURPOSES ONLY AND IS NOT GUARANTEED. ACTUAL INVESTMENT GROWTH WILL DEPEND ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS AND THE LEVEL OF INVESTMENT LINKED TO THE CONSENSUS FUND RETURNS, AND MAY BE MORE OR LESS THAN ILLUSTRATED.

Based on the assumed growth in the fund above, the effect of the expenses and charges shown is to reduce the assumed return on your investment by 1.8% per annum.

Customer Information Notice

TABLE (B):

Year	A € Total amount of premiums paid into the policy to date	B € Projected investment growth to date	C € Projected expenses and charges to date	D=A+B-C € Projected policy value before payment of taxation	E € Projected policy value after payment of taxation
1	50,000	3,584	2,833	50,751	50,579
2	50,000	7,413	3,194	54,219	53,249
3	50,000	11,504	3,586	57,918	56,097
4	50,000	15,874	4,011	61,863	59,135
5	50,000	20,538	5,129	65,409	61,865
6	50,000	25,473	5,616	69,857	65,290

IMPORTANT: THIS ILLUSTRATION ASSUMES A RETURN OF 7.6% PER ANNUM. THIS RATE IS FOR ILLUSTRATION PURPOSES ONLY AND IS NOT GUARANTEED. ACTUAL INVESTMENT GROWTH WILL DEPEND ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS AND THE LEVEL OF INVESTMENT LINKED TO THE CONSENSUS FUND RETURNS, AND MAY BE MORE OR LESS THAN ILLUSTRATED.

The value shown in column A includes the cost of all charges, expenses, intermediary remuneration and sales remuneration associated with your investment.

You will make a single payment at the start of your investment. No further payments can be accepted before the capital protection date.

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

4. WHAT INTERMEDIARY/SALES REMUNERATION IS PAYABLE?

The level of intermediary/sales remuneration shown is based on the typical investment outlined in section 3 above. The figures will vary based on the exact investment details in each case.

ILLUSTRATIVE TABLE OF INTERMEDIARY/SALES REMUNERATION

Year	€ Premium payable in that year	€ Projected total intermediary / sales remuneration payable in that year at 6%	€ Projected total intermediary / sales remuneration payable in that year at 8%
1	50,000	1,725	1,725
2	0	130	132
3	0	135	140
4	0	140	148
5	0	145	156
6	0	150	165

The projected intermediary/sales remuneration shown above includes the costs paid by Irish Life in giving sales advice, service and support for the investment. These costs are included in the plan charges set out in column C of both the illustrative tables (A) and (B) of projected benefits and charges in section 3.

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

The benefits illustrated are not guaranteed. You could get back more or less than the projected benefits.

However, on the capital protection date in six years time, you will get back (before tax) the higher of:

- your original amount invested (adjusted for any withdrawals or income you have taken)

- 80% of the highest value of your Protected Consensus Bond Series 2 during the investment (adjusted for any withdrawals or income you have taken);
- the cash-in value of your investment at that stage.

If you take a regular income from your Protected Consensus Bond Series 2, you should understand that the amount of income you take could be greater than the growth on your investment. This means that the cash-in value of your investment could be lower than the amount you have invested. The capital protected amount at the capital protection date will be reduced in proportion to the withdrawals you take as regular income payments.

This capital protection on the capital protection date and the investment returns are provided to Irish Life Assurance plc (Irish Life) by JP Morgan Chase Bank. Irish Life does not provide the capital protection on this fund. This is explained in the next paragraph.

Capital Protection explained

Your contract is with Irish Life. Separately Irish Life has contracted with JP Morgan Chase Bank to provide the investment returns and capital protection to Irish Life in relation to the fund in which we invest your money. Irish Life's commitment to you is to pass on the full value of the underlying fund, including the value of the capital protection it receives from JP Morgan Chase Bank. Our commitment to you is restricted to the capital protection we actually receive from JP Morgan Chase Bank under the terms of the contract. No other assets of Irish Life will be used to meet these commitments. JP Morgan Chase Bank's commitment is restricted to its contract with Irish Life. You do not have a contract with JP Morgan Chase Bank or any recourse to them.

