



INVESCO APPROVED RETIREMENT FUND AND APPROVED MINIMUM RETIREMENT FUND

Invesco ARF and AMRF are provided by Irish Life Assurance plc.









About Invesco

Formed in 1991, Invesco Limited is today recognised as the leading Irish owned firm of Pension, Investment and Actuarial Consultants with offices in Dublin and Cork. Through our Corporate Pensions Division we provide comprehensive employee benefits, administration and advisory services to a wide range of multinational and indigenous companies. Our Personal Financial Services Team provide advice on all aspects of Personal Financial Planning. Our board of Directors and team of consultants operate a distinctly hands-on approach and add unique skill sets and a wide range of expertise with a clear focus on our clients requirements. This, combined with our independence, ensures our clients receive the expertise and recommendations which are essential in the increasingly complicated financial world of today.

Our innovative fund platform now gives clients access to a range of different assets and fund managers under one roof. This allows clients greater flexibility to view valuations online, switch between assets and move between fund managers. We have chosen Irish Life to administer this platform.

Invesco has chosen Irish Life, Ireland's leading life and pensions provider, to provide our clients with a range of pension and investment plans. Irish Life produced this document.

Invesco Approved Retirement Fund and Approved Minimum Retirement Fund

Aim		To allow you to control your retirement fund.
Risk		Low to very high depending on the option or mix of options you have chosen.
Capital protected		No.
Funds available		Your Invesco Approved Retirement Fund (ARF) and Approved Minimum Retirement Fund (AMRF) plan offers you a wide range of funds to choose from. Please see your separate Invesco Fund Guide for a full list of funds.
Time period		You can invest for as long as you like - we recommend five years or more.
Jargon-free		Yes.

All information including the Terms and Conditions of your plan will be provided in English.

The information in this booklet was correct as at May 2012 but may change.

Warning: If you invest in this AMRF you will not have access to your initial investment amount until age 75.

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Introduction

This booklet will give you details of the benefits available on the Invesco ARF/AMRF. It is designed as a guide that allows us to explain the ARF/AMRF to you in short and simple terms. There will be more specific details and rules in your Invesco Fund Guide and Terms and Conditions Booklet which you should read carefully.



Online services

You can check the details of your plan online by visiting www.myonlineservices.ie. You will need a PIN, which you will receive when you start your ARF/AMRF. If you have lost your PIN or need a new one, contact the Invesco Personal Financial Services Team on 01 294 7600.

How to contact Invesco

Phone: 01 294 7600

Email: pfadvisor@invesco.ie

Website: www.invesco.ie

Write to: Invesco, 2 Sandyford Business Centre,
Burtonhall Road, Sandyford, Dublin 18.

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Approved Retirement Funds and Approved Minimum Retirement Funds

Approved Retirement Fund (ARF)

An Approved Retirement Fund is a special investment fund which can give you flexibility in terms of how you use your retirement fund. With an ARF you manage and control your retirement fund and can invest it in a wide range of different investment funds. You can also make withdrawals as you need them. And because you own your fund, you can leave it to your dependants when you die.

Before you invest in an ARF, you must meet one of the following conditions (unless you have inherited an ARF or AMRF from your spouse or registered civil partner).

- You must set aside €119,800 in an approved minimum retirement fund until you reach 75.
- Or, you must buy a pension for life (annuity) with this money (€119,800).
- Or, you must have a guaranteed pension income for life of €18,000 a year.

You will find full details of these conditions on page 11.

Warning: If you invest in this product you may lose some or all of the money you invest.

Approved Minimum Retirement Fund (AMRF)

You must take out an AMRF if you have chosen the ARF route but do not have a guaranteed pension income for life of at least €18,000 a year already in place or have not used €119,800 to buy a pension for life. See the ARF section on page 4.

The main difference between an AMRF and an ARF is that, until you are 75 years old or you become in receipt of the required guaranteed pension income from other sources, you may only withdraw any gain you make within the AMRF over and above the original amount you invested but cannot make withdrawals from the original amount invested.

