Complete Solutions for Personal Pensions

Form: POPPSAA/PBPPSAA

TC 1057 (REV 11-06)

terms and conditions

booklet

This is your terms and conditions booklet for your **Complete Solutions** for Personal Pensions. Please keep it safe in your welcome pack, as you will need it in the future.

What is a pension plan?
A pension plan is a plan designed by Irish Life Assurance plc (we, us) to provide you with an income from your chosen retirement age. It may also provide life cover if you die before the chosen retirement age.

You will find details of the plan in this terms and conditions booklet, the schedule, the application form, and any extra conditions (endorsements) which we may add to it. Any conditions or extra rules we add in the future, if you agree, also form part of the plan and may only be added by authorised staff at our chief office. Together they form the terms and conditions of the plan.

We have issued this plan to you on the understanding that the information in the application form and any related correspondence is true and complete and that we have been given all relevant information. If this is not the case, we will be entitled to declare the plan void. If this happens, you will lose all your rights under the plan, we will not pay any claim and we will not refund any payments. Information is relevant if it would influence the judgement of a reputable insurer when fixing the payment or the level of benefits, or in deciding whether to provide cover at all.

We will pay benefits 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. The only terms or conditions that are legally binding are those shown in our contract with you.

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.

When will the benefits be paid?
We will normally pay the benefits when you retire at your chosen retirement age. The chosen retirement age is shown in the schedule. We must pay benefits to your estate if you die before this age.

How are the benefits paid?
We will pay you the benefits in the way you choose to receive them. However, you must choose one of the options outlined in section 3 (or any other options that are available at the time you retire), and follow the rules set out in Chapter 2 of Part 30 of the TCA.

You, or your chosen dependants, are entitled to receive all of the benefits outlined in this plan except the death benefit. If you die, we will pay the death benefit to your executors or administrators.

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

We will do our best to sort out any complaint you may have. If you are not satisfied after complaining to us, you can take your complaint to the Financial Services Ombudsman. You can get more information from:

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

Family law and pensions

If you are involved in a judicial separation or a divorce, a pension adjustment order may be granted by the courts over the benefits we may pay from this plan when you retire or die. You can get more information on how pension adjustment orders work from the Pensions Board or your solicitor.

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

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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 this terms and conditions booklet 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 we place in the plan; multiplied by
- the investment price of the units of the funds.

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).

Annuity
A guaranteed payment made every month, for the month, until death.

Application form
The application form for this plan. It includes any extra information given to us about the plan or any other relevant information.

Approval
Approval from the Revenue Commissioners.

Approved minimum retirement fund
A fund which is managed by a qualifying fund manager and which keeps to the conditions of Chapter 2 of Part 30 of the Taxes Consolidation Act (TCA) for this type of fund.

Approved retirement fund
A fund which is managed by a qualifying fund manager and which keeps to the conditions of Chapter 2 of Part 30 of the TCA for this type of fund.

Chosen retirement date
The date shown in the schedule which is the date on which we will make the accumulated fund available for you to buy retirement benefits in line with the terms of section 3.

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

Contribution cover
An optional plan benefit. If you choose this benefit, you may stop payments for a period if you are disabled. We will place units into the unit account as though you were making the regular payment. (See sections 3.21 to 3.29.)

Dependant
Your husband, wife or child or any other person who depends on you financially immediately before your death. For this purpose a child includes a step child or legally adopted child.

Disabled
When you suffer from an illness or injury which totally prevents you from carrying out your normal occupation and you are not following any other occupation. This inability must be confirmed by our Chief Medical Officer. The injury or sickness must have begun after the start date of the plan, or after the date contribution cover was added to the plan. The occupation refers to the occupation shown on the application form or any other more recent job we have accepted.

Endorsement
If the terms and conditions of the plan have been changed or are different to the standard terms, we will set the new or amended terms or conditions out 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 for you as described in section 5.

Investment price
The price of a unit of a fund, which we use to work out the value of the plan for each fund. This is the price we use when buying and selling units in the fund. The investment price on any given date is the price which Irish Life has determined for that date.

Life assured
The person on whose life the plan benefits depend. This is the person named in the schedule.

Life cover
The amount we will pay on your death, while the plan is in force. We will switch the accumulated value of your fund to the cash fund based on the next valuation following notification of your death. The amount we will pay will be the accumulated value of your fund on the date we receive all the documentation required on a death claim (see section 7.1).