How your fund works

Your money will be invested in the Protected Consensus Fund. This fund is linked to the performance of two investments, the Consensus Fund and fixed interest bonds. In general the Consensus Fund returns provide the growth potential for your investment while the returns on the fixed interest bonds provide the capital protection at the end of the investment period. Therefore, the return on your investment will mainly depend on the performance of the Consensus Fund. At the start of your investment, 80% of the Protected Consensus Bond Series 2 will be linked to the Consensus Fund returns, with the remaining 20% linked to the returns from fixed interest bonds. Generally, the better the Consensus Fund performs, the higher the percentage of your investment that will be linked to the Consensus Fund returns, up to a maximum of 100%. Conversely, when the Consensus Fund performance is poor, a lower percentage of your investment will be invested in the Consensus Fund, to a minimum of 15%. You should note that it is possible that, if the Consensus Fund were to fall significantly in value, up to 85% of your fund could be linked to returns from fixed interest bonds. This would be necessary to provide your capital protection on the capital protection date. However because you would only have 15% exposure to the returns from the Consensus Fund you would also have a much lower overall growth potential.

JP Morgan Chase Bank will determine the ongoing split of assets between the Consensus Fund and fixed interest bonds in accordance with a methodology agreed between Irish Life and JP Morgan Chase Bank at the outset. The details of how this methodology operates are available from Irish Life on request.

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

If the cost of administering your Protected Consensus

Bond Series 2 increases unexpectedly we may need to increase the charges on your investment. Also we can alter the Protected Consensus Bond Series 2 (or issue another investment in its place) if at any time it becomes impossible or impracticable to carry out any of the investment rules because of a change in the law or other circumstances beyond our control. Such circumstances include a suspension or limitation in trading in the assets in the Consensus Fund. Before we alter the Protected Consensus Bond Series 2 (or issue another in its place), we will send a notice to your last known address explaining the change and your options.

7. INFORMATION ON TAXATION ISSUES

Under current Irish tax law, tax is payable on returns made on this investment. The tax rate is made up of the standard rate of income tax (currently 20%) plus 3%. Where the charge applies we will deduct any tax due and pay out the after tax amount.

Tax is payable on your investment returns when

- You make any withdrawal (full or partial, including taking a regular income)
- You die
- You transfer all or part of your investment to someone else. There are some exceptions to this however you must inform us if you transfer the investment.

If you do not cash in your investment at the end of the six-year period, we will switch your investment into our cash fund. If you have not cashed in your investment before the 8th anniversary of your Protected Consensus Bond Series 2, you will have to pay tax on your profit at that stage and every 8th anniversary thereafter.

We will deduct the exit tax from the value of your investment and pay it to the Irish Revenue. Where

tax is deducted from your fund on each eight anniversary, this tax can be offset against any tax that is payable on a subsequent full encashment.

Tax legislation imposes an obligation on Irish Life to deduct the correct amount of exit tax. Irish Life retains absolute discretion to determine, in accordance with all relevant legislation and guidelines, its application and interpretation, the tax treatment of this investment.

In some circumstances, additional tax may be due after death. For example, if the investment benefit 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). In certain circumstances, inheritance tax due may be reduced by any tax paid on death under this investment.

In some circumstances where ownership of the investment is transferred to someone other than the original owner tax may be payable at the date of transfer. We will deduct this tax.

If payments are made by anyone other than the legal owner of the investment, for example from a company or business account, there may be other tax implications.

Please contact your sales advisor or Irish Life if you do not fully understand the likely tax treatment of any benefits payable in connection with your Protected Consensus Bond Series 2.

8. ADDITIONAL INFORMATION IN RELATION TO YOUR POLICY

What are the benefits and options provided under this investment?

The Protected Consensus Bond Series 2 is an investment designed to meet your medium to longer-term investment needs for six years.