Warning: The value of your investment may go down as well as up.

Example of how an AMRF and ARF work together

Your retirement fund	€500,000
Retirement lump sum (for example, 25%)	€125,000
Rest of investment	€375,000
Invest in an AMRF (if you do not have a guaranteed pension income for life of €18,000 a year)	€119,800
Invest the rest in an ARF	€255,200

Warning: The income you get from this investment may go down as well as up.

You can buy a pension for life (annuity) with the fund at any stage during the term of your ARF or AMRF.

There are more details on ARFs and AMRFs in the Withdrawal options and Your questions answered sections.

Suitability snapshot



This Invesco ARF might suit you if you:

- ✓ have a guaranteed pension income for life of €18,000 or have €119,800 to set aside for an AMRF or annuity;
- ✓ would like to take a regular withdrawal up to certain limits;
- ✓ would like the money in your ARF/AMRF to pass to your family in the event of your death;
- ✓ are happy with the choice of funds available on this plan;
- ✓ are happy with the charges on this plan and accept that the value of your fund could fall as well as rise.

This Invesco ARF might not suit you if you:

- ✗ don't have a guaranteed pension income for life of €18,000 or have €119,800 to set aside for an AMRF or annuity;
- ✗ want a regular income guaranteed to last you for life;
- ✗ want to take out an annuity when you retire;
- ✗ are not happy with the choice of funds on this plan;
- ✗ are not happy with the charges on this plan and do not accept that the value of your fund could fall as well as rise.

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Withdrawal options

Before investing in an ARF so that you can take regular withdrawals you should consider the main points about annuities and ARFs.

Annuity option

If you choose to buy an annuity with your pension fund you are changing your retirement fund into a regular income guaranteed to last you for life. It does not matter if returns from investment markets are poor or if you live for a long time because you will be paid an income for as long as you live. You can't withdraw your money and there is no cash-in value once you have bought the annuity.

ARF option

Your Invesco ARF gives you the option to take a regular withdrawal. You can withdraw between 5% and 15% of the value of your fund every year. This withdrawal may not be paid for life because, as your fund can fall as well as rise, the withdrawals you take could reduce your fund quicker

than expected if market conditions are poor. **It is possible that your fund could run out before you die.**

The withdrawal or income from an ARF or an annuity is subject to any tax due at the time.

Regular withdrawal option

You can choose to take a regular withdrawal of between 5% and 15% of the fund you have built up each year. We will arrange for this to be paid to you every month, every three months, every six months or every year. You can decide whether you want your withdrawal to be paid by cheque, through the post or to your bank account direct.

Minimum withdrawal amounts

The Finance Act 2006 introduced an obligation on all qualifying fund managers to take from ARF funds every year as if you had taken a minimum withdrawal. Each December, we will review any regular withdrawals you have taken during the year. If you haven't taken any regular withdrawals, or if the withdrawals you have taken are lower than the minimum withdrawal amount, we will pay you the minimum withdrawal amount less income tax, the Universal Social Charge, PRSI (if

applicable) and any other charges or levies (tax) due at that time. We will only take the minimum withdrawal amount from your ARF from the year you turn 61. The current minimum withdrawal amount is 5% of the value of your fund at the end of each year. If the total value of your ARFs and vested PRSAs are more than €2,000,000 then you will need to appoint a nominee QFM who will be responsible for ensuring a withdrawal of 6% is taken from the total value of your ARFs and vested PRSAs. Irish Life will pay you a minimum withdrawal of 5% as outlined above. **It is your responsibility to let us know if you have other Approved Retirement Funds and vested PRSAs with a total value of greater than €2 million.**

We will pay this amount to you less any tax due by cheque in December of each year. Or, if you ask, we will pay it into your bank account. You can choose to take a higher withdrawal than this amount, as explained in the 'Regular withdrawal option' section on page 7. AMRFs are not covered by this rule. However, when you meet the guaranteed pension income for life requirement or reach age 75, your Invesco AMRF becomes an ARF and your fund will be treated in the same way as explained under 'Minimum withdrawal amounts'.

