

# Complete Solutions - investment only

Form: POIPNAA/POIBNAA

TC 1110 (REV 11-06)

## terms & conditions booklet



This is your terms and conditions booklet for your **Complete Solutions** - investment only pension. Please keep this document safe in your welcome pack, as you will need it in the future.

## Introduction

Trustees of self-administered pension schemes can use this plan as a way of investing funds from that scheme for the benefit of the scheme members when they retire.

It is a contract between us, Irish Life Assurance plc, and you, the trustee named on the application form. The contract includes:

- this set of terms and conditions;
- the plan schedule;
- the application form;
- the fund rules; and
- any extra rules or endorsements which we may add.

Any conditions or extra rules we add in the future, if you agree, will also form part of the policy and may only be added by authorised staff at our head office.

If you ask, we will pay you the fund that has built up at that date. Certain restrictions may apply and we have printed these further on in this document. The amount of this benefit depends on the payments made, the return on the investment and the charges taken from this plan.

We will pay the benefit from our head office in Ireland, the Irish Life Centre, Lower Abbey Street, Dublin 1. All payments and benefits under this plan will normally be paid in euro.

In legal disputes Irish law will apply and the Irish courts are the only courts which are entitled to hear any disputes.

More detailed information on all these matters is in the relevant sections of these terms and conditions.

## How does the plan work?

You have agreed to make the payments outlined on the schedule on the dates described. The fund you have chosen to invest your payments in is also shown. You can choose to alter the payments over the term of the plan. The level of benefit will depend on the payments made and the return on investments.

## Writing to us

If you need to write to us about this plan, please address your letter to:

Irish Life Assurance plc.  
Irish Life Centre  
Lower Abbey Street  
Dublin 1.

## Cooling-off period

If, after taking out this plan, you feel that it is not suitable, you may cancel it by writing to us at the address shown above. If you do this within 30 days from the date we send you the plan (or a copy), we will cancel your plan and refund your regular payment. We will refund any single payment (or payments), less any reduction in investment values over the period of the investment. We strongly recommend that you contact your financial adviser before you cancel the plan.

## Complaints

You should write to us at the address provided if you have any questions or complaints about this plan.

If the member believes they have suffered a financial loss as a result of the scheme being poorly run, or if there is a dispute of fact or law, they must contact you first. Under the Pensions Ombudsman Regulations 2003 (statutory instrument number 397 of 2003) you, as trustee, must set up and follow an internal disputes resolution (IDR) procedure which you must publish and make available to the member if they ask. You can get more information from the Pensions Ombudsman's office at:

The Office of the Pensions Ombudsman  
36 Upper Mount Street  
Dublin 2.  
Phone: 01 647 1650  
Fax: 01 676 9577  
E-mail: [info@pensionsombudsman.ie](mailto:info@pensionsombudsman.ie)  
Website: [www.pensionsombudsman.ie](http://www.pensionsombudsman.ie)

You must then issue a decision on the matter. The member does not have to accept this decision and can take the matter to the Pensions Ombudsman. You and the member can appeal against the decision to the High Court.

All other complaints which cannot be settled (after contacting Irish Life) should be directed to Financial Services Ombudsman Bureau, 3rd Floor, Lincoln House, Lincoln Place, Dublin 2.

It may be necessary to direct certain complaints to the Pensions Board at Verschoyle House, 28/30 Lower Mount Street, Dublin 2. Tel: 01 6131900,

Fax: 01 6318602.

For any help, please contact us at Irish Life.

## Family law and pensions

If a member of the scheme is involved in a judicial separation or a divorce, the courts may grant a pension adjustment order over the benefits the scheme will pay when the member retires or dies. You can get more information on how pension adjustment orders work from the Pensions Board or the member's solicitor. You should let us know when you have received a pension adjustment order.

## The Pensions Board

The Government set up the Pensions Board under the Pensions Act, 1990 as amended. The role of the Pensions Board is to ensure pension schemes are run in line with the Pensions Act. Their address is as shown above.

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# Section 1

## Definitions

This section defines some of the words and phrases we use in the terms and conditions.

Certain words and phrases used in these terms and conditions have specific meanings, which might be different from the meaning they would have in general use. These words are shown in bold and listed below together with an explanation of their meanings in relation to this plan.

