# Protected Consensus Markets Fund Guide

## Balancing protection and performance

Available through a selection of Irish Life Pension, Investment and Savings Products

Irish Life

## 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.

## Plain English

In 2009, we received a global award for being the 'Best in Plain English' from the Plain English Campaign. This award recognises our contribution to communicating clearly. The Plain English Campaign encourages governments and companies worldwide to remove jargon and to give clear and concise information to their customers. For this award, we were chosen ahead of 12,000 other organisations from 80 countries.

Please find a glossary at the back of this booklet which gives you a clear explanation of some of the terms used in this booklet. All information, including the Terms and Conditions of your plan, will be provided in the English language.

The information in this guide is correct as at August 2010 but may change. The paper in this booklet came from a managed forest.

## Important information about the protected price pledge

The aim of the Protected Consensus Markets Fund is to provide growth when markets are performing well and deliver some protection when markets are falling. There is a ***protected price pledge*** to provide some protection. The aim of this pledge is that the unit price of the Protected Consensus Markets Fund will not fall below 80% of its highest value.

This pledge is designed to apply for an initial period up to 11 September 2015. Deutsche Bank AG acting through its London branch (Deutsche Bank) provides the ***protected price pledge*** and have a contract with us.

Our commitment to you is to pass on the full amount we receive from Deutsche Bank for your investment. We restrict our commitment to you to the amount we actually receive from Deutsche Bank. We will not use any other assets to meet these commitments. Deutsche Bank's commitment is restricted to their contract with us. You do not have a contract with Deutsche Bank. As such you cannot make a claim directly against Deutsche Bank under the ***protected price pledge***.

For further details on this, please read 'Important information about the fund' on page 14.

# Contents

# 1 Introduction

## The risk and reward challenge

You won't be surprised to hear that investing in shares tends to reward investors with the best returns over the long term. However, investing in stock markets does not come without risks and, as recent times have shown, is often not for the faint-hearted. The value of shares can fall in the short term, sometimes by significant amounts.

On the other hand, safer investment options such as deposit accounts, while offering greater security also offer potentially lower returns over the longer term. Keeping up with inflation can be a challenge and often in real terms you may lose money.

So is it possible to get a better balance between risk and reward? Is it possible to take advantage of some of the potential returns that shares and bonds can bring but with a lower level of ups and downs along the way?

# Our Solution

The Protected Consensus Markets Fund aims to address these questions and to give you a better balance between risk and reward. The fund is available through a number of Irish Life Pension, Investment and Savings plans. It gives you the opportunity to benefit from some of the performance of our Consensus Markets Fund while protecting a large part of your money. The aim of the fund is to provide growth when markets are performing well and deliver some protection when markets are falling.

The return of the Protected Consensus Markets Fund is based on the performance of a mix of two funds:

**Consensus Markets Fund**

This fund aims to provide growth by combining the wisdom of the main investment managers in Ireland and matches the average investments they make. The current asset mix includes shares, bonds and cash.

**plus**

**Protected Fund**

This fund aims to provide security and is made up of high-quality short-term Government Bonds and cash deposits in leading European banks.

We have built in another layer of protection to reduce the risk profile of this fund by adding the *protected price pledge*. The aim of the *protected price pledge* is that the unit price of the Protected Consensus Markets Fund will not fall below 80% of its highest value. This pledge is designed to apply for an initial period up to 11 September 2015 and is provided to us by Deutsche Bank. For further details on this, please read 'Important information about the fund' on page 14.

The Protected Consensus Markets Fund is a medium risk fund. Please see your Fund Guide for an explanation of risk levels and to ensure you are comfortable with this level of risk.

# Freedom and choice

The great news is that the Protected Consensus Markets Fund is very flexible. You have the freedom to choose when and how to invest, whether you want to invest a one-off payment or make regular contributions. You can switch in and out of the Protected Consensus Markets Fund to any of the large range of funds that are available on your plan. Your financial adviser will advise you on these choices.

## Three great reasons…

So in summary, this fund offers you three great reasons to invest.

### 1 Performance when markets are rising

When investment markets are performing well, we could invest up to 100% of your money in the Consensus Markets Fund. Our Consensus Markets Fund currently invests in a mix of assets including shares, bonds and cash.