(A) Cashing in all or part of your investment

You may cash in your investment in full at any time. If you do so more than six years after the start of the investment, you will receive the value of your investment at the date you cash it in. However, if you want to cash in your investment less than six years after the start of the investment, we will reduce the value of your investment by an early exit charge. This charge is equal to 5% of the value of your investment in year one, 4% of the value of your investment in year two, 3% of the value of your investment in year three, 2% of the value of your investment in year four and 1% of the value of your investment in years five and six. No early exit charge will apply after the sixth year.

You may withdraw part of your investment from your Protected Consensus Bond Series 2 at any time. This is provided that the amount of money you are taking out is not less than €350, after deduction of any exit tax due, and the gross value of your investment after you have made a withdrawal is at least €1,250. The early exit charges detailed above will apply to the amount of your withdrawal. The capital protected amount at the capital protection date will be reduced if you take a withdrawal.

(B) Regular income

You can take a regular income of up to 5%, before tax, of the value of your fund each year. You can take this income every month, 3 months, 6 months or every year. There must be €1,250 left in your investment at any time. We will pay you the income as if you were cashing in part of your investment on each payment date i.e. we will reduce the value of your investment by the amount we pay you plus any exit tax due in respect of this payment. No early withdrawal charge will be applied on regular income withdrawals. If you take a regular income from your Protected Consensus Bond Series 2, you should understand that the amount of income you take could be greater

than the growth on your investment. This means that the cash-in value of your investment could be lower than the amount you have invested. The capital protected amount at the capital protection date will be reduced in proportion to the withdrawals you take as regular income payments. Full details of any regular income that you have chosen to take from your investment will be contained in your investment schedule and personalised customer information notice which you will receive as part of your welcome pack.

(C) Death Benefit

If you die while the investment is in force (or, for a joint life case, when the second of the investors die), we will pay 100.1% of the value of your fund, less the appropriate exit tax. The capital protection does not apply on death.

What is the term of the contract?

The term of your Protected Consensus Bond Series 2 investment is six years.

Are there any circumstances under which the investment may be terminated?

Your Protected Consensus Bond Series 2 investment will end if you die or, for a joint life case, when the second of the investors dies.

Your Protected Consensus Bond Series 2 may be ended if, following a partial withdrawal, the value of your investment is less than €1,250.

How are the payments invested?

The Protected Consensus Bond Series 2 is a unit-linked investment. In return for your payment we allocate units to your investment from the Protected Consensus Fund. The value of your investment is linked to the value of these units. The value of a unit will rise or fall over time, depending on how the underlying assets perform. You do not own the units.

Unit-linking is simply a method of working out the value of your investment at any date. The gross value of your investment at any date will be equal to the total of the number of units allocated to your investment from each fund multiplied by the unit price for units of that fund on that date. The value of your investment will therefore rise and fall over time as the unit prices change to reflect the value of the underlying assets.

Is there an opportunity to change your mind?

When your welcome pack is issued you will have an opportunity to cancel the investment if you are not satisfied that the benefits meet your needs. You may do this by writing to the Customer Services Department at Irish Life within 30 days of our sending you details of your investment. On cancellation all benefits will cease and Irish Life will refund your payment, subject to deduction of any losses that may have been incurred as a result of fluctuations in the value of assets relating to the investment during the period it was in force.

Law applicable to your investment

Irish Law governs the investment 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 investment is not right for you, or if you have any questions, you should contact Irish Life Customer Services Department, Lower Abbey Street, Dublin 1 who will deal with your enquiry. Our Customer Services Department 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 at 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

Customer Information Notice

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

Your Protected Consensus Bond Series 2 is provided by Irish Life Assurance plc, a company authorised in Ireland. Irish Life Assurance plc is regulated by the Financial Regulator. You can contact us at Irish Life Centre, Lower Abbey Street, Dublin 1, by telephone at 01 704 1010, or by fax at 01 704 1900, and by e-mail at customerservice@irishlife.ie. To help improve customer service we will record or monitor calls.