### **Accumulated fund**

The plan's value at a point in time. We work this out as:

- the number of units placed in the policy;  
*multiplied by*
- the investment price of the units of the fund.

We may use a market value adjuster with any part of the accumulated fund that is invested in the Secured Performance Fund or the Exempt Guaranteed Fund (see sections 4.5 and 4.6).

### **Application form**

The application form for this plan. It includes any extra information you give us about the plan or any other relevant information.

### **Approval**

Approval from the Revenue Commissioners.

### **Consumer Price Index**

The Consumer Price Index published by the Irish Government which measures inflation. (If this is not available, we will use another appropriate index.)

### **Endorsement**

If we have changed the terms and conditions of the plan we will set out the new or amended conditions in a separate document which we will attach to the plan. This is called an endorsement.

### **Fund**

Any of the funds described in the panel of funds.

### **Fund link**

The fund or combination of funds in the panel of funds which the plan is linked to.

### **Investment date**

Generally the date on which we receive a payment.

### **Investment factor**

The percentage of the payment that we invest in the fund on your behalf. This is shown on your schedule.

### **Investment price**

The price of a unit of a fund, which we use to work out the value of the plan for each fund. We use this price for both creating units in, and cancelling units from, the fund. The investment price on any given date is the price which Irish Life has determined for that date.

### **Market value adjuster**

An adjustment to reduce the value of units of the Exempt Guaranteed Fund or the Secured Performance Fund, in certain circumstances, as set out in sections 4.5 and 4.6.

**Panel of funds**

This includes the following funds and any others that we may add from time to time.

Global Opportunities Fund Series P  
Active Managed Fund Series P  
Pension Protection Fund Series P  
Exempt Guaranteed Fund Series P  
Exempt Property Fund Series P  
Exempt Cash Fund Series P  
Exempt Irish Equity Indexed Fund Series P  
Exempt Japanese Equity Indexed Fund Series P  
Exempt European Equity Indexed Fund Series P  
Exempt Fixed Interest Indexed Fund Series P  
Exempt North American Equity Indexed Fund Series P  
Exempt Pacific Equity Indexed Fund Series P  
Exempt UK Equity Indexed Fund Series P  
Ethical Global Equity Fund Series P  
Secured Performance Fund Series P  
Consensus Fund Series P  
Indexed Global Equity Fund Series P  
KBC Managed Fund Series P  
Fidelity Managed International Fund Series P  
Fidelity India China Fund Series P  
Fidelity Portfolio Select Growth Fund Series P  
Fidelity European Opportunities Fund Series P  
PI International Share Fund Series P  
Bloxham's High Yield Fund Series 2  
Bloxham's Contrarian Fund Series 2  
Bloxham's Intrinsic Value Fund Series 2  
Merrion Balanced Fund Series P  
Bloxham's Global Alpha Fund Series P  
UK Property Fund Series P  
Property Portfolio Fund Series D

The number of funds may increase or reduce in the future.

**Payment due date**

The date on which you should make payments to us. You will choose how often you make payments and this will be shown on the application form.

**Pensions Act**

Pensions Act, 1990 as amended.

**Regular payments**

Any regular payment as shown in the schedule or otherwise made according to the terms of this plan. It includes any increases in regular payments (see sections 2.3 and 2.4). It does not include any single payments made on a one-off basis.

**Self-administered pension scheme**

The scheme named on the application form.

**Schedule**

The schedule that forms part of this plan.

**Scheme**

The self-administered scheme named on the application form.

**Single payment**

A lump-sum contribution you may pay into this plan.

**Start date of the plan**

The date shown in the schedule.

**Suspension**

Where we have agreed that regular payments can be stopped for a fixed period (see section 2.7).

## **TCA**

The Taxes Consolidation Act 1997 and any amendment or re-enactment.

## **Trustee**

The person or people named in the application form and schedule as trustee or any other person we are told is a trustee of the self-administered scheme.

## **Unit**

Each fund in the panel of funds contains a number of identical units. We will work out the value of each unit by referring to the value of the assets of the fund after deductions. We set aside a number of these units for the plan to work out its value.

## **Unit account**

The number of units we set aside for your plan in the fund.

## **We, us, our**

Irish Life Assurance plc.

