



life



# Personal Pension Life Cover

Brochure

Tax-efficient protection for  
the people you care about

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**IMPORTANT NOTICE:** This brochure is designed to help you understand our Personal Pension Life Cover policy. To make it easier to read, we haven't included all of the technical details which apply to your policy here.

You can find the full details in your policy conditions, which form part of your legal contract with us. This contract is provided by AIB life and governed by Irish law. This brochure doesn't form part of any contract between you and AIB life, and if there's any conflict between this brochure and your policy conditions, your policy conditions apply.

## SECTION 1

# PERSONAL PENSION LIFE COVER AT A GLANCE

## WHY CHOOSE AIB LIFE?

We all want to feel financially secure, but it can be hard to know if you're on track. At AIB life, we help you feel better about your future.

We put power into your plans, whether you're looking to prepare for retirement, protect your loved ones or invest your money in a flexible way. If you run a business, we can support you too.

As a partnership between AIB and Great-West Lifeco, we're built on over a century of experience. Now we're taking that experience further, with the help of AIB's Financial Advisors and smart financial tools that live on the AIB Mobile Banking app.

## WHAT'S THE DIFFERENCE BETWEEN AIB AND AIB LIFE?

Allied Irish Banks, p.l.c. (AIB) is a separate company from AIB life, which was launched in 2023. AIB life provides protection, pension and investment products. AIB provides advice on these products.



## WHAT IS PERSONAL PENSION LIFE COVER?

Most people plan on working until retirement. Our Personal Pension Life Cover policy is a type of life insurance that provides a lump sum to the people you care about if you die before you retire. This could help them to pay bills and other debts.

Personal Pension Life Cover is approved by the Revenue Commissioners which means you may be able to claim income tax relief on the premiums you pay.

We've explained the claims process in section 5 and answered a range of common questions in section 6. Your AIB Advisor can provide more detail on this type of policy and help you decide how much cover you need.

## WHO'S PERSONAL PENSION LIFE COVER FOR?

You can take out Personal Pension Life Cover if you're self-employed or if you're in employment, but not a member of an occupational pension scheme that offers life cover benefits. You must be between 18 and 69 years old and you can be covered for between two and 40 years. Your cover cannot continue past your 75<sup>th</sup> birthday.

## SECTION 2

# YOUR COVER EXPLAINED

## HOW DOES PERSONAL PENSION LIFE COVER WORK?

With Personal Pension Life Cover, you choose the cover amount and your planned retirement age, between 55 and 75. Your cover amount and premium will remain unchanged throughout your policy, unless you choose the Annual Increase Option, which means we'll increase your cover amount by 3% and your premium by 4.5% yearly.

We'll give you a tax certificate each year, which you can use to claim tax relief on your premiums directly from Revenue. If you die before the end of your benefit term, we'll pay out the lump sum amount to your estate.

## HOW MUCH WILL IT COST ME?

The cost of your AIB life Pension Life Cover policy won't increase before the end date you've chosen, unless you have selected the Annual Increase Option.

The exact premium you'll pay depends on factors like:

- The amount of cover you want
- When you want your cover to end
- Your age when you apply for the cover
- Whether you smoke
- Your health

The premiums will also include our charges which cover the cost to us of setting up and administering the policy and the cost of the life cover.

## CAN I CHANGE MY POLICY?

You may be able to change your cover amount and/or your benefit term. In some instances, you might be able to use the Life Changes feature, a feature that allows you to increase your cover when certain life changes occur. Alternatively, you can ask us to make changes to your benefits. If it involves an increase in cover and/or extension of your benefit term, you'll have to complete another application. This application will be subject to underwriting.

## SECTION 3

# OTHER BENEFITS

There are additional benefits available with our Personal Pension Life Cover policy, which go to make this policy far-reaching and flexible.

## 1. LIFE CHANGES

Major changes in your life can impact how you'd like to insure yourself and the people you care about. That's why if you have a Personal Pension Life Cover policy and:

- get married
- have a child
- take out a new or extra mortgage
- start earning more when you start a new job or get a promotion

you can ask us to extend your benefit term and/or increase your cover amount by the lower of:

1. €150,000
2. Half of your current cover amount



If you want to take advantage of the option to increase your cover or extend this benefit term, you'll need to do so before you turn 55. The total increase over the life of a policy is limited to €200,000.

