Signature Saver

Form: SSAVDAA TC 1212 (NPI 07-06)

terms & conditions
booklet

This is the terms and conditions booklet for your Signature Saver plan. Please keep it safe in your welcome pack, as you will need it again in the future.

Introduction

We (Irish Life Assurance plc) are providing this plan for you (the person or people named in the schedule) based on the application form you signed.

Our contract with you for this plan is made up of:

- the schedule;
- this terms and conditions booklet;
- the application form;
- the fund rules (we will send these to you if you ask for them); and
- any extra rules added by authorised Irish Life staff. (We will tell you if we need to add any extra rules).

The benefits we pay are in return for the payments that you make to us. The dates on which you have agreed to make payments are shown on the schedule. If the payments or dates change, we will send you a letter confirming the change. We will normally pay all benefits in euro.

We will pay benefits only from the assets that we hold to make payments to customers.

In legal disputes, Irish law will apply. The only rules, terms or conditions that are legally binding are those set out in our contract with you.

You will find more detailed information on all these matters in the relevant sections of these terms and conditions.

Who receives the money we pay out?

We will normally pay any benefits due under the plan to you. If you die, we will pay the person who deals with your estate. If you transfer the plan to someone else (for example, if you pass it to a financial institution as security for a loan), we will pay the proceeds to them. You must tell us if you transfer your investment to someone else.

If there are two customers, we will pay you jointly. If one of you dies, we will pay the survivor.

Writing to us

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

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 of the date we send you your welcome pack (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 consult your broker or our advisers before you cancel your plan.

Complaints

We will do our best to sort out complaints fairly and quickly through our internal complaints procedure. However, if you are not happy with the outcome of your complaint, you can take your complaint to the Financial Services Ombudsman of Ireland.

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

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Section 1

Definitions

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.

Fund
Any of the Signature Saver funds.

Fund value
At any date, this is the value defined in section 2.

Investment price
The price of a unit of a fund, which we use to work out the value of your investment. This is the price we use when buying and selling units in the fund. The investment price on any date is the price which we set for that date.

Signature Saver funds
Consensus Fund Series Y
Indexed Cash Fund Series Y
Global Indexed Fund Series Y
Global Opportunities Fund Series Y
Indexed European Gilts Fund Series Y
Indexed US Fund Series Y
Indexed UK Fund Series Y
Indexed Ireland Fund Series Y
Indexed Europe Fund Series Y
Indexed Japan Fund Series Y
Indexed Telecommunications Fund Series Y
Indexed Technology Fund Series Y
Indexed Banks Fund Series Y
Active Managed Fund Series Y
Long Bond Fund Series Y
PI International Share Fund Series Y
Bloxhams Intrinsic Value Fund Series Y
Bloxhams High Yield Fund Series Y
Bloxhams Contrarian Fund Series Y
Fidelity India China Fund Series Y
Fidelity Portfolio Select Growth Fund Series Y
Fidelity European Opportunities Fund Series Y
Fidelity Managed International Fund Series Y
Property Portfolio Fund Series Y

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

You can ask us to send you a copy of the rules creating these funds and describing how they work.

Start date
This is the date shown on your schedule.

Units
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 we make deductions. We set aside a number of these units for the plan so we can work out its value.

We, us, our
Irish Life Assurance plc.

You, your
The person (or people) named as owner in the schedule. You are legally entitled to the benefits as long as they have not been transferred to someone else.

Section 2

Unit-linking

2.1 Introduction

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

2.2 Working out unit prices

The value of a unit (known as the investment price) will rise or fall over time, depending on how the assets in the fund perform. 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.

You will find exact details of how we work out the price of units in the resolutions and rules that control the fund. You can get these by writing to us and asking for them.

Your fund value on any particular date will be equal to:

- the number of units we have placed in your plan from each fund; multiplied by
- the investment price for units of that fund on that date; and
- added together for each of the funds in your plan.

As a result, this fund value will rise and fall over time as the investment prices change to reflect the value of the assets in the funds.

We use the same price to add units to your plan and to take money from it.

Section 3

Charges

3.1 Entry charge

Your payments buy units in a savings fund. The percentage of your payments we invest will be shown in your plan schedule. If we are investing less than 100% of your payment, the amount we do not invest is an entry charge.

Depending on your level of payment, the following entry charges will apply.

- An entry charge of 5% on all regular payments between €250 and €749.99 a month.
- An entry charge of 4.5% on all regular payments between €750 and €1,249.99 a month.
- An entry charge of 4% on all regular payments over €1,250 a month.
- An entry charge of 3.5% on any lump-sum payments you make.