## **You, your**

The trustee as defined in this section.

# **Section 2**

## **Payments**

This section describes the way in which you can make payments.

- 2.1 The amount you have chosen to pay and how often you have chosen to pay are set out in the schedule. These are known as regular payments.
- 2.2 We allow you 30 days to make each payment unless you make payments in monthly instalments, in which case this period is 10 days. If you do not make any payment within these periods, we will assume payments have stopped under the plan (see paragraph 2.8) unless you have chosen the option to suspend payments under paragraph 2.7.
- 2.3 Each time you make a payment, we place units from one or more of the funds into the plan according to the terms of the latest fund link and in the way described in section 5. We use the investment price of each fund to work out the number of units from each fund which we will place in the plan. If you have chosen to invest in the Property Portfolio Fund, the Secured Performance Fund or the UK Property Fund there may be a maximum amount that you are allowed to invest in each fund. This plan is issued on the understanding that the rules of the self-administered scheme allow for investment of the funds into this type of plan.

## Changing your payments

### 2.4 Changing your payments

#### Non-automatic increases in regular payments

You may write and ask to increase the regular payment giving at least one calendar month's notice. Any increase must be at least as large as the minimum we allow. There may be restrictions on increasing your regular payment into certain funds. (We describe some of these in section 4.)

#### Automatic increases in payments

If you have chosen to increase payments in line with inflation, your regular payment will automatically increase each year on the anniversary of the start date (as shown on the schedule). Your regular payments will increase each year in line with the Consumer Price Index. When the Consumer Price Index is low, we may set the increase at a slightly higher minimum amount. (This is currently 5%, but this percentage is a guide only. The actual percentage increase may be different when we work out the increase in your payment.) We will tell you what this increase will be.

If the Consumer Price Index stops being published, we will decide on a suitable rate of increase, taking into account investors' reasonable expectations and other current increases in the insurance industry.

If we do not receive the increased payment within 10 days of your plan anniversary (30 days

for yearly payments), we will assume you have turned down the increase in payment for that year. However, we will offer you a similar increase in the following year. If you decide in the future that you do not want us to offer you this option, you must tell us in writing.

### 2.5 Reducing regular payments

You can write to us and ask us to reduce the regular payment by giving one month's notice. The reduced regular payment must be at least as large as the minimum we allow.

### 2.6 Option to make single payments

You may add single payments to your regular payments at any time. You can make only single payments if you want. However, it is not possible to add regular payments to a plan if you start with a single payment. There may be restrictions on investing in certain funds. (We describe some of these in section 4.) The Revenue Commissioners may also set restrictions. The investment terms that apply to single payments will be those available at the time you make your single payment. We will add units to your plan for your single payment based on the investment price of units on the day we receive your payment. The single payments may not be less than the minimum amount we allow.

### 2.7 Suspending regular payments

You can suspend the regular payments at any time.



This option is available only if you give us written notice of the start date and end date of the suspension period, at least one month before the next payment due date.

If you use this option, the following will apply.

- The plan will continue and any charges that apply (for example, the plan fee and fund charge) before the suspension period will continue to apply for the suspension period. If the value of the fund built up in the plan falls to zero, the plan will end without a value and we will not pay any benefits.
- You must continue to make the regular payment from the end of the suspension period. If you do not do this, the plan will become paid-up (see section 2.8).

## 2.8 Paid-up plan

A plan will become a paid-up plan in the following circumstances.

- a If you do not make regular payments without giving us notice and you have not chosen to suspend your payments.
- b If you choose to have the plan changed to a paid-up plan.

In both cases we will continue to take the fund charges and the plan fee each year.

If a plan has become a paid-up plan, the fund which has built up in the plan will stay invested in the fund (or funds) you have chosen until you

decide to take benefits. If the value of the fund falls to zero, the plan will end without a value and we will not pay any benefits.

## 2.9 Reinstating the plan

If you have stopped regular payments under sections 2.7 or 2.8, you may ask us to reinstate the plan. You must do this in writing.

# Section 3

## Benefits

We will pay the accumulated fund which has built up when you ask. We will work out the value of the units at that date using the investment price of the units on the day we receive your written request to withdraw the fund.