### 2 Protection when markets are falling

If markets fall, we could switch up to 100% of your money to our Protected Fund to act as a safety net for your investment.

You can also benefit from the *protected price pledge* which offers an extra layer of protection. The aim of the *protected price pledge* is that the unit price of the Protected Consensus Markets Fund will not fall below 80% of its highest value.

For further important details on this, please see Section 5 starting on page 14.

### 3 Freedom and choice

You can make one-off or regular contributions and switch in and out of the Protected Consensus Markets Fund to any of the large range of funds that are available on your plan. You can work with your financial adviser to decide when and how you want to invest.

**Important information: The money you invest in this fund is not 100% protected. This means that you could lose some of the money invested in this fund.**

# 2 Where is my money invested?

Your money is invested in the Protected Consensus Markets Fund. This fund gives you the opportunity for higher potential returns that come with investing in global markets while protecting a large part of your investment. The aim of the fund is to provide growth when markets are performing well and deliver some protection when markets are falling.

The return of the Protected Consensus Markets Fund is based on the performance of a mix of two funds – the Consensus Markets Fund and the Protected Fund.

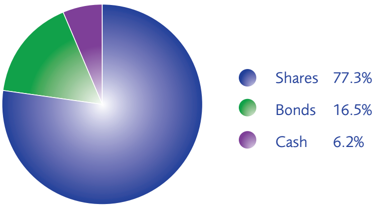
## What is the Consensus Markets Fund?

The Consensus Markets Fund follows a similar investment strategy to our Consensus Fund, which combines the wisdom of the main investment managers in Ireland and matches the average investments they make. The current asset mix of the Consensus Markets Fund includes shares, bonds and cash. Unlike the Consensus Fund, the Consensus Markets Fund does not invest in property. This is because it takes more time to buy and sell property than it does to buy or sell other types of assets such as shares or bonds. See Section 3 for details on how the fund works.

**The Irish Life Consensus Fund**
Our Consensus Fund is Ireland's most popular fund, with approximately €5.5 billion invested (31 July 2010).

## Current Mix of Assets

The Consensus Markets Fund is made up of the following mix of assets.



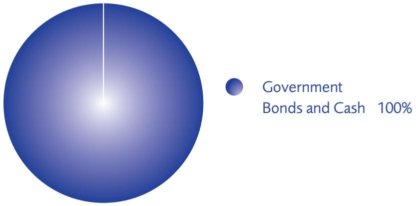

Source: Irish Life Investment Managers.

The above is correct as at 31 July 2010. The assets in the Consensus Markets Fund will change over time as it matches the mix of assets of the main investment managers in Ireland. If the main investment managers change their mix of assets very significantly in the future, we may change how we decide the mix of assets in the Consensus Markets Fund so that it is closer to the current asset mix.

For the latest factsheet on the fund, please go to www.irishlife.ie.

## What is the Protected Fund?

This fund is made up of high-quality short-term Government Bonds and cash deposits in leading European banks. The aim of this fund is to give a more stable return to the performance of the Consensus Markets Fund.

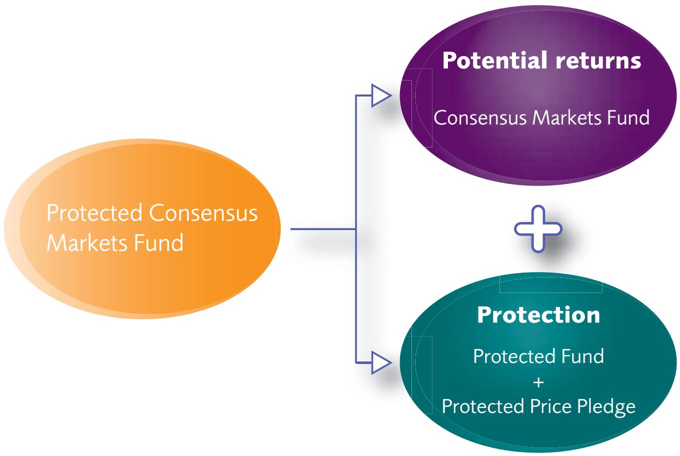



Source: Irish Life Investment Managers.