3.2 Fund management charge

Each month we make a charge of 1/12 of the annual fund charge for each of your chosen funds. We take this charge from the investment price evenly over the month. This charge goes towards the costs of:

- setting up and administering the investment;
- paying sales and commission costs (if these apply); and
- the expenses of managing your investment.

Panel of funds		**Fund charge each year**
Consensus Fund Series Y		1.00%
Indexed Cash Fund Series Y		1.00%
Global Indexed Fund Series Y		1.10%
Global Opportunities Fund Series Y		1.10%
Indexed European Gilts Fund Series Y		1.10%
Indexed US Fund Series Y		1.10%
Indexed UK Fund Series Y		1.10%
Indexed Ireland Fund Series Y		1.10%
Indexed Europe Fund Series Y		1.10%
Indexed Japan Fund Series Y		1.10%
Indexed Telecommunications Fund Series Y		1.10%
Indexed Technology Fund Series Y		1.10%
Indexed Banks Fund Series Y		1.10%
Active Managed Fund Series Y		1.10%
Long Bond Fund Series Y		1.10%
PI International Share Fund Series Y		1.35%
Bloxhams Intrinsic Value Fund Series Y		1.35%
Bloxhams High Yield Fund Series Y		1.35%
Bloxhams Contrarian Fund Series Y		1.35%
Fidelity India China Fund Series Y		1.85%
Fidelity Portfolio Select Growth Fund Series Y		1.85%
Fidelity European Opportunities Fund Series Y		1.85%
Fidelity Managed International Fund Series Y		1.85%
Property Portfolio Fund Series Y		
– Irish Life charge	1.10%	
– External managers' average charge	1.10%	
Property Portfolio Fund Series Y - Total charge		2.20%

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

The Property Portfolio Fund

This section is only relevant if you are investing in the Property Portfolio Fund. We manage this fund at an overall level. Within the fund, part of the assets invested in UK property and currently all of the assets invested in European property are invested with external fund managers, rather than through holding the properties involved direct. Both Irish Life and the external fund managers take charges from the fund.

Irish Life charges on the Property Portfolio Fund

Each month, we make a charge of 1/12 of 1.1% of the part of your fund value invested in the Property Portfolio Fund.

We take the costs of maintaining and valuing the properties in the Property Portfolio Fund and the costs of collecting rent off the fund before we take any charges.

We won't increase our charges unless we need to do so 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 Property Portfolio Fund

The external fund managers take their costs and charges from the assets they manage in the Property Portfolio Fund. These charges are reflected in how the funds perform. 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 will change depending on the availability of property and also the level of money coming into and out of the fund.

- The second reason is that the level of the charges can vary according to the fund manager we choose in the future. We may also pay the managers an incentive fee if they achieve better investment returns on the funds they manage than we expected.

- The third reason is that the 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 are based on the total value of the properties held rather than on the funds they manage. The amount of borrowing compared to the value of the properties held will set the level of these charges as a percentage of the funds managed.

If the level of borrowing increases by more than the value of properties, the level of charges as a percentage of the 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 the 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 falls by more than the value of properties, then the level of charges as a percentage of the 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 term of the product will be 1.1% a year of the overall Property Portfolio 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 did equal 1.1% of the overall fund value in a given year, this would bring the total charge to 2.2% a year.

3.3 Plan charge

We will take off two separate plan charges.

- A fixed charge that will be €4 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 may take as a percentage of your regular payment fund. This charge will be equal to a maximum of 0.75% of your fund each year. If this charge applies, it will be shown in the 'Your chosen fund' section of your plan schedule. This charge only applies if the standard entry charges (see section 3.1) are reduced.

We will take these charges by cancelling some units in your fund each month. These apply as well as the fund charges shown in section 3.2.

Section 4

Payments

Details of 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.

4.1 Automatic increases in payments

If you chose not to increase your payments each year when you filled in your application form, your regular payments will stay the same.

Otherwise, the regular payments to your plan will automatically increase each year on the anniversary of the start date of your plan. Your regular payments will increase each year in line with the Consumer Price Index. When the Consumer Price Index is low, we may set the increase at a slightly higher minimum amount. (This is currently 5%, but this percentage is a guide only. The actual percentage increase may be different when we work out the increase in your payment.) If the Consumer Price Index stops being published, we will decide on a suitable rate of increase, taking into account customers' reasonable expectations and other current increases in the insurance industry. We will tell you what this increase will be.

If you decide in the future that you do not want your payments to increase, you must tell us in writing.

The maximum monthly payment is €50,000. Indexation cannot take your monthly payment over this maximum amount.

If the automatic increases take your payment above €3,000 each year, the tax treatment of your plan may be affected. See section 9 for more details on the tax treatment of your plan.