Lump-sum withdrawals

You can also take one-off lump sums out of your ARF. The smallest amount you can take is €350 and the value of the investment after the withdrawal must be €1,000. You will have to pay tax on any withdrawals you make.

With your Invesco AMRF, you can only withdraw any growth over and above the original amount of your investment. The smallest amount you can take is €350 and the value of the investment after the withdrawal must be €1,000. Tax and levies will be due on any withdrawals you make.

Warning: The income you get from this investment may go down as well as up.

Conclusions

The annuity option pays a known income for life, no matter how long you live. This is especially important if your pension fund is your only form of income when you retire. An ARF is ideal if you want to keep control of your money, but there is more risk.

In making withdrawals, you should remember the following points.

- Making regular withdrawals may reduce the value of your ARF, especially if investment returns are poor or you choose a high rate of withdrawal (or both). **It is possible that your fund could run out before you die.**
- Regular withdrawals over a long period may use up all of your ARF.
- The higher the level of regular withdrawal you make, the higher the chances are that you will use up your ARF in your lifetime.

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Your plan charges

This section describes the charges that may apply on your plan. The same charges apply to both the Invesco ARF and AMRF plans.

Charges on your contributions

Your investment buys units in a fund. The percentage of your contributions invested will be shown in your ARF/AMRF schedule which you receive in your welcome pack after you start your plan. The contributions invested could vary between 95% and 100% (a charge of up to 5%). Please talk to your Invesco Advisor if you need more details.

Yearly fund charge

This charge is taken as a percentage of your fund value at a given time. It can be different for each fund you are investing in. The charge for each fund is shown in your separate Invesco Fund Guide which you should review before you invest. The charge is reflected in the price of the units you have bought.

Yearly plan charge

This charge, if it applies, will be shown on your ARF/AMRF schedule as a unit deduction. It is taken as a percentage of your fund value and it could be up to 0.5% a year. Units are cancelled every month to pay this charge. If it appears on your schedule, it applies as well as the yearly fund charge above.

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Your questions answered

Am I eligible to invest in an approved retirement fund

Whether you can invest in an ARF or an AMRF depends on what type of pension plan you already have. The option to invest in an ARF or an AMRF will apply if you are using the funds from one or more of the following contracts.

Personal pension plan

The option to invest in an ARF or AMRF is available if you have a personal pension. If you took out your pension plan when you were self-employed, a sole trader, a partner, or you worked for a company that did not have a pension scheme, you most likely have a personal pension plan.

Company pension plan

If you have a defined contribution company pension plan you may be able to invest in an ARF or AMRF at retirement. If you have a defined benefit company pension plan you will only be able to invest the Additional Voluntary Contributions (AVCs) portion of your plan in an ARF or AMRF unless you are a director who controls more than 5% of the voting rights of the company.

Additional Voluntary contribution (AVC) plan

If you contributed extra amounts to top up your company pension plan, you can invest the money built up in your pension fund from your additional voluntary contributions in an ARF or AMRF.

Personal Retirement Savings Account (PRSA)

ARF and AMRF options are available using the fund built up in a PRSA. However, there is the option to leave your fund under your PRSA and apply the same rules as if it were an ARF or an AMRF. For example, you can make withdrawals from your PRSA fund whenever you want. **You do not have to move your funds from a PRSA to take advantage of ARF-type benefits.** Whether you decide to move your fund from a PRSA to an ARF or AMRF depends on whether the ARF or AMRF offers different options. For example, what investment choices do you have in that new product (in other words, is it different from your existing PRSA)? You should also consider the charges under the new product versus the existing charges under your PRSA. There may be more considerations - you should discuss this choice with your Invesco Advisor.

Are there any restrictions to investing in an approved retirement fund ?

To invest in an ARF, you must be able to show the Revenue Commissioners that you have a guaranteed pension income for life from other sources of at least €18,000 a year.

Examples of the types of guaranteed pension income for life acceptable under this legislation include:

- your State Pension benefits;
- any pensions paid from occupational pension schemes;
- an annuity guaranteed for life which you have bought with the proceeds of another pension fund.