If you have chosen to invest in a property fund, we may delay any benefit payments for up to six months from the time we receive your request. The property funds currently available are the UK Property Fund, the Property Portfolio Fund and the Exempt Property Fund. Delayed benefit payments will be based on the value of units at the end of the notice period. We may need a notice period due to the high cost and time involved in selling properties. Once you have given us notice that you wish to take a benefit payment you cannot change your mind during any notice period.

When there are more customers moving out of a property fund than there are customers making new investments in it, we will reduce the value of the units in the fund relating to the property to reflect the percentage of the costs associated with buying and selling properties. The rate of reduction in the value of the affected assets will be different for each property fund. 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.

You cannot transfer the benefits under this plan to anyone else except in the case of a pension adjustment order granted by the court.

### Family law and pensions

The retirement benefits payable using the proceeds of this plan are determined by you, and are provided at your absolute discretion in accordance with the rules of the scheme. However, if a member of the scheme is involved in a judicial separation or divorce, the court may grant a pension adjustment order which directs you to pay all or part of the benefits under this plan, when the member retires, withdraws from service or dies, to people named in the pension adjustment order. A pension adjustment order issued by the court will override the terms and conditions of this plan.

# Section 4

## Funds and unit prices

This section explains the way in which the investment works.

### 4.1 Introduction

This plan is unit-linked. Unit-linking is simply a way of working out the value of your plan on any date. You do not own the units. The plan will be linked to units in one or more of the funds in the panel of funds as defined in section 1. The plan can be linked to up to 10 funds.

### 4.2 Working out unit prices

We work out the investment price of units in all of the funds by using the market value of the assets of the fund and taking off the fund charge. These may go down as well as up.

When there are more customers moving out of a property fund (either the Exempt Property Fund, the UK Property Fund or the Property Portfolio Fund) than there are customers making new investments in it, we will reduce the value of the units in the fund relating to the property to reflect the percentage of the costs associated with buying and selling properties. The rate of reduction in the value of the affected assets will be different for each property fund. 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.

You can find exact details of how we work out fund prices in the resolutions and rules governing the funds. You can get a copy of these from our chief office.

### 4.3 Fund charges

We have summarised our current charges for each fund in the following table.

Panel of funds	Fund charge each year
Global Opportunities Fund Series P	0.75%
Active Managed Fund Series P	0.75%
Pension Protection Fund Series P	0.75%
Exempt Guaranteed Fund Series P	1.00%
Exempt Property Fund Series P	1.00%
Exempt Cash Fund Series P	0.75%
Exempt Irish Equity Indexed Fund Series P	0.75%
Exempt Japanese Equity Indexed Fund Series P	0.75%
Exempt European Equity Indexed Fund Series P	0.75%
Exempt Fixed Interest Indexed Fund Series P	0.75%
Exempt North American Equity Indexed Fund Series P	0.75%
Exempt Pacific Equity Indexed Fund Series P	0.75%
Exempt UK Equity Indexed Fund Series P	0.75%
Ethical Global Equity Fund Series P	0.75%
Secured Performance Fund Series P	1.25%
Consensus Fund Series P	0.75%
Indexed Global Equity Fund Series P	0.75%
KBC Managed Fund Series P	1.15%
Fidelity Managed International Fund Series P	1.50%
Fidelity India China Fund Series P	1.50%
Fidelity Portfolio Select Growth Fund Series P	1.50%
Fidelity European Opportunities Fund Series P	1.50%
PI International Share Fund Series P	1.00%
Bloxham's High Yield Fund Series 2	1.00%

Bloxham's Contrarian Fund Series 2	1.00%
Bloxham's Intrinsic Value Fund Series 2	1.00%
Merrion Balanced Fund Series P	1.15%
Bloxham's Global Alpha Fund Series P	1.75%
UK Property Fund Series P	
– Irish Life charge	1.00%
UK Property Fund Series P	
– External managers' average charge	0.375%
UK Property Fund Series P	
– Total average charge	1.375%
Property Portfolio Fund Series D	
– Irish Life charge	0.75%
Property Portfolio Fund Series D	
– External managers' average charge	1.10%
Property Portfolio Fund Series D	
– Total average charge	1.85%

We can only increase the rate of any fund charge on any fund in the panel of funds if our board of directors passes a resolution. We would need to increase the fund charge if the cost of dealing with those plans which are linked to the funds rose higher than expected.