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
The panel of funds includes the following funds and any other funds 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 FundSeries 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. There will be no payment due date later than your 75th birthday or the date of your death.

Pensions Act
Pensions Act, 1990 as amended.

Qualifying fund manager
Is defined in Chapter 2 of Part 30 of the TCA. We are a qualifying fund manager.

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

Retirement benefits
Cash, annuity or other benefits provided by the accumulated fund.

Schedule
The schedule that forms part of this plan.

Single payment
A payment which is not a regular payment.

Specified income
A pension or annuity which is paid for your life including a pension paid under the Social Welfare (Consolidation) Act 1993. Specified income is defined in Chapter 2 of Part 30 of the TCA.

Start date of the plan
The date shown in the schedule.

Suspension
Where we have agreed that you can stop regular payments for a fixed period (see section 2.7).

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

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 allocated to your plan in each fund.

We, us, our
Irish Life Assurance plc.

Your, you
The person named as the customer in the schedule.

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 section 2.8) unless you have chosen the option to suspend payments under section 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.

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 and your life cover (if any) will automatically increase each year on the anniversary of your start date (as shown on the schedule). Both your regular payments and life cover 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 we do not receive the increased payment within 10 days of your plan anniversary (30 days for annual 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.

The following also applies.

- We may use an index other than the consumer price index to work out the rates that apply. We may also use a period other than one ending on an anniversary of the start date of the plan.
- If you turn down any increase in life cover two years in a row, we will not automatically give a further increase in life cover without asking for evidence of your health.
- We can restrict the normal amount of the automatic increase in the life cover if the amount we must pay on your death under all plans would be more than our current limit. This will not be less than €315,000.

2.5 Reducing regular payments

You may write to us and ask us to reduce the regular payment at any stage 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. 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.) There may also be restrictions imposed by the Revenue Commissioners. 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 account 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 in force 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 accumulated fund falls to zero, the plan will end without a value and we will not pay any benefits.

- If life cover or contribution cover applies, the charge for this cover automatically continues unless:

  1. you ask us to do otherwise in writing; or
  2. during the suspension period, the value of the accumulated fund falls to zero. Life cover and contribution cover will end if this happens.

We take the charge as explained in 3.11 and 3.29. This will reduce the value of the fund by the cost of the cover.

- You must continue to make regular payments from the end of the suspension period. If you do not do this, the plan will become paid-up (see section 2.8).

- We will not provide contribution cover until six calendar months after regular payments have started again.

2.8 Paid-up plan

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

a. You do not make regular payments without giving us notice and you have not chosen to suspend your payments.

b. You choose to have the plan changed to a paid-up plan.

We will set any life cover automatically to zero and the charge for life cover and contribution cover (if any) will automatically stop. You can keep the life cover on the plan if you tell us to do so. The rules on the life cover and contribution cover in this case will be the same as if you had chosen a suspension (as outlined in 2.7).

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

If a plan has become a paid-up plan:

- the accumulated fund will stay invested in the fund (or funds) you have chosen until you decide to take retirement benefits, until you reach your chosen retirement age, until you die or until the accumulated fund value is zero, whichever is earliest; and

- if you are eligible to receive retirement benefits immediately, we will use the accumulated fund to provide them. All benefits under the plan will end on that date and the plan will also end.

2.9 **Reinstating the plan**

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

If the plan is stopped under 2.8 and life cover and contribution cover applied when regular payments stopped, and you want to reinstate the cover also, we will ask for evidence of your health.

We will reinstate the cover on the understanding that the information given in the evidence of health form and any related document is true and complete and that all relevant information has been provided. If this is not the case, we will be entitled to declare the plan void. If this happens, you will lose all rights to life cover under the plan, we will not pay any claim and we will not refund any payments. Information is ‘relevant' if it might influence the judgement of a reputable insurer when fixing the payment or the level of benefits, when deciding whether to reinstate cover at all, or when deciding whether to attach conditions.

We may refuse to reinstate the cover if the evidence of health shows a change in the state of health from that given on the application form.

We will reinstate the life cover when we reinstate the payment and receive all the relevant information. We will reinstate the contribution cover (if any) six calendar months after we reinstate the regular payments.