**Warning: The value of your investment may go down as well as up. The Protected Consensus Markets Fund may be affected by changes in currency exchange rates.**

# 3 How the Protected Consensus Markets Fund works

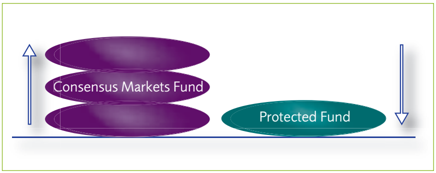
## Summary of your fund mix:



After the fund opens, the amount that is invested in the Protected Consensus Markets Fund is split between the Consensus Markets Fund and the Protected Fund and will depend on the performance of those funds.

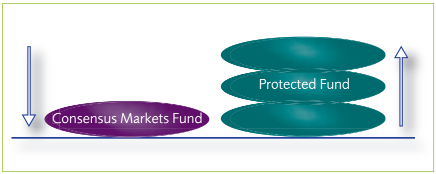
## Consensus Markets Fund grows

When the Consensus Markets Fund is doing well, the amount of your money linked to the performance of the Consensus Markets Fund will generally be increased to take advantage of that growth and the amount linked to the Protected Fund will be reduced.




## Consensus Markets Fund falls

If the value of the Consensus Markets Fund falls, we will generally reduce the amount of your money linked to the performance of that fund, and we will increase the amount linked to the Protected Fund. The aim of this is to help protect the value of the fund.




At the start of the fund in September 2010, the mix between the two funds is as follows:

- 100% Consensus Markets Fund
- 0% Protected Fund

After the start of the fund, the mix between the two funds will change depending on its performance. If you are investing regularly, the mix between the Consensus Markets Fund and the Protected Fund will be different each time you invest.

If investment markets perform well, up to 100% of the Protected Consensus Markets Fund could be linked to the Consensus Markets Fund. If markets perform poorly, more of the Protected Consensus Markets Fund could be linked to the performance of the Protected Fund than to the Consensus Markets Fund. If markets have very large falls, most and even 100% of your investment could be linked to the returns from the Protected Fund. This would substantially reduce the possibility for growth over the rest of your investment.

Our factsheet will include the fund mix and is available on www.irishlife.ie.

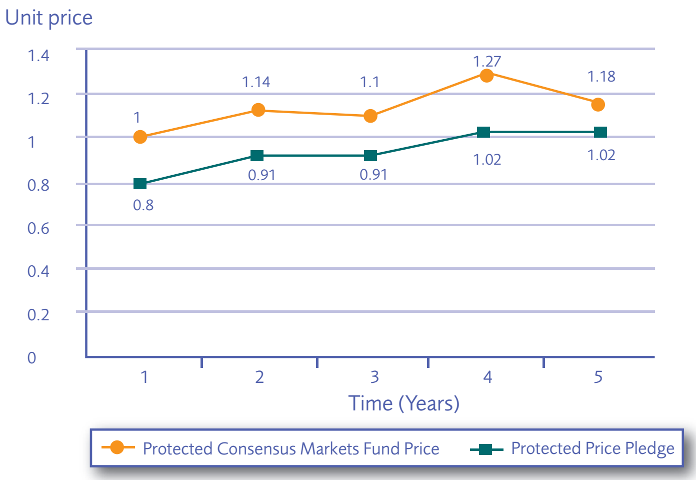
Protected Price Pledge

# How the *protected price pledge* works

The *protected price pledge* is designed to give you some protection for your investment. The aim of the *protected price pledge* is that the unit price of the Protected Consensus Markets Fund will not fall below 80% of its highest value.

If the price of the fund rises above its previous highest ever value, the *protected price pledge* also increases. This gets locked in for the rest of your investment and cannot reduce in the future.

The example below shows how the *protected price pledge* changes as the unit price of the Protected Consensus Markets Fund changes. **This does not represent the actual or expected performance of the fund.**




The *protected price pledge* applies to the number of units we have allocated to your fund. The number of units allocated can change because units are deducted to pay for some charges (for example yearly plan charges - please see your product booklet and plan schedule to see if this applies to you) and if you cash in units in your fund (for example regular withdrawals or encashments. Please see 'Can I cash in or transfer some or all of my fund' on page 20).

The *protected price pledge* is provided to us by Deutsche Bank. For important information on this protection including circumstances where it may be reduced or removed, please see Section 5, starting on page 14.