You won't have to provide any information about your health. However, if you want to use this option, you'll have to do so within one year of the life change. You'll also have to give us proof of the life change. For example:

- a marriage certificate
- a birth certificate
- an adoption or guardianship court order
- a new job offer
- a promotion letter
- a confirmation of mortgage approval

This option will not apply if you have claimed or if you are claiming on any of your AIB life policies. Please see the policy conditions for full details of this option, including any restrictions or other exclusions which may apply.

## 2. ANNUAL INCREASE OPTION

With this option, we'll increase your cover by 3% each year to help keep it in line with the cost of living. This is sometimes called 'indexation'. You don't need to provide us with evidence of your health for these increases. Your premiums will also increase by 4.5% each year.

We'll let you know when an increase is coming up and you'll have the option to decline an increase in cover in any year. If you turn down this option two years in a row, we'll stop offering you any further increases. You can also ask us to stop applying annual increases to your cover amount altogether. If you haven't chosen this option from the start or it has ended, you can ask us to add it to your policy. Such a request will be subject to full underwriting.



## SECTION 4

# TAX ADVANTAGES EXPLAINED

One of the major benefits of this policy is that the premiums you pay may qualify for income tax relief. This means the actual cost to you of paying for your cover will be reduced.

## WHAT TAX INCENTIVES AM I ENTITLED TO?

The maximum amount of tax relief you can claim on pension contributions depends on your age and your net relevant earnings. Net relevant earnings are your total income during a tax year, minus any credits, losses and certain charges and deductions.

To determine your tax relief, your Pension Life Cover premiums will be added to any pension contributions you make during a tax year. The below table explains the tax relief limits that Revenue have outlined:

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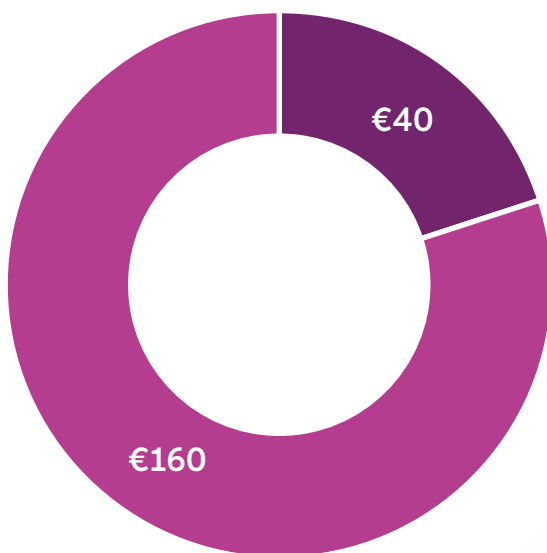
<b>AGE</b>	<b>MAXIMUM TAX RELIEF AS A PERCENTAGE (%) OF EARNINGS</b>
Under 30	15%
30-39	20%
40-49	25%
50-54	30%
55-59	35%
60 or over	40%

For example, a person who is 45 years of age may receive full income tax relief if their pension contributions (including Pension Life Cover premiums) don't exceed 25% of their net relevant earnings. The highest net relevant earnings that will be considered when calculating your tax relief is currently €115,000 per year.

## EXAMPLE:

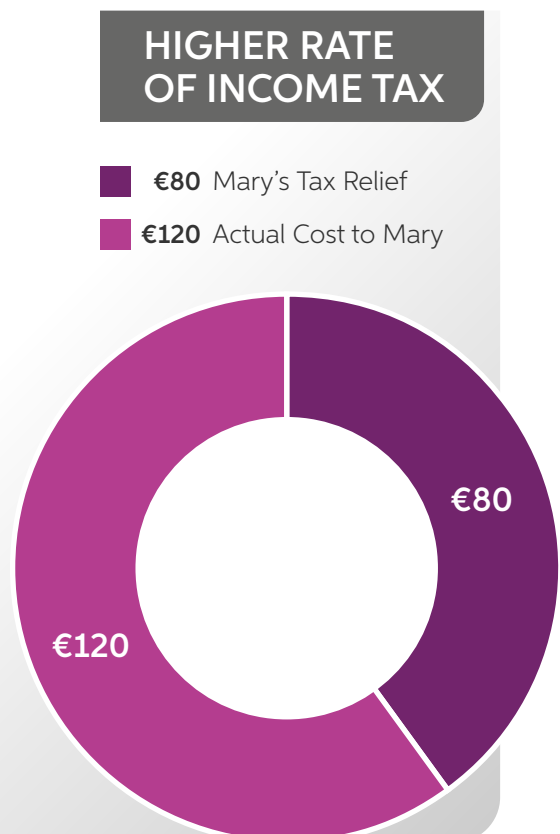
Meet Mary. Mary is a hypothetical AIB life customer. Mary earns €30,000 per year and pays the lower rate of income tax which is currently 20%. This means that a premium of €200 would only cost her €160 after income tax relief. If Mary got a new job and began to pay the higher rate of income tax, she could get 40% income tax relief meaning a premium of €200 would have an actual cost of €120.