Section 3

Benefits

Family law and pensions

The benefits we pay below are decided by you, and are only provided if you decide. However, if you are involved in a judicial separation or divorce, a pension adjustment order may be granted by the court. This will direct us to pay all or part of the benefits under this plan when you retire or die, to any person named in the pension adjustment order. A pension adjustment order issued by the court will override the terms and conditions of this plan.

This section explains the benefits that are provided by the plan.

When is it possible to take retirement benefits?

3.1 You can use your accumulated fund to provide retirement benefits at the earliest of the times set out below.

a Your 75th birthday or other chosen retirement date.

b The first day of the month (between your 60th and 75th birthdays) after you tell us in writing that you want to claim retirement benefits.

c The first day of the month (before your 60th birthday) after you give us evidence of your disability and you tell us in writing that you want to claim retirement benefits because of serious ill health. Revenue will allow you take your benefits before age 60, as soon as we receive medical evidence to show that you are seriously ill. The Revenue's current definition of serious ill health is that you are 'permanently incapable, through infirmity of mind or body, of carrying on your own occupation or any occupation of a similar nature for which you are trained or fitted'.

d The first day of the month (between your 50th and 60th birthdays) after you give us evidence that your job is one in which people usually retire before their 60th birthday and you tell us in writing that you want to claim retirement benefits. You must have reached the age which has been approved by the Revenue Commissioners as defined in Chapter 2 of Part 30 of the TCA.

The accumulated fund will remain invested in the fund(s) you have chosen until you decide to take retirement benefits, have attained age 75 or until you die, whichever is earliest.

Before we pay out the accumulated fund, we must check that it is within the limits outlined in current legislation for tax purposes. This is summarised in section 7. Any fund over this limit will be liable to income tax before benefits are paid out.

What benefits are currently available?

Tax-free lump sum

3.2 You can take a lump sum of up to 25% of your accumulated fund as a cash amount tax-free. This is subject to limits for tax purposes, as described in section 7. The rest of your fund must be used to provide one or more of the other options described below. You do not have to take a tax-free lump sum. You could choose to use your full accumulated fund to provide one or more of the options described below.

Annuity (pension) benefit

3.3 You can choose to take an immediate single or joint-life annuity option that we have available at the time you retire. We will use our annuity rates at the time you choose the benefits to work out the amount of benefit that you will receive. The Revenue Commissioners may place restrictions on the amount of benefit that we may pay. We normally pay annuities every month for the month to come.

Some extra annuity features may also be available.

a Your annuity may have a guarantee period of up to 10 years - this means that if you die during the guarantee period, we will continue to pay your annuity to your dependants up to the end of the guarantee period.

b You can choose a dependant's annuity. This means that if you die before your dependant, we will pay your dependant a pension until they die. We will pay this to someone you choose (other than your child) if we are satisfied that they depend on you. If this person is not your husband or wife, the maximum length of time for which we will pay the annuity must be approved by the Revenue Commissioners.

c You can choose a children's annuity for one or more children. This means if you die before your children, we will pay your children annuities until the child or children reach age 18 (or 21 if they are in full-time education), or until the child's death if this is earlier.

d For each type of annuity, you can choose for it to increase each year. The annuity can increase by the Consumer Price Index to take account of inflation or can increase by a fixed amount (for example, 3% or 5% each year).

Approved minimum retirement fund

3.4 If you do not take the annuity option described in 3.3 and you do not have a specified income of €12,700 each year for life when you retire, you can transfer, to an approved minimum retirement fund (AMRF):

a the balance of your accumulated fund (after you receive your tax-free lump-sum cash payment, if you choose to take it); or

b €63,500;

whichever is lower.

You cannot normally make withdrawals from your

AMRF before you reach age 75. The only exceptions to this are:

- you may withdraw income or profits from your AMRF;
- you may transfer the proceeds of your AMRF to another qualifying fund manager; or
- you may use the proceeds of your AMRF to buy an annuity.

Taxed cash lump sum and approved retirement fund

3.5 After investing in an AMRF or annuity, or if you can show that you are currently receiving a guaranteed income for life from other sources of €12,700 a year, you can use the rest (if any) of your accumulated fund in either of the following ways.

a You may take a lump sum. You will pay income tax on this lump sum for the year of assessment in which you receive it.

b You can invest it in an approved retirement fund (ARF).

Open market option

3.6 You can also choose to buy your annuity benefit from a life office other than us (Irish Life). The life office must be authorised to carry on life-assurance business in the Republic of Ireland. If you decide to do this, we will pay your accumulated fund, less any cash payment we have made to you, to the other life office.