The external managers' charges on the UK Property Fund and the Property Portfolio Fund can vary. Please see the section 'External managers' charges on the UK Property Fund and the Property Portfolio Fund' below for more details on this variability.

## UK Property Fund and Property Portfolio Fund

This section is only relevant if you are investing in the UK Property Fund or the Property Portfolio Fund.

The UK Property Fund and the Property Portfolio Fund are managed at an overall level by Irish Life. Within these funds, a part of the assets are managed by companies (external managers) other than Irish Life. There are charges taken from these funds by both Irish Life and these external fund managers. For example, the Property Portfolio Fund invests in property in Ireland, the UK and Europe. Whilst the Irish properties are managed by Irish Life Investment Managers (ILIM), some of the UK property investments, and currently all of the European property investments, are invested with external fund managers, rather than through holding the properties involved directly.

## Irish Life charges on the UK Property Fund and the Property Portfolio Fund

Each month, we make a charge of 1/12 of 1.00% of the part of your fund value invested in the UK Property Fund and a charge of 1/12 of 0.75% of the part of your fund value invested in the Property Portfolio Fund.

For property funds, we take off the costs of maintaining and valuing the properties and the costs of collecting rent before we take any charges.

We won't increase our charges unless we need to because of an increase in the costs of dealing with the investment. If this happens, we will give you notice of the increase.

### **External managers' charges on the UK Property Fund and the Property Portfolio Fund**

The external fund managers take their costs and charges from the assets they manage. These charges are reflected in how the fund performs. The level of the charges, as a percentage of the overall fund, can vary for three reasons.

- The first reason is the fact that the percentage of the fund that is managed by external managers will change over time. This split can change in the future mainly due to the availability of property and also the amount of money coming into and out of the fund.
- The second reason is that the level of the charges applied by external fund managers can vary according to the fund manager we choose in the future. We may also pay the external property managers an incentive fee if they achieve better investment returns on the funds they manage than we expected.
- The third reason is that the property funds managed by external fund managers may borrow to increase the

amount of property that the funds can invest in. Borrowing increases the chance of achieving improved returns if the properties perform well. However, it also increases the level of risk of the investment. The external managers' charges in relation to property investments are based on the total value of the properties held rather than on the funds they manage. The level of these charges as a percentage of the funds managed will depend on the amount of borrowing relative to the value of the properties held.

If the level of borrowing increases by more than the value of properties, the level of charges as a percentage of funds managed would increase. For example, a significant fall in property values could result in a significant increase in the average level of this charge as a percentage of funds managed. This is because a fall in property values means that the amounts borrowed would represent a higher percentage of the property value.

Equally, if the level of borrowing reduces by more than the value of properties, then the level of charges as a percentage of funds managed would also reduce. For example, a significant rise in property values could result in a significant reduction in the average level of this charge as a percentage of the funds managed. This is because a rise in property values means that the amounts borrowed would represent a lower percentage of the property value.

Taking account of these three factors, we estimate that the expected average level of external managers' charges over the long term will be 1.1% a year for the Property Portfolio Fund and 0.375% a year for the UK Property Fund. The actual level of the external managers' charges may be higher or lower than this depending on the factors outlined above. If the external fund managers' charges taken for the Property Portfolio Fund did equal 1.1% of the overall fund value in a given year, this would bring the total charge for the Property Portfolio Fund to 1.85% a year. If the external fund managers' charges taken for the UK Property Fund did equal 0.375% of the overall fund value in a given year, this would bring the total charge for the UK Property Fund to 1.375% a year.

An incentive fee will also be paid to the external fund managers if they achieve superior investment returns on the funds they manage. For incentive fees to be paid, the investment returns would have to exceed 8% a year. These fees would reduce the unit price.

#### 4.4 Changes in the unit price

The prices of units in all funds, except the Secured Performance Fund, the Exempt Guaranteed Fund and the Cash Fund, will go up and down as the market value of the fund's assets change.

#### 4.5 The Exempt Guaranteed Fund

##### Working out the unit price

The investment price of units in the Exempt Guaranteed Fund cannot fall. We also guarantee the growth each calendar year to equal at least a minimum rate we declare at the beginning of each year.

