Irish Life

your Preliminary Disclosure Certificate
- Complete Solutions PRSA *Standard* Plan (1.5%)

This product is provided by Irish Life Assurance plc.

The **Complete Solutions PRSA** *Standard* plan has been approved under Part X of the Pensions Act, 1990 as amended and complies with the provisions of Part 30, Chapter 2A of the Taxes Consolidation Act 1997.

Its approval number is APP/K/751/S.

Introduction

Your Personal Retirement Savings Account is a contract between you, the contributor, and us, Irish life Assurance plc. (Irish Life). This contract will be in the form of an insurance plan.

This certificate is designed to highlight some important details about the plan and, along with the **Complete Solutions PRSA** *Standard* booklet, is meant to be a guide to help you understand your plan. Full details specific to your own plan will be contained in your plan schedule, Terms and Conditions booklet and statement of reasonable projection which you will receive in your welcome pack. It is important that you should read these carefully when you receive them, as they will describe your level of contributions and the investment options you have selected.

Any questions?

If you have any questions on the information included in this preliminary disclosure certificate you should contact your Financial Adviser or your PRSA provider Irish Life, who will deal with your enquiry through our Customer Services Team at Lower Abbey Street, Dublin 1.

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1. INFORMATION ABOUT THE PLAN

(a) Benefits

Your **Complete Solutions PRSA** *Standard* is provided in the format of a plan that allows you to pay either regular contributions, one-off amounts or a combination of the two. If you pay regular contributions through a personal bank account, you may choose to increase contributions in line with inflation. If you choose this option, your contributions will automatically increase each year in line with the rise in the Consumer Price Index (CPI). When the rise in the CPI is low, we may set the increase at a slightly higher minimum amount (this is currently 5% each year but this may be different when the increase in your contribution is calculated). If your contributions are made by salary deduction via your employer's bank account, the option to increase contributions in line with inflation is not available.

The purpose of this plan is to:

- build up a retirement fund; or
- provide for payment of the value of your fund to your estate in the event of your death before retirement; and
- provide for continuity of your pension funding if you change your job or employment status. Any contributions paid whilst you are a member of an approved occupational scheme (main pension scheme) at work will be treated as additional voluntary contributions (AVCs) into your PRSA.

When you take your benefits, part of the accumulated fund may be paid to you in the form of a retirement lump sum, some or all of which may be tax free depending on limits. The balance of the fund can be used to provide one or more of the following options:

- buy an annuity (pension for life); or
- stay invested in your PRSA (vested PRSA) and draw down an income at your discretion, subject to certain restrictions and appropriate tax (income tax, the Universal Social Charge (USC), PRSI (if applicable) and any other taxes or levies payable (“tax”)); or
- invest in an Approved Retirement Fund/Approved Minimum Retirement Fund from which an income may be drawn down at your discretion, subject to certain restrictions and appropriate tax deductions; or
- take as a taxable cash sum, subject to certain restrictions and appropriate tax deductions.

If you are paying AVCs into your PRSA with Irish Life when you take your benefits, we will have to pay benefits, including your retirement lump sum, in line with (a) the rules of your main pension scheme at work, (b) maximum pension benefit limits and (c) the Revenue Commissioner guidelines.

(b) Investment Strategy

How are the contributions invested?

Your **Complete Solutions PRSA** *Standard* is a unit-linked plan. In return for your money we allocate units to your account from each of your chosen funds which will be listed in your plan schedule. The value of your investment is linked to the value of these units.

The value of a unit will go down as well as up 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 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 for that date. The value of your investment will therefore go down as well as up over time as the unit prices change to reflect the value of the underlying assets.

Where you choose a fund which invests in equities or bonds, the equities or bonds within that fund may be used for the purpose of securities lending in order to earn additional return for the fund. While securities lending increases the level of risk within a fund it provides an opportunity to increase the investment return. Where an external manager engages in securities lending, they may keep some or all of the revenue from this activity for themselves.

Irish Life offer a wide range of fund options and investment strategies from which you can choose. These are fully described in your Fund Guide and **Complete Solutions PRSA** booklet. We offer two Default Investment Strategies where the investment strategy is pre-determined for the term of the PRSA contract.

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

Default Investment Strategies

Default Investment Strategy is an automatic switching tool that gradually moves your pension fund between certain funds during the term of your plan, as you get nearer your chosen retirement date. If you choose to invest in one of our Default Investment Strategies, your contributions will be invested in funds selected by Irish Life during the term of your contract. There are two different strategies - the Default Investment Strategy (Annuity) and the Default Investment Strategy (ARF).