Insurance Intermediary/Sales Employee

The sales advisor 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.

application form



Protected Consensus Bond Series 2

Application Form

Financial adviser details

Region

Manager

Adviser Code

LARC Registration Number (where applicable)

Your details (Please use block capitals)

Name in full (surname first) Mr/Mrs/Ms

Date of birth

/ /

Occupation

Proposer (if different from above)

Joint name in full (surname first)

Mr/Mrs/Ms

Date of birth

/ /

Occupation

Telephone number

Home

Work

Home address

E-mail address



Irish Life

Note

The Proposer is the owner of the investment. Only fill in here if the Proposer is different from the above.

Note

A 'Care of' address cannot be accepted.

Investment details

I want to invest the amount shown below in the Protected Consensus Bond Series 2

Protected Consensus Fund

€

Please invest in the current Protected Consensus fund

or

Please invest in a future Protected Consensus fund with the following start date (state month / year)

/

Please note: The investment will start on the 7th working date of the month stated above.

Your income details

% per annum

First income payment date

/ /

Income paid every

month(s)

Monthly income can only be paid into a bank account

Please indicate the bank or building society to which the income can be paid

I hereby authorise the company to pay each installment of income as it becomes due

Branch Name

Address

Account Number

Sorting Code

Name of Account

Note

You may take a gross automatic income of up to 5% per annum. Please note that if the fund grows on average at a lower rate, your original investment may be reduced.

Note

Income can be taken every month, 3 months, 6 months or 12 months

Declaration under regulation 6(3) of the Life Assurance (Provision of Information) Regulations 2001.

WARNING

If you propose to take out this plan in complete or partial replacement of an existing plan, please take special care to satisfy yourself that this plan meets your needs. In particular, please make sure that you are aware of the financial consequences of replacing your existing plan. If you are in doubt about this, please contact your insurer or insurance intermediary.

Please complete this section by ticking the appropriate box:

This plan does not replace an existing plan ☐ This plan does replace an existing plan ☐

Ref. Policy Number

Declaration of Insurer or Intermediary

I hereby declare that in accordance with Regulation 6(1) of the Life Assurance (Provision of Information) Regulations, 2001,

*(the client's name and address)

has been provided with the information specified in Schedule 1 to those Regulations and that I have advised the client as to the financial consequences of replacing an existing investment with this plan by cancellation or reduction, and of possible financial loss as a result of such replacement.

Signature Date

Irish Life Assurance plc **OR** Insurance intermediary (please delete as appropriate)

Declaration of Client

I confirm that I have received in writing the information specified in the above declaration.

Signature Date

Signature (Joint Investor) Date

Declaration

I/we understand that the investment will start on the 7th working day of the following month after Irish Life has received and accepted a fully completed application form and any other documentation or information requested. Acceptance will not occur until the investment documentation has been issued.

I authorise Irish Life Assurance plc (ILA) and its agents to hold and process information in connection with this contract or transaction. This includes any other information supplied to or obtained by ILA separately. ILA may hold and process this information for administrative, customer care and services purposes.

I/we understand that a copy of this application form is available on request.

Signature

Signature
(Joint Investor)

Signature of the Proposer
(if different)

Date

Office use only

Single ☐ Joint ☐

Note Data Protection:

The information you give here will be used to process your application on computer. We may use this information to send you details of other products from companies within the Irish Life & Permanent group (a financial services group mainly made up of life assurance, banking and personal finance companies). For this purpose, we may pass this information to the other companies within the group. If you do not wish to avail of this service, please tick the box. ☐

The option to decline this service may be exercised any time in the future (even if you do not tick this box) by writing to the Marketing Department, Irish Life, Lower Abbey Street, Dublin 1.

We offer investment,
protection, pension and
savings products.

Contact us

phone: 01 704 1010

8am to 8pm Monday to Thursday

8am to 6pm on Fridays

9am to 1pm on Saturdays

fax: 01 704 1900

e-mail: customerservice@irishlife.ie

website: irishlife.ie

write to: Irish Life Assurance plc, Lower Abbey Street, Dublin 1.