It is also possible to invest in an ARF or AMRF that is run by another qualifying fund manager. If you decide to do this, we will pay your accumulated fund, less any cash payment we have made to you, to the other qualifying fund manager.

Cashing in or assigning (transferring the ownership of) the benefit

3.7 It is not possible for you to cash in or assign any of the benefits under this plan to anyone else.

Transferring your plan

3.8 You may transfer this plan to another retirement annuity contract approved under Chapter 2, Part 30 of the TCA or to a Personal Retirement Savings Account approved under Part X of the Pensions Act 1990 and Chapter 2A, Part 30 of the TCA. The transfer payment will be the value of the accumulated fund at the date the transfer takes place.

If you have chosen to invest in a property fund, we may delay any transfers 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 transfer values 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 make a transfer 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.

Our plan can receive a transfer value from another retirement annuity contract which is in your name and approved by the Revenue Commissioners under Chapter 2, Part 30 of the TCA. Any transfer payment will be treated like a single payment.

Life cover

Sections 3.9 to 3.20 will apply only if an amount of life cover is shown on the schedule or any endorsement.

3.9 Under the plan we cover you for the amount of life cover (if any) shown in the schedule, or in any endorsement. If we have agreed to provide life cover under other terms and conditions, these will also be shown in the schedule or added to the plan by endorsement.

3.10 We take the charge for life cover on the first day of each month from the date from which we agree to provide cover. We will work out this charge taking account of one of the following.

a The amount of life cover less the accumulated fund, if life cover is shown as 'inclusive' on the schedule.

The amount of life cover, if life cover is shown as 'exclusive' on the schedule.

b Your age and sex.

c Our rates relating to expected deaths after considering any medical or occupational information, information related to hobbies or pastimes and information about your smoking habits. We may change these rates to reflect our actual experience.

3.11 We will take the charge for life cover every month by cancelling units from the unit account. We will cancel units from the funds in the same percentage as the latest fund split.

3.12 If at any time the accumulated fund is less than the life cover charge due, the plan will end and all benefits will end.

3.13 You may write to us, asking to do the following.

a Reduce the amount of life cover as long as the reduced amount is at least as great as the minimum we are prepared to accept.

b Increase the amount of life cover as long as the increased amount is no greater than the maximum we are prepared to accept. If you ask for an increase, you will have to provide proof of your state of health. If we accept this, the increased amount of life cover will apply from the first day of the following month. We may need to increase the payment to maintain the amount of life cover that you ask for.

3.14 If you die within one year from the start date of the plan and you committed suicide or were executed by a penalty imposed by a court of law, we will not pay any life cover benefit over the value of the accumulated fund. If you die in this way within one year of the life cover being increased under section 3.13 (b), we will not pay the amount by which we increased the life cover.

3.15 You must provide any information and evidence we reasonably need to provide cover. We will act on this information and evidence and will not be responsible for any mistake you or any person acting for you have made.

3.16 We will change the amount of life cover if we receive evidence of your date of birth and this is different to the date of birth given on the application form.

3.17 If the information provided in the application form and any related correspondence is not true and complete, or if relevant information has not been revealed, we may reject or adjust the claim. Information is relevant if it might reasonably be expected to influence the judgement of an insurer when fixing the payment or the level of benefits, or in deciding whether to provide cover at all.

3.18 When you die, we will pay any life cover to your estate according to the terms of the plan as long as the plan is still in force.

a If the life cover shown on the schedule is 'inclusive' of the accumulated fund, the amount we will pay on your death will be:

- the life cover; or
- the accumulated fund on the date of death;

whichever is higher.

b If the life cover shown on the schedule is 'exclusive' of the accumulated fund, the amount we will pay on your death will be the value of the accumulated fund on the date of death together with the life cover.

c If no life cover is shown on the schedule, we will pay the value of the accumulated fund on the date of death.

We will pay any life cover according to the conditions set by the Revenue Commissioners.

The plan will end when you die and we pay out the benefits.

3.19 Life cover (either inclusive or exclusive - see section 3.18a and 3.18b) will end when we have used all the accumulated fund to provide retirement benefits, no later than the chosen retirement date.