We work out this minimum by taking account of:

- the value of the assets of the Exempt Guaranteed Fund;
- the investment price of all the units of the fund; and
- the expected future return on these assets.

##### The market value adjuster

In certain circumstances we will reduce the value of the units within the Exempt Guaranteed Fund by using a market value adjuster. This is to:

- reflect any shortfall between the value of the assets in the fund and the investment price of all the units in the fund; and
- protect the investment fund of existing customers who have not yet retired.

##### Using the market value adjuster

We will use the market value adjuster in the Exempt Guaranteed Fund if:

- a you choose to cash in the plan within five years of investing in the Exempt Guaranteed Fund;
- b you choose to switch the investment out

of the Exempt Guaranteed Fund into another of the funds; or

- c you choose to transfer out all or part of the accumulated fund to another retirement benefits scheme.

We then work out the value of the units in the Exempt Guaranteed Fund as:

- the number of units in the Exempt Guaranteed Fund;  
*multiplied by*
- the investment price of units in the Exempt Guaranteed Fund;  
*multiplied by*
- the market value adjuster.

We will not use the market value adjuster for units in the Exempt Guaranteed Fund if:

- the member retires on their normal retirement date;
- the member dies; or
- units are cashed in to pay costs such as the plan charge.

**You must send us written confirmation outlining your reason for leaving the Exempt Guaranteed Fund.**

#### 4.6 The Secured Performance Fund

##### **Working out the unit price**

The investment price of units in the Secured Performance Fund cannot fall. The investment price is also guaranteed to increase regularly throughout the calendar year at a rate we

declare at the beginning of each calendar year.

We will work out the rate of increase we declare by taking account of:

- the value of the assets of the Secured Performance Fund;
- the investment price of all the units in the fund; and
- the expected future return on these assets.

##### **The market value adjuster**

In certain circumstances we will reduce the value of the units within the Secured Performance Fund using a market value adjuster. This is to:

- reflect any shortfall between the value of the assets in the fund and the investment price of all the units in the fund; and
- protect the investment fund of existing customers who have not yet retired.

##### **Using the market value adjuster**

We will use the market value adjuster in the Secured Performance Fund if:

- a you choose to cash in the plan within 10 years of investing in the Secured Performance Fund;
- b you choose to cash in the plan and you have not made 10 years of regular payments into the fund;

- c you choose to switch the investment out of the Secured Performance Fund into another of the funds; or
- d you choose to transfer out all or part of the accumulated fund to another retirement benefits scheme.

We then work out the value of the units in the Secured Performance Fund as:

- the number of units in the Secured Performance Fund;  
*multiplied by*
- the investment price of units in the Secured Performance Fund;  
*multiplied by*
- the market value adjuster.

We will not use the market value adjuster for units in the Secured Performance Fund if:

- the member retires after you have invested regular payments for at least 10 years;
- the member changes job;
- the member dies; or
- units are cashed in to pay costs such as the plan charge.

**You must send us written confirmation outlining your reason for leaving the Secured Performance Fund.**

**Restrictions on investing in the Secured Performance Fund**

We may refuse to invest extra one-off

payments or extra regular payments into this fund at any one time or delay all or part of the investment until a later date. This condition also applies for switches from other funds.

Also, if you stop or skip regular payments, we may refuse to allow you to invest in the Secured Performance Fund again in the future. If this means that you have not invested regular payments into the Secured Performance Fund for at least 10 years, a market value adjuster may apply. We need these conditions to protect the interests of customers already invested in the fund.

#### 4.7 Switching between funds - future payments

You may choose to change the funds into which we place units in this plan. We need one month's written notice to do this. We do not currently charge for this option. We may charge in the future to cover our administration costs.

Before you switch from your original fund choice or choices, please remember that the funds in the panel of funds have different levels of risk and possible returns and they may also have different yearly fund charges.

At any stage, we can change the range of fund options that are available. For example, we may add new ones or close existing ones. You can only switch into a fund if it is open for switches at the time we receive your request.



#### 4.8 Switching between funds - accumulated funds

You may choose to switch the accumulated fund to another fund. We do not currently charge for this option. The investment prices we use for your switch will be those on the same working day we receive your request.