4.2 Varying your payments

You may increase the amount of the regular payment that you make at any time, as long as the amount of the increase is at least €15 a month. You may also reduce your regular payments at any time. However, you cannot reduce your regular payments below the minimum payment that we allow.

The maximum monthly payment is €50,000. You cannot increase your monthly payment over this maximum amount.

If you increase your payment above €3,000 each year, the tax treatment of your plan may be affected. See section 9 for more details on the tax treatment of your plan.

4.3 Skipping payments

You may skip regular payments if you write to us at least one month beforehand saying how long you want to skip payments for. At the end of this period, we will start collecting your payments again.

4.4 Single payments

You can make a one-off payment of at least €650 at any time. The maximum one-off payment you can make is €1,000,000. In certain circumstances we may refuse to allow you to do this. However, if we do, we will tell you why.

Assuming we accept your extra payment, we will invest it in the fund or funds you have chosen by placing extra units in your plan. We will use the investment price of units on the day we receive your payment and all the documents we need. Currently, we use 96.5% of each single payment you make to add units to your plan. We will keep the other 3.5% as our charge. However, the percentage of any single payments that we invest may change in the future.

4.5 Paid-up plan

You can change your plan to a paid-up plan at any time. This means you will not make future payments and the units we have already added will stay in your plan until you cash it in or we pay a death benefit. You may decide to start making payments again in the future.

If you want to make your plan paid-up, you should write to us.

Section 5

Switching between funds

At any time, you may ask us in writing to switch some or all of your money from one Signature Saver fund to another.

If you are switching between funds, the total value of the new units will be the same as the total value of the units you have replaced.

However, it is important to note, before you switch from your original fund choice or choices, that the funds in Signature Saver have different levels of risk and potential return and they may also have different yearly fund charges.

If you want to make a switch, you must write to us. The unit prices we use will be those on the day we receive your written request. We do not charge for this service.

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.

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 for up to six months from the time we receive your request. We need this notice period because of the high cost and the time involved in selling properties.

When there are more customers cashing in their investments than there are customers making new investments in the Property Portfolio Fund, we will reduce the value of units in the fund to reflect the percentage of the costs associated with buying and selling properties. If that reduction was to take place today, there would be a fall of about 7% in the value of the Property Portfolio Fund. This reduction may change in the future. The reduction for the part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

If we do delay a switch, it will be based on the value of units at the end of the period.

Section 6

Death benefit

6.1 Death benefit if there is one life assured shown on your schedule

On the date we are told about your death, we will switch the fund value to the Life Claims Cash Fund. We will use the unit price which applies on that day.

We do not charge for this switch.

The death benefit we pay will be 100.1% of the value of the Life Claims Cash Fund based on the unit price on the day we receive all the documents we need. We will take off any tax that is due. We describe tax in section 9.

6.2 Death benefit if there are two lives assured shown on your schedule

On the date we are told about the death of either of the lives assured shown on the schedule, we will switch the fund value to the Life Claims Cash Fund. We will use the unit price which applies on that day.

We do not charge for this switch.

The death benefit we pay will be 100.1% of the value of the Life Claims Cash Fund based on the unit price on the day we receive all the documents we need. We will take off any tax that is due. We describe tax in section 9.

The fund value will reduce to zero but the plan will continue. We will change the plan to a single life plan. The plan will end when the remaining life assured dies. The death benefit we will pay when the remaining life assured dies is as described in section 6.1.

6.3 What we need before paying the death benefit

Before we will pay the death benefit we must receive the following.

- A filled-in claim form (you can get this form from any of our offices).
- Proof that you are entitled to claim the proceeds of the plan. This would include these terms and conditions and the schedule.
- Also, before we will pay the death benefit, 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).

To protect your entitlements, we may need other proof that the person claiming is entitled to the proceeds of the plan. For example, we may need to see deeds of assignment (if you have passed your plan to a building society as security for a loan), or grant of representation (a legal document that authorises the personal representatives of someone who has died to handle their estate).

Section 7

Cashing in all or part of your plan

You may cash in all or part of your plan in full at any time by writing to us at the address given in the introduction to this document.

If you take money out of your plan, we will reduce the amount of money we pay you by the amount of any tax due. We explain this in the tax section (section 9).

If you fully cash in your plan, we will end your plan.

If you cash in part of your plan, we will cancel some of the units we have added to it. The number of units we cancel will be the number you need for the value of these units to equal the 'before tax' amount you want to cash in. The amount you cash in must be at least €350 after tax.