The Default Investment Strategy (Annuity) is suitable if you intend to buy an annuity with your pension fund at your chosen retirement date. **Unless you tell us different in writing we will invest your money in this strategy.**

The Default Investment Strategy (ARF) is suitable if you intend to invest your retirement fund in an Approved Retirement Fund after your chosen retirement date.

The Default Investment Strategies described below are intended to meet the needs of typical contributors who are planning to purchase an annuity at retirement or to invest in an ARF. They invest through pooled unit-linked funds, the underlying assets of which will provide for diversification, liquidity, transparency of charges and frequent valuation and pricing.

Before choosing either strategy you should be aware that the funds in which they invest can go down as well as up in value and

have different levels of risk. This is explained in the description of each fund given below.

The strategies work as follows:

Default Investment Strategy (Annuity)

You will be invested into the Consensus Equity Fund until 15 years before your chosen retirement date. We will then invest your money in the Consensus Fund.

When you are five years away from your chosen retirement date, we will gradually switch your fund from the Consensus Fund into a mix of the Cash Fund and the Pension Protection Fund - one tenth of the fund will be switched every six months, until six months from your chosen retirement date when your entire fund will be fully invested in the Cash Fund and the Pension Protection Fund.

Default Investment Strategy (ARF)

You will be invested in the Consensus Equity Fund until 15 years before your chosen retirement date. From that time on, you will be invested in the Consensus Fund.

A description of the funds within each of the strategies is outlined below.

Consensus Equity Fund (high risk)

This fund invests in the same Irish and international equities as the Consensus Fund. Because this fund invests only in shares, it offers the possibility of high growth over the long term, but it also carries the risk of significant ups and downs.

Consensus Fund (high risk)

This fund invests in the same assets as the main Irish pension investment managers i.e. it mirrors their choice of shares, property, bonds, cash etc. The aim of the fund is to provide performance that is consistently in line with the average of all funds in the market. Because the Consensus Fund invests mainly in shares it can be risky over short time periods.

Cash Fund (low risk)

This fund invests in deposits and short-term investments on international money markets. The value of this fund can go down as well as up but is much less volatile than an equity fund.

Pension Protection Fund (medium risk)

This fund invests mainly in government-backed bonds. The value of this fund can go down as well as up but it is less volatile than an equity fund. The value of this fund will tend to increase if the cost of pensions rises due to falls in interest rates.

Lifestyle Options

It is also possible to choose one of our Lifestyle Options.

Annuity Lifestyle Option

You choose the funds you wish to invest in until you are five years from your chosen retirement date. At that time, we will move your accumulated fund into the Consensus Fund, and then gradually move your fund from the Consensus Fund into the Cash Fund (25%) and the Pension Protection Fund (75%) as you approach your chosen retirement date.

ARF Lifestyle Option

You choose the funds you wish to invest in until you are five years from your chosen retirement date. At that time, we will automatically switch your fund into the Consensus Fund until your chosen retirement date.

(c) Tax

Any taxes or levies imposed by the government will be collected by Irish Life and passed directly to the Revenue Commissioners as required.

Income Tax relief on contributions (under current tax law)

For people under 30, pension contributions of up to 15% of earnings, subject to an earnings limit each year, qualify for income tax relief.

For people aged between 30 and 39, pension contributions of up to 20% of earnings, subject to an earnings limit each year, qualify for income tax relief.

For people aged between 40 and 49, pension contributions of up to 25% of earnings, subject to an earnings limit each year, qualify for income tax relief.

For people aged between 50 and 54, pension payments of up to 30% of net relevant earnings, subject to an earnings limit each year, qualify for income tax relief.

For people aged between 55 and 59, pension payments of up to 35% of net relevant earnings, subject to an earnings limit each year, qualify for income tax relief.

For people aged 60 or over, pension contributions of up to 40% of earnings, subject to an earnings limit each year, qualify for income tax relief.

The earnings limit is currently €115,000 (as at January 2015). This limit may change in the future.

In all cases, the above limits include any contributions which you may be paying to any other approved pension scheme or retirement annuity contract. Any employer contributions to this or any other PRSA are also included in the above limits.

For all payment methods, except where you are paying contributions directly from your salary, it may be possible to carry forward tax relief to future years if the above limits are exceeded or where you pay contributions when out of the workforce.

If you pay contributions directly from your salary, these limits cannot be exceeded.

Certain occupations qualify for a minimum 30% limit regardless of age. Examples of these occupations would be professional sports people such as golfers, jockeys, footballers and so on.

Entitlement to income tax relief is not automatically guaranteed.