## See the table below for more details on how the *protected price pledge* would work.

| Time | Unit price of the Protected Consensus Markets Fund | The protected price pledge |
|---|---|---|
| Month 1 | 1.00 | 0.80 |
| Month 2 | 0.89 | 0.80 |
| Month 3 | 0.94 | 0.80 |
| **Month 4** | **1.02** | **0.82** |
| Month 5 | 1.06 | 0.85 |
| **Month 6** | **1.02** | **0.85** |
| Month 7 | 1.04 | 0.85 |
| Month 8 | 0.99 | 0.85 |
| Month 9 | 1.03 | 0.85 |
| **Month 10** | **1.08** | **0.86** |
| Month 11 | 1.10 | 0.88 |
| Month 12 | 1.04 | 0.88 |

### For example:

- **In month four,** when the unit price is increasing, the *protected price pledge* also increases so that the percentage protected stays at 80% of the highest ever unit price of the fund.

- **In month six,** as the unit price falls, the *protected price pledge* stays at 80% of the highest ever unit price.

- **In month ten,** the unit price of the Protected Consensus Markets Fund has risen to a new highest ever level of 1.08 and, as a result, the *protected price pledge* also rises.

- This example shows the *protected price pledge* compared to the unit price of the fund over a short period of time.

- When markets rise and the unit price increases above its highest ever value, the *protected price pledge* also increases. If markets fall, the *protected price pledge* does not fall - it remains at the highest price it reached since the fund started.

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

# 4 How different investment conditions could affect the performance of the fund

The following graphs are two examples that aim to show you how the Protected Consensus Markets Fund would have worked in different stock market conditions in the past had it been available. The Protected Consensus Markets Fund starts in September 2010. They are not estimates of your future returns.

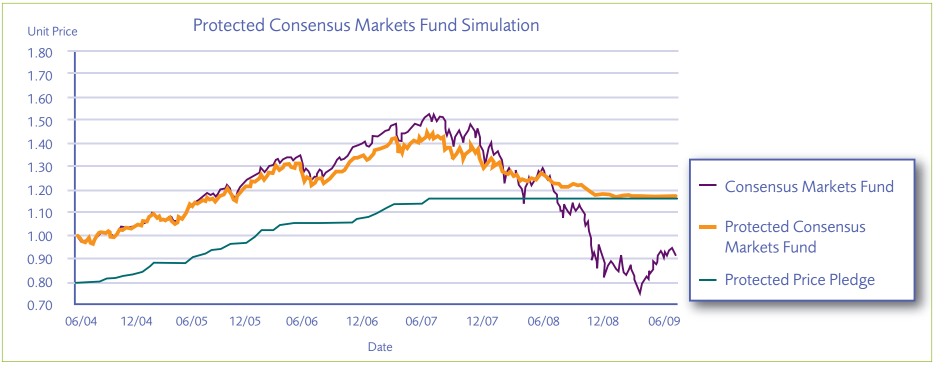
The examples illustrate:

- A period when markets did not perform well.
- A period when markets performed well.

# Example 1: A period when markets did not perform well

June 2004 to June 2009

During this period stock markets generally increased until 2007 when there was a very sharp fall.




The graph above shows the unit price of the Protected Consensus Markets Fund for the period highlighted. It also shows the Consensus Markets Fund and the ***protected price pledge***. The unit prices include an annual fund charge of 1% on the Consensus Markets Fund and 1.6% on the Protected Consensus Markets Fund. These charges are for illustration only. For details on charges please see page 20.

## Another way of looking at this is by way of an example of an amount invested

- If you invested a regular contribution of €1,000 per month over 5 years (€60,000 in total) in the Protected Consensus Markets Fund, your fund value would have fallen to €58,124 on 30 June 2009. That is a fall of €1,876 over the period.
- If you invested regularly in the Consensus Markets Fund on its own, your fund value would have fallen to €47,475 on 30 June 2009. That is a fall of €12,525.
- 80% of the highest unit price of the Protected Consensus Markets fund would have been protected during this time. The ***protected price pledge*** amount would have been €57,743 on 30 June 2009.

If you had cashed in your plan or switched to another fund on 30 June 2009, you would have received the Protected Consensus Markets Fund value of €58,124 as this was higher than the ***protected price pledge*** amount.