MARY'S AIB LIFE PENSION LIFE COVER PREMIUM	MARY'S POTENTIAL INCOME TAX RELIEF	THE ACTUAL COST TO MARY OF CONTRIBUTING €200
€200	40% (based on higher rate of income tax)	€120
€200	20% (based on lower rate of income tax)	€160



### LOWER RATE OF INCOME TAX

- €40 Mary's Tax Relief
- €160 Actual Cost to Mary



### HIGHER RATE OF INCOME TAX

- €80 Mary's Tax Relief
- €120 Actual Cost to Mary

## SECTION 5

# MAKING A CLAIM

## WHAT DO I NEED TO KNOW?

If somebody acting on behalf of you or your family needs to make a claim, we're here to make the process as easy as possible.

The person making the claim should contact your AIB Advisor or call us at **01 912 4455**. After that, we'll send them a claim form and explain the next steps.

We may ask for:

- birth and/or death certificates
- a certified copy of the will or grant of probate
- letters of administration
- medical evidence
- information from your GP, a coroner, or another medical professional

Once we've accepted your claim and received all of the supporting evidence and documents we need, we'll aim to pay the claim within five days. Additional material may be needed along with an investigation of medical details.

## SECTION 6

# QUESTIONS AND ANSWERS

## WHAT HAPPENS IF I LEAVE MY JOB?

You may no longer be eligible for the income tax relief on your policy if you stop earning income from self-employment or non-pensionable employment. You can continue your policy by paying your premiums but you may no longer be eligible for the income tax relief.

## DO THE PEOPLE NAMED IN MY WILL HAVE TO PAY TAX ON THE POLICY PROCEEDS?

In most circumstances your spouse or registered civil partner won't have to pay inheritance tax on the lump sum they receive. Other dependents may have to pay tax on the lump sum pay-out.

Different rules apply if part of the pay-out will be used to provide a pension in the form of an annuity for your spouse, registered civil partner or dependants. In this case, the pension income will be treated like normal income and will be subject to income tax and any other taxes due.



## IS THERE A MAXIMUM AMOUNT OF LIFE COVER I CAN HAVE?

No, there is no limit to the amount of life cover you can have with this policy.



## WHO MUST PAY THE PREMIUMS?

If you've taken out the AIB life Personal Pension Life Cover, you must pay the premiums.

## WHAT HAPPENS IF I DIE?

The person who makes a claim after you die could be a member of your family, a solicitor, an accountant, or somebody else entirely. It depends on who you've named in your will.

Either way, if you die during the term of your Pension Life Cover, somebody will be entitled to make a claim. Once that person has provided the necessary documentation to make a claim, as outlined in Section 5, and the claim is approved, we'll then pay the cover amount on your policy in a lump sum.

### **EUROPEAN COMMUNITIES (DISTANCE MARKETING OF CONSUMER FINANCIAL SERVICES) REGULATIONS, 2004**

A financial service or product being provided on a distance basis means that it didn't involve face-to-face contact. If we provide a product on a distance basis, we're obliged to provide certain information. We have included this information under various sections in the documents we have provided to you, including this brochure. All information we provide will be written in English.

## SECTION 7

# CONTACTING US

We're always on hand to help. But who you contact will depend on what you're trying to do.

If you want to speak to an AIB Advisor:

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**Book a callback:** [aib.ie/make-a-plan](https://aib.ie/make-a-plan)



**Visit a branch:** [aib.ie/branchlocator](https://aib.ie/branchlocator)



**or Call:** 01 771 5867 | Mon – Fri, 09:00 - 17:00

For all other queries speak to AIB life:

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**Email:** [hello@help.aiblife.ie](mailto:hello@help.aiblife.ie)



**or Call:** 01 912 4455 | Mon – Fri, 08:00 - 18:00

If you want to update your contact details or view your documents, it's easy in the AIB Mobile Banking app:

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Just click **AIB life** in the **Products** tab or directly from your accounts list, then either of the below:

- 1. Update details:** Visit **AIB life Changes** tab and make a request
- 2. View documents:** Visit **AIB Advice** tab to download your brochure or policy conditions

In the interest of customer service we will record and monitor calls.



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