Taxation of Benefits

At retirement

Under current tax law, all investment returns made within the **Complete Solutions PRSA** *Standard* funds will grow without the deduction of tax. However, the maximum pension fund allowed at retirement for tax purposes is €2,000,000 (as at January 2015) or, if higher, the value of your pension funds in total on 7 December 2005, on 7 December 2010 or on 1 January 2014 (subject to individual agreement with the Revenue Commissioners). The relevant maximum will apply to the aggregate value of all pension provisions held by an individual.

Any fund in excess of this amount will be liable to a once-off tax charge of 40% (current rate) before your retirement benefits are paid . This rate could change in the future.

The maximum retirement lump sum that can be taken on retirement is 25% of your fund. If you are paying AVCs into your PRSA then the amount you can take as a retirement lump sum will depend on the rules of your main pension scheme at work and limits set by the Revenue Commissioners. This could be more or less than 25% of your fund.

The maximum tax free amount you can receive is €200,000. Retirement lump sums between €200,000 and €500,000 will be taxed at the standard rate. If the aggregate of lump sums drawn down from all pension plans held by you exceeds €500,000 then the excess lump sum will be taxed at your marginal rate as income. (PRSI and Universal Social Charge will also be deducted.)

Both the €200,000 and €500,000 limits include all retirement lump sums you have received since 7 December 2005.

If you remain invested in your PRSA – (vested PRSA)

Any withdrawals you make from your vested PRSA will be taxed as income and subject to income tax, PRSI and Universal Social Charge due under the PAYEsystem. There are restrictions regarding withdrawals from a vested PRSA – please refer to your **Complete Solutions PRSA** *Standard* booklet and terms and conditions.

On death before retirement

If you die, the value of your fund will be paid to your estate. If you pay AVCs into your PRSA at any stage, we will pay the full value of your fund in line with Revenue Commissioner guidelines. Inheritance tax may have to be paid by the beneficiaries. However, there is no inheritance tax due on an inheritance between a married couple or registered civil partners.

On death after retirement

If your PRSA is a vested PRSA we will treat any payments after you die as income for the tax year in which you die, and they are taxed under the PAYE system. We pass the rest, after tax, to your representatives. There are a number of exceptions to this rule.

Income tax is not due if:

- the value of your vested PRSA after your death is transferred to an ARF owned by your spouse or registered civil partner, or
- the value of your vested PRSA after your death is transferred for the benefit of any of your children who are under 21 on the day you die.

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

As well as income tax, there may also be Capital Acquisitions Tax due on the value of your plan, if your vested PRSA is not paid to your surviving spouse or registered civil partner or to any of your children over 21 years of age. The beneficiaries are responsible for paying this tax.

Please contact your Financial Adviser or Irish Life if you do not fully understand the likely tax treatment of any contributions or benefits payable in connection with your **Complete Solutions PRSA** *Standard* plan.

Pre-retirement AVC withdrawal

If part of the value of your PRSA is made up of Additional Voluntary Contributions (AVCs) then you may be able to withdraw up to a maximum of 30% of the value of your AVCs, subject to tax, before 26 March 2016.

Transfer overseas

Transfers to an approved pension scheme overseas will be subject to tax as income. Income tax, Universal Social Charge and PRSI if applicable will be deducted from your transfer value under the PAYE system.

(d) Risk factors

The benefits from your PRSA are not guaranteed. What your fund will be worth at retirement depends on the rate at which your investments grow. The value of investments in all funds can go down as well as up. The pension your fund can buy will depend on your age and interest rates at the time you retire. The cost of buying a pension is very likely to change over time. Inflation can affect the value of your retirement benefits and you should regularly review the progress of your fund against your required retirement income levels.

The proceeds of this plan can be taken from age 60 onwards (unless you are an employee, in which case benefits can become available on your retirement from age 50) or on earlier death. Certain occupations may allow you to take benefits earlier than 60 and you may, because of ill-health, access benefits earlier than this date also.

If you pay AVCs into your PRSA at any stage, we will normally pay benefits under your PRSA at the same time as you take the benefits from your main pension scheme at work. This is explained in more detail in your Terms and Conditions booklet.

You cannot encash your plan early, although you can transfer the value of the fund to another PRSA, an occupational pension scheme with your employer or an approved pension scheme overseas. Such transfers may be subject to certain restrictions.

If you stop paying contributions, your fund will continue to be invested with Irish Life until you retire. The fund charge will continue to be deducted. Your fund at retirement will be less than if you continue to pay contributions and your retirement income could be insufficient for your needs unless you have alternative arrangements in place.

If you are paying AVCs but subsequently leave your main pension scheme at work, you should notify Irish Life. Any further contributions will become ordinary contributions unless you join another approved main pension scheme at work.