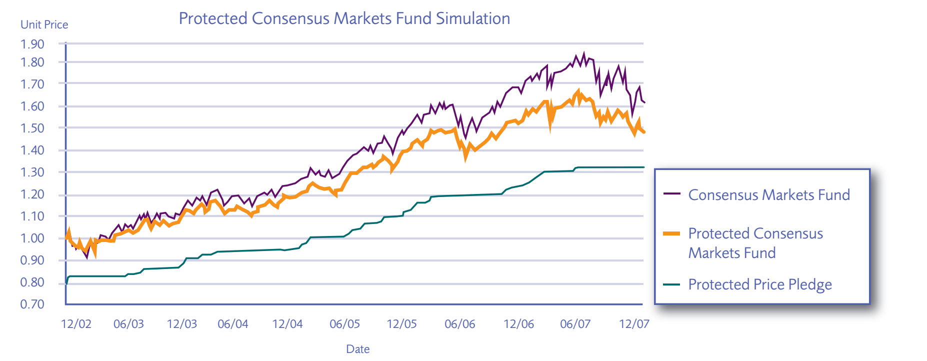
In this example, your plan charges (apart from the fund charges outlined above) have not been taken into account. Please see your product booklet and Fund Guide for details of all charges that apply to your plan.

(Source: Irish Life Investment Managers)

# Example 2: A period when markets performed well

December 2002 to December 2007

During this period stock markets continued generally to rise until 2007 and then began to fall.




The graph above shows the unit price of the Protected Consensus Markets Fund for the period highlighted. It also shows the unit price of the Consensus Markets Fund and the *protected price pledge*. The unit prices include an annual fund charge of 1% on the Consensus Markets Fund and 1.6% on the Protected Consensus Markets Fund.These charges are for illustration only. For details on charges please see page 20.

## Another way to look at this is by way of an example of an amount invested

- If you invested a regular contribution of €1,000 per month over 5 years (€60,000 in total) in the Protected Consensus Markets Fund, your fund value would have increased to €71,403 on 31 December 2007. That is a gain of €11,403 over the period.
- If you invested regularly in the Consensus Markets Fund on its own, your fund value would have risen to €74,108 on 31 December 2007. That is a gain of €14,108.
- 80% of the highest unit price of the Protected Consensus Markets fund would have been protected during this time. The *protected price pledge* amount would have been €63,253 on 31 December 2007.

If you were to cash in your plan or switch to another fund on 31 December 2007, you would have received the Protected Consensus Markets Fund value of €71,403 as this was higher than the *protected price pledge* amount.

In this example, your plan charges (apart from the fund charges outlined above) have not been taken into account. Please see your product booklet and Fund Guide for details of all charges that apply to your plan.

(Source: Irish Life Investment Managers)

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

# 5 Important information about the fund

### How are the potential returns of the Protected Consensus Markets Fund provided?

The potential returns are provided from the returns of the Consensus Markets Fund and the Protected Fund. For added security, there is a *protected price pledge*.

We are committed to passing the full value of the return of the Protected Consensus Markets Fund to you but this could be less than the amount you have invested in this fund. If one or more of the assets of the fund fails to perform, we will not be responsible for making up any shortfall. We will not pay you more than the value of the assets in the fund.

### Who provides the protected price pledge?

Deutsche Bank AG acting through their London branch (Deutsche Bank) provide the *protected price pledge* to us under the terms of a contract between Deutsche Bank and Irish Life. Deutsche Bank AG are authorised under German Banking Law (BaFin - Federal Financial Supervisory Authority) and authorised and subject to limited regulation in the UK by the Financial Services Authority.

Deutsche Bank AG are a leading investment bank with over 80,000 employees and about 2,000 branches in 72 countries (30 June 2010), offering financial services throughout the world. Deutsche Bank AG are rated Aa3 by Moody's (this is the 4th highest rating on a scale of 21), A+ by Standard & Poors (this is the 5th highest rating on a scale of 22) and AA- by Fitch (this is the 4th highest rating on a scale of 22). These credit ratings are an indicator of an institution's ability to meet its financial obligations in a timely manner. They are based on the organisation's history of borrowing and repayment, as well as the availability of assets and how much they owe. They can be a useful way to compare the credit risk associated with different companies and related investments. They are provided by independent companies known as rating agencies and are reviewed often.