3.20 If you reduce the accumulated fund by taking retirement benefits and the life cover (if any) is shown on the schedule as inclusive of (includes) the accumulated fund, we will reduce the life cover by the same amount as the reduction in the accumulated fund.

If the life cover is shown as exclusive of (does not include) the accumulated fund, the life cover will not change.

Contribution cover

3.21 Contribution cover will only apply if you are making the regular payments and 'Contribution cover' is shown as a benefit on the schedule.

3.22 If you become disabled and as long as you have not stopped making regular payments, we will continue to make the regular payments as described in section 3.23. However, read sections 3.24 and 3.27.

3.23 The amount of regular payment we will make while you are claiming contribution cover will be equal to the regular payment you were making 12 months before the date from which we agree to pay contribution cover. This means that if regular payments have been increased within the 12 months up to the date we agree to pay contribution cover, these increases will not be included in the amount of contribution cover we will pay.

We will pay contribution cover as often as you were making the regular payments before the disability.

3.24 We will not provide contribution cover benefit until we receive any information and evidence we may reasonably need of your state of health. This may involve you having a medical examination by a medical officer we have appointed or approved. You must pay any costs involved.

3.25 You must tell us immediately if you change occupation or move to a country outside the European Union. We may cancel contribution cover if we believe the change in your circumstances would increase our liability.

3.26 We will only provide contribution cover for a disability which happens after the start date of the plan or the date at which the contribution cover was included in the plan, whichever is later.

3.27 We will not pay contribution cover in the following circumstances.

a For the first six calendar months of a period of disability, or before we receive written notice of the claim, whichever is later.

b If the disability is caused by any of the following.
- War, riot, revolution, or any similar event.
- Taking part in a criminal activity.
- Strike.
- Self-inflicted injury or illness or taking alcohol or drugs (other than under the direction of a qualified medical practitioner).
- Failing to follow reasonable medical advice.
- Pregnancy or childbirth unless the disability goes beyond a period of three calendar months after the end of pregnancy or childbirth. In this case we will treat the disability as having started after the three calendar months.
- In our opinion, as a result of acquired

immune deficiency syndrome (AIDS) or infection by any human immunodeficiency virus (HIV).
- As a result of taking part in abseiling, bobsleighing, boxing, hang gliding, scuba diving, horse racing, motorcar and motorcycle racing or sports, mountaineering, parachuting, potholing and caving, powerboat racing, rock climbing and flying other than as a fare-paying passenger on a regular public airline.

3.28 We will stop paying contribution cover on the earliest of the following dates.

a The date you recover and go back to your own occupation or the date we believe you are healthy enough to go back to your own occupation.

b The anniversary of the start date of the plan on or following your 60th birthday.

c The date you die.

d The date you move to a country outside the European Union. We may pay contribution cover again if you return and live in a country within the European Union. We must receive satisfactory evidence of your continued disability.

e The date we start paying the retirement benefits under this plan.

3.29 We will take the charge for contribution cover monthly, by cancelling units from the unit account. We will cancel units from the funds in the same percentage as the latest fund split.

Section 4

Funds and unit prices

This section explains how the investment funds work.

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 maximum number of funds the plan can be linked to is 10.

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 will find exact details of how we work out fund prices in the resolutions and rules governing the funds. You can ask us for 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 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 Fund price guarantees

The prices of units in all funds, except the Secured Performance Fund, the Exempt Guaranteed Fund and the Exempt 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 (up front) 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

We may reduce the value of units of the Exempt Guaranteed Fund if:

a) you choose to switch your investment out of the Exempt Guaranteed Fund into another of the funds; or
b) you choose to transfer your accumulated fund to another retirement plan in accordance with paragraph 3.8.

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

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.

If the market value adjuster is used it will reduce the fund value to reflect any shortfall between the value of the assets in the fund and the investment price of all the units in the fund.

We will not use the market value adjuster for units of the Exempt Guaranteed Fund if you retire on your chosen retirement date or we cash in the units to pay costs such as life cover charges, or when you die.

4.6 **The Secured Performance Fund**

Working out the unit price

The investment price of units in the Secured Performance Fund cannot fall. Also, the investment price is guaranteed to increase in a set way 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 fund 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.