It is not possible to obtain a refund of your contributions paid after the cooling-off period as outlined in section 4. Assets under your plan can only be paid in line with Chapter 2A of Part 30 of the Taxes Consolidation Act 1997 and Section 109 of the Pensions Act, 1990 as amended.

We are not liable for any loss incurred by any of the investments in the funds available under this plan. It is important to note that the value of investments with any fund manager may be affected if any of the institutions with whom money is placed suffers insolvency or any other financial difficulties. Where a fund is managed by an external fund manager, the value of your units will reflect the value of the assets recovered from that manager. Irish Life will not use any of our assets to make up any shortfall.

Where a fund invests in an external fund, we will represent the key features of the external fund in our literature. However, the managers of external funds may retain discretion over the nature and choice of assets, custodians and institutions with whom they place money, and the expenses incurred, within any part of a fund they manage. Our commitment to you is to pass on the full value of the fund we receive from the external manager for your investment. We are not liable for any pricing inaccuracies related to the external providers. Our commitment is restricted to the returns we actually receive from the external manager.

Where funds are managed by external fund managers, the investments may be legally held in other countries other than Ireland. Where a fund is based will impact on how it is regulated.

Delay periods

In certain circumstances, we may need to delay switches from a fund or transfers from your plan. The circumstances in which we may delay a switch or transfer can include the following:

- If a large number of customers want to put money into, or take money out of, the same fund at the same time.
- If there are practical problems buying or selling the assets in which the fund is invested.
- For an externally managed fund, if the external manager who is responsible for the investment of any part of the fund imposes a delay.

Due to the high cost and time involved in buying and selling properties, a delay is most likely to happen if you are invested in a property fund (or a fund with a high proportion of property or property related assets). The length of any delay period will depend on how long it takes us to buy or sell the assets in the fund. A significant delay would be likely to apply in this situation.

Delayed switch or transfer values will be based on the value of units at the end of the period when the switch or transfer actually takes place.

When there are more customers moving out of a fund than making new investments in it, or there are more customers making new investments in a fund than moving out of it, we may reduce the value of the units in the fund to reflect a percentage of the costs associated with buying and selling the assets of the fund. The reduction in the value of the affected assets will be different for each fund and is most significant for the proportion of any fund invested in property. The reduction for any part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

2. THE PROJECTED LEVEL OF BENEFITS

The benefits that will emerge from your **Complete Solutions PRSA** *Standard* plan will depend, in particular, on the level of your contributions, how long you pay those contributions and the investment return achieved.

The table below illustrates the retirement income for life, payable monthly from age 65, projected to be obtained from contributions of different amounts starting from different ages. Contributions are assumed to increase by 3% each year. This retirement income has been adjusted for inflation so that the amounts are shown in terms of current prices.

TABLE OF BENEFITS

Amount of contribution paid per month in today's terms.	Retirement income payable for life from age 65 if contributions start from age:				
	20	**30**	**40**	**50**	**60**
€ 50	€114 per month	€83 per month	€56 per month	€32 per month	€11 per month
€ 100	€229 per month	€167 per month	€113 per month	€65 per month	€21 per month
€ 200	€459 per month	€334 per month	€225 per month	€129 per month	€42 per month
€ 400	€925 per month	€672 per month	€453 per month	€261 per month	€85 per month

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

This table shows that if contributions of €100 per month in today's terms are made for 35 years from age 30 to 65, then the retirement income payable for life from age 65 is projected to be €160 per month. This income is assumed to be paid monthly in advance to you for life, or for a minimum of five years if you die within the five years. The income is also assumed to increase by 2% every year during your lifetime. The retirement income is on your life only. The annuity rate used to calculate this income is based on long-term average annuity rates and is not guaranteed. The rate you receive when you retire could be higher or lower than this. Annuity rates fluctuate over time due to changing interest rates and life expectancy. Different annuity options can be chosen at retirement.

IMPORTANT:

THESE ILLUSTRATIONS ASSUME AN INVESTMENT RETURN BEFORE RETIREMENT OF 6% EACH YEAR AND INFLATION OF 3% EACH YEAR. THESE RATES ARE FOR ILLUSTRATION PURPOSES ONLY AND ARE NOT GUARANTEED. ACTUAL INVESTMENT GROWTH WILL DEPEND ON THE PERFORMANCE OF THE UNDERLYING INVESTMENTS AND MAY BE MORE OR LESS THAN ILLUSTRATED.

The figures shown above take account of the government pension levy which is payable. The table of benefits above assumes that the plan starts in January 2015. The pension levy will be deducted at the end of June 2015.