These ratings were correct in August 2010. Please remember that ratings can change over time.

Your contract is with us, Irish Life Assurance plc (Irish Life). We have a separate contract with Deutsche Bank to provide the *protected price pledge* in relation to this fund. Deutsche Bank also calculate how much of the Protected Consensus Markets Fund is linked to the performance of the Consensus Markets Fund and the Protected Fund according to a formula agreed with them.

**Our commitment to you is to pass on the full amount we receive from Deutsche Bank for your investment. We restrict our commitment to you to the amount we actually receive from Deutsche Bank. We will not use any other assets to meet these commitments.** This means that if Deutsche Bank cannot pay us what they owe, or if the contract with Deutsche Bank has terminated, you may not receive the *protected price pledge* (for more information on circumstances where the *protected price pledge* may be reduced or removed, see page 16). You will however receive the actual value of the assets in the Protected Consensus Markets Fund at that date.

Deutsche Bank's commitment is restricted to their contract with us. You do not have a contract with Deutsche Bank and in no event will you be entitled to make a claim directly against Deutsche Bank under the *protected price pledge*. You are also not entitled to any claim against Deutsche Bank in relation to Deutsche Bank's obligation to calculate what proportion of the fund's performance is linked to the Consensus Markets Fund and what proportion is linked to the Protection Fund.

## What happens when the protected price pledge is triggered?

If there was a gradual or sudden and severe fall in the market leading to a large fall in the value of the Protected Consensus Markets Fund, the unit price would fall to the protected price. We would trigger the *protected price pledge* at that point. This means that we will rely on Deutsche Bank under the terms of our contract with them to make up any shortfall in the fund value to make sure that the unit price did not fall below 80% of its highest ever value. **The Protected Consensus Markets Fund would then be fully invested in the Protected Fund.**

If this happens, we will write to you with the option of:

- switching to our cash fund,
- switching to any other fund of your choice on your plan or
- staying invested in the Protected Consensus Markets Fund.

Please note if you continue to stay invested in the fund after the *protected price pledge* is triggered, the fund charges will continue to be deducted from the fund. If the fund charges are greater than the growth rate of the Protected Fund at that stage, it may reduce the *protected price pledge* amount payable. This means that you could get back less than 80% of the highest ever unit price.

## For how long does the protected price pledge apply?

The contract between us and Deutsche Bank is for an initial period up to 11 September 2015. Therefore the *protected price pledge* applies up to this date or until it is triggered if this is earlier. We will negotiate with

Deutsche Bank to try to extend this date but there is no guarantee that we will be successful. We will write to you on this. If we are successful in extending the *protected price pledge* beyond 2015, this may be a contract with Deutsche Bank or another counterparty. We will tell you if there is an extension or if the counterparty changes.

### Are there any circumstances where the protected price pledge may be reduced or removed?

There may be circumstances where the *protected price pledge* may be reduced or even removed and you may not get the benefit of the *protected price pledge*. We will write to you to let you know if this happens and outline the investment options available to you at that time.

We have listed some of the circumstances below, where the *protected price pledge* may not apply. These include but are not limited to:

- If either of Irish Life or Deutsche Bank commits a material breach of the contract under which Deutsche Bank provides the pledge and does not remedy it within a specified time limit.
- If particular provisions of the contract are breached by either of Irish Life or Deutsche Bank; for example, if Deutsche Bank stop working out how much of the Protected Consensus Markets Fund is linked to the performance of the Consensus Markets Fund and the Protected Fund, Irish Life may terminate the contract; or if Irish Life fails to supply specific information on the Protected Consensus Markets Fund to Deutsche Bank necessary to perform their functions under the contract, Deutsche Bank may terminate the contract with us.
- If either Irish Life or Deutsche Bank refuses or fails to pay the amounts due under the contract to each other.
- If there is a material breach by Deutsche Bank of services they provide under the contract.
- If Irish Life (or another company acting on its behalf under the contract with Deutsche Bank) cease for whatever reason to fulfil our functions under the contract.
- If either Irish Life or Deutsche Bank becomes insolvent or is nationalised or ceases to carry on our current business.
- If there is a change in tax, law or the regulatory regime that negatively impacts on Deutsche Bank with regard to their duties under the contract.
- If Irish Life or Deutsche Bank's obligations under the contract become impossible to fulfil or illegal or infringe the law.
- If there is a regulatory investigation of either Deutsche Bank or Irish Life with regard to their activities under the contract.