Using the market value adjuster

We will apply the market value adjuster to the value of units of the Secured Performance Fund if:

a you choose to take retirement benefits within 10 years of entering the Secured Performance Fund;

b you choose to take retirement benefits 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 your accumulated fund to another retirement annuity contract approved under Chapter 2, Part 30 of the TCA or to a Personal Retirement Savings Account approved under Part X of the Pensions Act 1990 and Chapter 2A, Part 30 of the TCA before your chosen retirement date as outlined in section 3.8 above.

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

- 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 of the Secured Performance Fund if you:
- retire after regular payments have been made for at least 10 years;
- are retiring due to serious ill health;
- die; or
- cash in units to pay costs such as life cover charges.

Restrictions on investing in the Secured Performance Fund

We may refuse to invest extra one-off payments or additional 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. 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. We may charge in the future to cover our administration costs. We will carry out the switch based on the price (or prices) of units on the day we receive a written request to switch.

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 you are switching 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.

4.9 Automatic switching between funds

Consensus Lifestyle is a service under which we invest assets in the Consensus Fund when you are five years from your chosen retirement date. We then gradually switch 25% of the fund into the Exempt Guaranteed Fund and 75% into the Pension Protected Fund as you get nearer to retirement.

You can switch in and out of Consensus Lifestyle at any time but the normal switching rules will apply. There is no charge for any of the switches made within Consensus Lifestyle.

Switches will take place every month in the five years leading up to your chosen retirement date.

Section 5

Charges

This section deals with the amount of the 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 part of the regular payment which represents 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 off 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.

5.4 We will take the charge for life cover, contribution cover, 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.

5.5 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.

5.6 We will take fund charges and these will depend on the fund link chosen. You will find these charges in detail in section 4.3.

5.7 Pensions Board fees are currently charged on company pension plans that are approved under the TCA. If the Pensions Board or a similar organisation make a similar charge on personal pension plans (approved under the TCA), we will take the amount of the charge from the accumulated fund by cancelling units.

Section 6

Claims

This section deals with the procedure for making a claim under the plan and our requirements for assessing the claim.

6.1 Before we will pay or make the life cover or retirement benefits available we must receive the following.

(a) A filled in claim form.

(b) Proof of entitlement to claim the proceeds of the plan. This would include these terms and conditions and the schedule.

(c) Also before we will pay the life cover we must receive proof of a valid death claim (including proof of death in the form of a death certificate and, if not previously produced, a birth certificate).

6.2 To protect your entitlements, we may need other proof that the person claiming is entitled to the proceeds of the plan. This extra proof may include items such as a 'power of attorney' or a 'grant of probate' or 'letters of administration'.

6.3 We pay the benefits under this plan by referring to your date of birth. If we have your incorrect date of birth, we will change the benefits to the correct level for the date of birth given on the application form.

Section 7

Approval

7.1 The **Complete Solutions** for Personal Pensions is a Retirement Annuity Contract approved under Chapter 2, Part 30 of the TCA. You cannot make changes to the plan without the approval of the Revenue Commissioners.

7.2 We do not have to accept additional payments under this scheme if the **Complete Solutions** for Personal Pensions is no longer treated by the Revenue Commissioners as an approved Retirement Annuity Contract.

7.3 We will write and tell you about any changes made to the plan to keep it in line with the Revenue Commissioners' requirements and how (if at all) any benefits under the plan may be affected.

Tax

7.4 We must pay benefits under your Personal Pension in line with current tax law. The benefits payable are outlined in Section 3, subject to the maximum levels outlined in 7.5 and 7.6.

If tax laws or any other relevant laws change after the start date, we will pay the benefits in line with these.

7.5 Under current legislation, the maximum pension fund allowed for tax purposes is €5 million or, if higher, the value of the fund on 7 December 2005 (subject to certain notification requirements). The relevant maximum will apply to the aggregate value of all pension provisions held by you. Any fund in excess of this amount will be liable to a once-off income tax charge at a 42 % tax rate when it is drawn down on retirement. This limit will be adjusted annually from the tax year 2007 in line with an earnings factor.

7.6 The maximum tax-free lump sum that can be taken on retirement is 25% of your fund subject to a lump sum limit. This limit will be adjusted annually from the tax year 2007 in line with the earnings limit. If the aggregate of lump sums drawn down from all pension provisions held by an individual exceeds the lump sum limit (€1,250,000 as at June 2006) then the excess lump sum will be taxed at your marginal rate as income.

Section 8

Law

This plan will be governed by Irish Law and the Irish courts are the only courts that are entitled to hear disputes.