If you do not have a guaranteed pension income for life of €18,000 a year, you must invest the first €119,800 (or the balance of the fund if less) in an approved minimum retirement fund or buy an annuity for the same amount.

The guaranteed pension income for life and AMRF limits are linked to the State Pension (Contributory) rate available at the time you first invest in an ARF, AMRF or vested PRSA. Currently these limits are €18,000 guaranteed pension income for life and €119,800 for an AMRF as at May 2012. If the State Pension (Contributory) rate changes then these limits will also change.

An AMRF is similar to an ARF, except that there are restrictions on what you can take from the fund. You can withdraw any gain you make within the AMRF over and above the original amount you invested. You also can

buy an annuity with the fund at any stage during the term of your AMRF plan.

However, until one the following happens (whichever is first) you cannot make withdrawals from the original amount you invested.

- You start receiving a guaranteed pension income for life from other sources, (currently €18,000 a year), or
- You reach age 75.

At this stage your AMRF will become an ARF and you can make withdrawals from your plan. You will have to pay tax on all withdrawals from your ARF or AMRF.

Will I have access to my money?

Yes. You can make withdrawals from your Invesco ARF as often as you need to. Restrictions apply to withdrawals from your Invesco AMRF. See pages 7 and 8 for more details.

Will I have to pay tax on my Invesco ARF/ AMRF?

Yes, you will have to pay tax on any withdrawals from your ARF or AMRF.

What fund can I invest in?

We have a wide range of funds available for you to choose from. Funds range from low to high risk, the funds that suit you depend on your appetite for risk. You should discuss the fund options with your Invesco Advisor as well as reviewing the Invesco Fund Guide.

What happens to my fund if I die?

One of the main differences between an ARF / AMRF and an annuity is that with an ARF or AMRF you own your retirement fund. This means that when you die, you can leave the funds in your ARF or AMRF to your next of kin or other beneficiaries. With an annuity, unless you have made provision for dependents, it will only be paid for as long as you live.

When you die, we will pay 100.1% of the value of your Invesco ARF or AMRF plan. If you leave the funds to your spouse or registered civil partner, they can transfer the funds to an ARF in their name. In all other cases, we pass the funds to your estate.

What about tax if I die?

If your funds are transferred to an ARF in your spouse or registered civil partner's name, there is no income tax or capital acquisitions tax (CAT) due. If you leave your funds to anyone else, they may have to pay income tax or CAT depending on who they are and their circumstances. If your estate has to pay income tax, we will deduct this before paying the proceeds of your fund to your estate.

Table A - summary of the tax rules after you die if the ARF or AMRF was set up from the proceeds of your pension fund (based on rates at May 2012)

ARF or AMRF inherited by	Income tax due?	Capital Acquisitions Tax due?
Surviving spouse or registered civil partner	None if transferred into an ARF in the spouse or registered civil partner's name. PAYE is due on any future withdrawals.	No
Your children if 21 or over	Yes, at a rate of 30%	No
Your children if under 21	None	Yes. Can inherit up to €250,000 each without paying CAT. Then they must pay CAT at 30% on any inheritance over this.
Anyone else (including surviving spouse or registered civil partner if benefit paid out as a lump sum)	Yes, at deceased's tax rate at the time of death (either 21% or 41%)	Yes. Can inherit up to a certain amount depending on their relationship to you. Then they must pay CAT at 30% on any inheritance over this.

Table B - Summary of tax rules that apply:

- after your death, if you inherited the proceeds of an ARF from your spouse or registered civil partner; or
- if your spouse or registered civil partner dies after inheriting the ARF from you.

(Based on rates at May 2012)

ARF inherited by	Income tax due?	Capital Acquisitions Tax due?
Your children if 21 or over	Yes, at a rate of 30%	No
Your children if under 21	None	Yes. Can inherit up to €250,000 each without paying CAT. Then they can pay CAT at 30% on any inheritances over this.
Anyone else	Yes, at a rate of 30%	Yes. Can inherit up to a certain amount depending on their relationship to you. Then they must pay CAT at 30% on any inheritance over this.