### What happens if a large part of the fund is linked to the Protected Fund?

The value of the Protected Consensus Markets Fund depends on the performance of the Consensus Markets Fund and the Protected Fund. The split between the two funds is determined using the agreed formula between Irish Life and Deutsche Bank. If markets perform poorly, a larger portion of the Protected Consensus Markets Fund could be linked to the performance of the Protected Fund than to the Consensus Markets Fund. If markets have very large falls either gradually or in a sudden and severe market movement, we could link up to 100% of your fund to the Protected Fund.

This is known as a situation where the fund has become 'cash-locked'. As a result, you will only benefit from any growth in the Protected Fund which would reduce the potential for growth over the rest of your investment. Even if markets recover, the fund would not benefit from further increases in the Consensus Markets Fund.

We will monitor the fund regularly and, if this happens, we will write to you with the option of:

- switching to our cash fund,
- switching to any other fund of your choice on your plan;
- staying invested in the fund.

Please note if you continue to stay invested in the fund after the *protected price pledge* is triggered, the fund charges will continue to be deducted from the fund. If the fund charges are greater than the growth rate of the Protected Fund at that stage, it may reduce the *protected price pledge* amount.

### Are there any circumstances where the fund could close?

While Irish Life will do our best to make sure the fund stays open, there may be some circumstances where we may need to close the fund and we reserve the right to do this. We will only do what we believe is the best course of action in the interests of all investors in the fund. We will make all reasonable efforts to treat customers fairly if this happens.

We have listed some of the circumstances below, where we may have to close the fund. These include but are not limited to:

- If the *protected price pledge* is reduced or removed which is described in more detail on page 16 (please see 'Are there any circumstances where the *protected price pledge* may be reduced or removed?')

- If we cannot extend the contract with Deutsche Bank beyond September 2015 and we cannot find another counterparty to provide the *protected price pledge*.

- If there are material difficulties in operating the fund as intended.

If this happens, we will write to you. This is likely to include the option of:

- switching to our cash fund (this switch would take place by a certain date); or
- switching to any other fund of your choice on your plan before this date (we may also offer you new fund choices at that stage).

Your financial adviser will work through these options with you if this happens.

### Are there circumstances where the fund could close to new contributions?

There are circumstances in which we may need to close the fund to new contributions (regular or single contributions and switches) with immediate effect, for example if investment markets are severely disrupted or the fund becomes cash-locked. If this occurs we will re-direct your contributions to our cash fund. We will write to you to tell you this has occurred and to give you the option of which fund you want to invest in, in the future.

### Do all investors get the same level of protection, regardless of when they invest in the Protected Consensus Markets Fund?

You always invest in the Protected Consensus Markets Fund at the current unit price. If you make regular payments into your plan, you will buy units at different prices over time. The level of protection you get will depend on how the unit price on the day you invest in the Protected Consensus Markets Fund compares to the *protected price pledge*.

## Our promise to you

PROMISE

We have designed this fund so that it provides access to the potential performance of the Consensus Markets Fund with some built-in security features. We are committed to treating our customers fairly in managing the fund.

# 6 Your questions answered

The following are some of the more common questions asked about this fund.

### How can I invest in the Protected Consensus Markets Fund?

The Protected Consensus Markets Fund is available on our current pension, PRSA, ARF, investment and savings product ranges as follows:

| Product name | Description |
|---|---|
| Complete Solutions 1 Pension Plan<br>Complete Solutions 2 Pension Plan | Pre-retirement pension plan<br><br>Available as a:<br>• company pension plan;<br>• personal pension plan; or<br>• investment only plan linked to a self-administered scheme. |
| Complete Solutions PRSA Options Plan | Non-standard PRSA plan |
| Complete Solutions ARF 1 Plan<br>Complete Solutions ARF 2 Plan<br>Complete Solutions AMRF1 Plan<br>Complete Solutions AMRF2 Plan | Post-retirement pension plan |
| Signature Bond<br>Signature 2 Bond | Investment plan |
| Signature Saver Plan | Savings plan |

The fund is also available on a range of our older plans. Please contact us for more information including the fund charge on these plans.

