

Income Protector

Protect your lifestyle



Irish Life

Why income protection?

As we develop our careers and family life, we grow accustomed to a certain lifestyle. Part of this lifestyle is to maintain regular bill payments, such as mortgage and loan repayments and household expenses.

In the unfortunate event of unexpected illness or injury, which meant you could not work, you would still have to pay all of your regular bills, such as mortgage and loan repayments, household expenses and general living costs. The State pays Illness Benefit, based on your PRSI contributions. However, the current weekly Personal Rate is €204.30 or €339.90 with an adult dependent (please see www.welfare.ie for more information).

Taking into account all of your regular bills and the additional financial burden of extra medical costs - do you think you could maintain your current lifestyle with as little as €204.30 a week? If the answer is no, you could need income protection.

What is Income Protector?



Income Protector from Irish Life provides you with a regular income, called incapacity benefit.

This is paid to you if you cannot work due to illness or injury. It is a form of disability or sickness insurance that can help to alleviate financial worries and help you to maintain the lifestyle you know, should you no longer be able to earn an income. It does not cover you if you become unemployed.

Why Irish Life?



Irish Life is the largest provider of Income Protection in Ireland with over 275,000 people insured. We currently pay benefits to over 3,000 customers with a total annual payment of over €52 million. This information is based on Irish Life Retail and Corporate Business for 2008.

Here is an example of a typical 'Income Protector' customer:

Jenny is a 30 year old, non smoker, clerical officer earning €40,000 a year. If she were unable to work due to an illness or disability she would receive €10,623.60 per year in Illness Benefit from the State. This is not enough to maintain her current lifestyle so Jenny decides to take out some income protection.

Guaranteed option

If Jenny wants peace of mind with a guarantee that her rates will remain the same for the duration of her plan, she could choose the 'guaranteed income protector' option. This option is slightly more expensive than the reviewable option below as Jenny is paying for the certainty that the rates she is charged will never change.

Reviewable option

However, if Jenny is less concerned about the rates guarantee and wants cheaper cover, she could choose the 'reviewable Income Protector' option. With the reviewable option, rates are guaranteed for the first five years only. After the first five years the rates may be reviewed. Jenny's payments could go up or down, or remain unchanged.

Jenny can cover up to 75% of her income against illness or disability. She could protect €19,376.40 (up to age 60) for the following costs, depending on whether she chooses the guaranteed or reviewable option:

Jenny's monthly payments	Guaranteed Option	Reviewable Option
Before tax relief	€53.13	€43.58
After tax relief	€31.35	€25.71

How much cover do I need?

Your financial adviser will help you decide how much cover you need and can afford. That cover should reflect your income. In general, the most cover you can have at any one time (including that provided under other income protection plans and continuing income from your job or pension) is:

- 75% of the first €80,000 of your yearly earnings; plus
- 50% of any yearly earnings over €80,000; less
- any state benefits for disability (except benefits for children) and other forms of income you may have. The overall maximum amount of cover we will provide is €150,000 a year. Please see our 'income protector' booklet for further details.



Don't forget: there may be Income Tax relief available on Payments. Under current tax law (May 2009), payments to this income protection plan are eligible for full tax relief at your marginal rate of income tax. The max amount of payments you can claim tax relief on is limited to 10% of your total income for the year of tax assessment. Your "total income" is any "earned income", as adjusted for tax purposes. Benefits payable are subject to tax under PAYE. Terms and conditions apply.

If you have any questions about Income Protector please talk to your Financial Adviser.

All figures shown are correct as of April 2009. Terms and conditions apply. Please see the product booklet for more information. Irish Life Assurance plc is regulated by the Financial Regulator. Irish Life Assurance plc, Registered in Ireland number 152576, VAT number 9F55923G.