What level of potential returns can I expect to receive?

It is important to realise that the value of ARF or AMRF investments may go down as well as up and that there is the possibility that, at any time, the value of your Invesco ARF or AMRF can be lower than your initial investment. Any returns shown are examples only and are not a guide to future performance. Any returns will depend on investment and economic conditions at the relevant time in the future.

Who is my plan provided by?

Your plan is provided by Irish Life Assurance plc, Lower Abbey Street, Dublin 1. VAT number 9F55923G. Your terms and conditions will set out the details of your contract with Irish Life. This booklet tells you about Irish Life's approved retirement fund and approved minimum retirement fund and answers the questions that you may have. It is only meant to be a guide to help you understand your investment and does not give all the details of your plan. These details will be in your plan schedule. Irish Life will include more specific details and rules in your plan terms and conditions, which you should also read carefully.

Your application form, Fund Guide, terms and conditions, schedule, specific Fund Guide (if applicable) and switch letter (if you switch funds in the future you will receive a letter confirm the switch details) will be your legal contract with Irish Life. The contract will be governed by Irish law. The Irish courts are the only courts that are entitled to hear disputes.

Can I cancel my plan?

If, after taking out this plan, you feel that it is not suitable, you may cancel it by writing to Irish Life at:

Irish Life, Lower Abbey Street, Dublin 1.

If you do this within 30 days from the date you are sent your Welcome Pack (or a copy), your plan will be cancelled. Irish Life will arrange for the return of any single contributions or transfers, less any fall in investment values during the period and in line with Revenue rules. Before cancelling, you should be sure that you have made other arrangements for your retirement. You should contact your Invesco Advisor for more details.

Who should I talk to if I have any questions or complaints?

If you have any questions about your pension, you should talk to your Invesco Advisor.

Phone: 01 2947600

Email: pfadvisor@invesco.ie

If you have a complaint about advice received, you should contact Invesco. For all other complaints, contact Irish Life.

Phone: 01 704 1010

Email: customerservice@irishlife.ie

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
3rd Floor
Lincoln House
Lincoln Place
Dublin 2

Lo-call: 1890 88 20 90

Fax: 01 6620890

Email: enquiries@financialombudsman.ie

Website: www.financialombudsman.ie



Family law and pensions

If you go through a separation or divorce a court application for an order for the benefits paid under this plan may be made. You can get more information on how this works from your solicitor or the Pensions Board. If a pension adjustment order has been granted on your plan you must let us know.

Write to: The Pensions Board, Verschoyle House,
28-30 Lower Mount Street,
Dublin 2

Lo-call: 1890 656565

Email: info@pensionsboard.ie

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Glossary

Annuity/pension for life

When you retire, you can use your retirement fund to buy an annuity. This is a guaranteed income from your pension fund after you retire. This income is paid on a regular basis for the rest of your life.

Approved retirement fund (ARF)

When you retire, you can invest your retirement fund in a personal investment account called an approved retirement fund. You can withdraw money from the account when you need it.

Approved minimum retirement fund (AMRF)

When you retire, if you do not have a guaranteed pension income for life of €18,000 a year, and you are not buying an annuity, you can invest €119,800 from your pension fund into a personal investment account called an AMRF.

Additional voluntary contributions (AVCs)

These are extra contributions you can pay into your PRSA or company pension to add to the pension benefits already available from your company pension scheme.

Vested PRSA

A vested PRSA is

- a PRSA where the PRSA client has taken their retirement lump sum and left the rest of their fund invested in the PRSA; or
- a PRSA where benefits have been paid from the main scheme (in the case of a PRSA where additional voluntary contributions (AVCs) have been paid).

Contact Invesco

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Invesco Limited is regulated by the Central Bank of Ireland. An analysis of Invesco activities between those that are regulated by the Central Bank of Ireland and those that are not is set out in the company's website www.invesco.ie

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