For full details on your plan, including all charges, government charges(for example levies) and taxes, please speak to your financial adviser and read your product booklet, Fund Guide, terms and conditions booklet and plan schedule.

### What are the charges?

The charges that apply to you depend on the product you are invested in. The charge for the Protected Consensus Markets Fund is an additional 0.6% per annum compared with the charge for the Consensus Fund under your plan. For the products listed on page 19, details of the charges on this fund and other funds you can choose, along with any other charges that may apply, are outlined in your Fund Guide and product booklet.

### Can I switch to other funds on my plan?

Yes, you can switch in and out of this fund at any stage. The *protected price pledge* is designed to apply for an initial period up to 11 September 2015. For further important information on this, see pages 15 and 16. If you switch to another fund on your plan, the *protected price pledge* will no longer apply on that fund.

### Can I cash in or transfer some or all of my fund?

Yes, you can cash in, or transfer some or all of your investment in this fund, at any stage. Depending on the product you have, you may have to pay an early exit charge. Also, if you have a PRSA or a personal pension plan, benefits cannot be taken until age 60 (or earlier in some circumstances). For company pensions, this date is generally the date of retirement under your scheme. For Approved Retirement Funds and investment products you can take a regular withdrawal. Please note that any regular withdrawals made will reduce your allocated units. This will reduce your fund value and the *protected price pledge* will only apply to your remaining units in the fund. Please see your product booklet for any restrictions or charges applying if you want to cash-in your product.

You should note that the *protected price pledge* is designed to apply for an initial period up to 11 September 2015 (unless the contract with Deutche Bank ends earlier). For further important information on this, please see pages 15 and 16.

### Is there any circumstances where a delay period could apply?

In the event of the *protected price pledge* being triggered, Deutsche Bank has five business days to pay us the proceeds of the *protected price pledge*. We will delay administering any switches, regular withdrawals, encashments, transfers or benefit payments until after Deutsche Bank have made this payment to us.

Please note that in extreme circumstances such as not being able to sell assets in the fund over a prolonged period of time, we may need to delay payments for longer than 5 business days if you switch, take regular withdrawals, cash in, make a transfer or take benefits from the fund. We will let you know if such a notice period should apply.

### Is there an end date on this fund?

The *protected price pledge* is designed to apply for an initial period up to 11 September 2015 (unless the contract with Deutche Bank ends earlier). For further important information on this, please see pages 15 and 16. We hope to extend the initial period in the future and therefore we hope that the fund will be open-ended. However, if we cannot extend this period, we will close the fund.

# 7 Glossary

The following is a list of terms used in this booklet with a clear and concise explanation of each of them.

### Bond
A bond is a type of loan given to a company or a government. Say for example a government wants to raise money, they can issue a bond. If you loan money to a government you get your money back after the set timeframe and you will also receive a fixed interest rate.

### Counterparty
The counterparty is a financial company who provides the *protected price pledge* on this fund.

### Return
Return means the money or the profit you make on an investment. However, if markets do not perform well your return could be less than the amount you invested. In other words return means the profit or loss you make on your investment over a period of time.

### Return in real terms
This is a phrase that is often used to describe the actual return on your money, taking into account the effect of inflation. Sometimes when inflation is taken into account, the growth experienced might result in an overall loss to you in real terms i.e. the purchasing power of your money will be less than when you made your investment.

### Shares
Investing in shares means investing in companies on the stock market - the investor becomes a shareholder. In the context of the fund described in this booklet, Irish Life is such an investor and by investing in this fund, your money will participate in the performance of those shares. How those companies perform impacts on whether the fund price rises or falls.

### Unit
When you invest in this fund, you will buy a number of units in return for your money. We work out the value of each unit by reference to the value of the assets of the fund after we take charges. Allocated units are the number of units that are added to your fund after charges are taken from the money you invest with us.

### Unit price
This is the price of a unit of a fund which we use to work out the value of your plan or when buying and selling units in the fund. We work out the value of your plan based on the number of units allocated and the unit price at the time.

**Important information: The money you invest in this fund is not 100% protected. This means that you could lose some of the money invested in this fund.**

## Contact us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