Before you switch from your original fund choice or choices, please remember that the funds in the panel of funds have different levels of risk and possible returns and they may also have different yearly fund charges.

At any stage, we can change the range of fund options that are available. For example, we may add new ones or close existing ones. You can only switch into a fund if it is open for switches at the time we receive your request.

If units are being switched out of the Secured Performance Fund or the Exempt Guaranteed Fund, we take the value of units in the fund after using the market value adjuster as described in sections 4.5 and 4.6.

In certain circumstances, we may delay switches. These circumstances can include the following.

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

In particular, we may delay switches to or from

the Property Portfolio Fund, the UK Property Fund or the Exempt Property Fund for up to six months from the time we receive your request. We need this notice period because of the high cost and time involved in selling properties.

When there are more customers moving out of a property fund than there are customers making new investments in it, we will reduce the value of the units in the fund relating to the property to reflect the percentage of the costs associated with buying and selling properties. The rate of reduction in the value of the affected assets will be different for each property fund. 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.

Delayed switches will be based on the value of units at the end of the period.

Once you have given us notice that you wish to switch between funds you cannot change your mind during any notice period.

# Section 5

## Charges

This section deals with the amount of payments that we will place in the funds on your behalf and the charges you will have to pay.

- 5.1 The investment payment will be the regular payment multiplied by an investment factor for the first year and an investment factor for other years (as shown on the schedule).
- 5.2 If you increase the regular payment at any time, the investment factor for the increase may be different from the investment factor for the rest of your regular payment. We will tell you the new investment factor when you increase your payment.
- 5.3 We will take fund charges and these will depend on the fund link you have chosen. You will find these charges, in detail, in section 4.3.
- 5.4 We will take two separate plan charges.
  - A fixed charge which will be €4.25 a month in 2006. We will increase this charge each year by the increase in the Consumer Price Index for the previous year.
  - A charge that we take as a percentage of your fund. If this charge applies, it will be shown on your schedule. This

would apply as well as the fund charges shown in section 4.3.

- 5.5 We will take the plan fee and plan charge by cancelling units from the unit account. We will cancel units from the unit account in the same percentage as the latest fund link for new regular payments we have been told about.
- 5.6 The investment factor for single payments (if this applies) will be shown on the schedule or endorsement. The investment factor for extra single payments will be those available at the time you make the extra single payment. We will invest the single payment in one or more funds you choose. This will depend on any restriction we may decide to use.
- 5.7 As trustee, you may have to pay a fee to the Pensions Board each year in line with section 25, Pensions Act 1990. We will not pay this fee for you.

## Section 6

### Claims

This section deals with the procedure for making a claim under the plan and how we assess the claim.

- 6.1 Before we pay any benefit, we must receive the following.
- a A filled-in claim form.
  - b Proof of your entitlement to claim the proceeds of the plan. This would include these terms and conditions and the schedule.
  - c If you are cashing in units from the Secured Performance Fund or the Exempt Guaranteed Fund in circumstances where the market value adjuster should not be applied, you must send us written confirmation outlining your reason for leaving the Exempt Guaranteed Fund or Secured Performance Fund.

## Section 7

### Approval, tax and alteration

- 7.1 The self-administered scheme which this investment is linked to must be approved by the Revenue Commissioners under Chapter 1 Part 30 of the TCA. If the scheme ends or is no longer approved by the Revenue Commissioners, you must let us know. We will pay the benefits under the plan in line with the terms and conditions. The payments made to this plan should not be greater than those allowed by the Revenue Commissioners.
- 7.2 We will not accept extra payments into this plan if the self-administered scheme is no longer approved by the Revenue Commissioners as an exempt approved scheme. You must let us know about any change to the approval of the scheme.

### Tax

- 7.3 If tax laws or any other relevant laws change after the start date, we will alter the terms and conditions of the plan if this is necessary to keep the plan in line with those changes.

Irish Life retains absolute discretion to determine, in accordance with all relevant legislation, its application and interpretation, the tax treatment of this plan.

## Alteration

- 7.4 We can change the terms and conditions of this plan. We will let you know about these variations and how, if at all, the benefits under the plan may be affected.

## Section 8

### Law

This plan will be governed by Irish law and the Irish courts are the only courts which are entitled to hear any disputes.