This illustration assumes investment in line with the Default Investment Strategy (Annuity). Under this strategy, the investment return used in these illustrations over the last 15 years of your investment is different to 6%. The assumed rate of return from 15 years to 5 years is 5.4%. The assumed rate of return during these final 5 years decreases half-yearly, starting at 5.4% and reducing to 3.1%, to reflect the gradual movement in your fund mix from the Consensus Fund towards a target of 25% in the Cash Fund and 75% in the Pension Protection Fund by retirement.

This illustration does not take tax into account. Please refer to section 1(c) for information on tax payable.

WARNINGS:

It is important to make adequate provision for your retirement. At the date of this Certificate, the State pension (contributory) payable under the Social Welfare (Consolidation) Act, 2005 to a single person who is qualified to receive the maximum rate amounts to €230.30 per week and equates to 33% of the latest yearly figure for gross average earnings as published by the Central Statistics Office for all industrial workers in all industries.

The value of your assets, and accordingly, the level of your benefits will depend upon the value of the underlying investments of the Complete Solutions PRSA *Standard* plan and the income which they earn. These values are not guaranteed, and may go down from time to time, as well as up.

This Complete Solutions PRSA *Standard* plan is intended to provide benefits over the duration of your life from retirement and it should be viewed as a long-term investment. It is recommended that you seek professional financial advice about the nature of this PRSA before signing the PRSA contract.

3. INFORMATION ON CHARGES

Before we invest your contributions, we will deduct a charge of 1.5% of the amount you pay. No entry charge will apply to transfers into this PRSA from other approved pensions. If you alter your contribution in the future, the charges applied may be different to those shown above.

Also, each month we deduct a charge of $1/12^{th}$ of the annual fund charge. This charge is 1% per annum of the value of each of your chosen funds. This charge is reflected in the investment price evenly over the month.

If the cost of administering your **Complete Solutions PRSA** *Standard* plan increases unexpectedly we may need to increase the charges on your plan. At least two months before we alter the plan, we will send a notice to your last known address that will explain the change, provide revised fund and benefit projections and outline your options.

The maximum permitted level of charges on a standard PRSA such as this is limited by law to 5% of each contribution **and** 1% per annum of the assets in the account.

4. YOUR RIGHT TO CHANGE YOUR MIND (COOLING OFF PERIOD)

This contract is not enforceable until a period of 30 days has elapsed from the date on which you are given a Statement of Reasonable Projection and you may cancel this contract at any time during that period. You may do this by completing the cancellation notice at the back of your Statement of Reasonable Projection and sending it to the Customer Services Team at Irish Life within the 30 day period. On cancellation all benefits will cease and Irish Life will refund your contribution. Single contributions will be refunded less any fall in value due to market fluctuations. It is not generally possible to receive a refund of contributions after this time. Any transfer contributions cancelled during the cooling off period will be paid directly to another PRSA or approved pension plan of your choice, less any decrease in investment values over the period of investment.

Subsequently, if for any reason you feel that this plan is not right for you, or if you have any questions, you should contact the Customer Services Team, Lower Abbey Street, Dublin 1 who will deal with your enquiry. Our Customer Services Team operates an internal complaints procedure and any complaints you may have will, in the first instance, be fully reviewed by them. If you have a complaint and are not satisfied that it has been properly or adequately dealt with you do have further options.

The Pensions Ombudsman

You may refer disputes about maladministration which results in financial loss or disputes of fact and law in relation to your PRSA to the Office of the Pensions Ombudsman. The Pensions Ombudsman is a statutory body. Decisions of the Office may be appealed by either party to the High Court.

The Pensions Ombudsman will decide if your complaint is one for their office. If you wish to enquire further, please contact them at:

The Office of the Pensions Ombudsman

36 Upper Mount Street

Dublin 2.

Phone: 01 647 1650

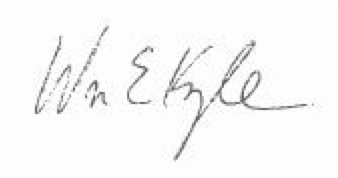
Fax: 01 676 9577

Email: info@pensionsombudsman.ie

Web: www.pensionsombudsman.ie

5. CERTIFICATE

This Preliminary Disclosure Certificate has been prepared under the provisions of section 111 of the Pensions Act, 1990 as amended for disclosure in connection with this **Complete Solutions PRSA** *Standard* plan on 11th January 2015.

Signed: 

Bill Kyle

Director

Irish Life Assurance plc

Irish Life Centre

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Date: 11th January 2015

PEFC
PEFC/17-33-022

From sustainably managed forests -
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In the interest of customer service we will record and monitor calls.
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