At the moment we do not make an administration charge if you want to cash in part of your plan. However, we have the right to charge you if we have extra costs in altering the plan. If we are going to introduce this kind of charge, we will write and tell you when we receive your request to cash in part of your plan.

Before we can pay you money from your investment, we will need:

- a filled-in claim form (you can get this form from any of our offices); and
- proof that you are entitled to claim the investment's proceeds (including these terms and conditions and the schedule).

The investment prices we use to work out the value due to you will be those that apply on the day we receive your filled-in claim form and any other documents we need.

In very rare circumstances, we may delay total or part withdrawals. These circumstances can include the following.

- If a large number of customers want to take money 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, if you are invested in the Property Portfolio Fund, it is possible that you may have to give us up to six months' notice in writing before you can cash in any part of your investment that is invested in this fund. We need this notice period because of the high cost and the time involved in selling properties. The cash-in value you receive would be based on the value of units in your fund at the end of the notice period.

When there are more customers cashing in their investments than there are customers making new investments in the Property Portfolio Fund, we will reduce the value of units in the fund to reflect the percentage of the costs associated with buying and selling properties. If that reduction was to take place today, there would be a fall of about 7% in the value of the Property Portfolio Fund. This reduction may change in the future. The reduction for the part of the fund invested with external fund managers may happen at a different time to the reduction for the rest of the fund.

If we delay a withdrawal, it will be based on the value of units at the end of the period.

Section 8

Single-life or dual-life option

a **Dual-life option**
You may change a single-life plan to a dual-life plan. We have the right not to allow you to make this change.

b **Single-life option**
If both of the lives assured (as shown on the schedule) write and ask, we can change the investment from dual-life to single-life. We have the right not to allow you to make this change.

For both these options we will ask you to provide a 'deed of assignment' (a legal document which transfers ownership of the investment) before we can make this change. You may have to pay stamp duty on this deed. This will be your responsibility. We may also have to take off tax (see section 9).

Section 9

Tax

Irish Tax

We must pay tax on investment returns:

- if you make a withdrawal from your plan;
- if we pay the death benefit;
- on every 8th or 12th plan anniversary, depending on your yearly premium (as outlined below); or
- if you transfer all or part of your plan to somebody else. (There are some exceptions to this.)

Under current Irish tax law (July 2006), all investment returns made on your plan will grow without Irish tax being taken off for the first eight years if your yearly premiums are equal to or more than €3,000, and for the first 12 years otherwise.

Tax will be taken off on the 8th anniversary or the 12th anniversary and each future 8th anniversary or 12th anniversary of your plan (depending on your yearly premium). Tax is charged on the portion of your fund that is made up of investment profits. We will deduct the tax from the value of your investment and pay it to the Irish Revenue. The tax payable on each 8th or 12th anniversary will reduce the amount invested in the fund from that date onwards. Where tax is deducted from your fund on each 8th or 12th anniversary, any tax payable on subsequent withdrawals will be reduced by this amount.

We will tax any withdrawal that is made up of investment profits. We will work this out using the rules set out in law. We will pay tax at the rate which applies for customers of life assurance companies (currently 23%). The tax rate is equal to the standard rate of income tax plus 3%.

In some circumstances, more tax may be due after you die. For example, if the benefit is paid to your estate, your beneficiaries may have to pay inheritance tax. (There is no inheritance tax due on an inheritance between a married couple.) In certain circumstances inheritance tax due under this investment may be reduced by any tax paid if you die.

UK and European tax

This applies to the Property Portfolio Fund only. This fund invests in a mix of Irish, UK and European property. Irish tax laws apply as described earlier.

Under current United Kingdom tax law (July 2006), any rental income that the part of the fund invested in UK property receives (after allowing for interest payments and allowable expenses) will be taxed at the UK tax rate of 22%. We will take any tax due from the fund and the fund performance will reflect this.

For the investments in European property, we will take income tax on rental profit if this is needed under the tax rules of the relevant European country. In some cases, depending on the tax rules of the European country concerned, we may also have to pay capital gains tax on capital gains made within the fund. We will take any tax due from the fund and the fund performance will reflect this.

If tax laws or any other relevant laws change after the start date, we will change the terms and conditions of the plan if we need to do this to keep the plan in line with those changes. We will write and tell you about any changes in the terms and conditions.

Under current tax law, we must take off the correct amount of tax. We make the final decision (in line with all relevant laws and guidelines) on what tax applies to this plan.

Section 10

Notices

You must send every notice and letter about this plan to our main office at:

Irish Life Centre
Lower Abbey Street
Dublin 1.

Section 11

Law

This plan is governed by the laws of the Republic of Ireland, and the Irish courts are the only courts that are entitled to hear any dispute.