Irish Life

AIB Approved Retirement Fund

terms and conditions booklet

This plan is provided by Irish Life Assurance plc

This is your Terms and Conditions booklet for your **AIB ARF**. **You should read the document carefully as it contains detailed and important information.** Please keep it safe, as you will need it in the future.

Introduction

We (Irish Life Assurance plc) provide this plan, the **AIB Approved Retirement Fund** (**AIB ARF)**, to you (the customer named in the plan schedule) as an investment for your Approved Retirement Fund on the basis of the application form and declaration you signed in line with section 784B of the Taxes Consolidation Act (TCA) 1997.

You will find details of the plan in this Terms and Conditions booklet, the plan schedule, the application form, the switch letter and any extra rules we add in the future. These terms and conditions may be varied by us from time to time. In the event that a material change is made you will be notified in advance. These documents along with any conditions or extra rules (endorsements) which we add in the future will form part of the contract and may only be added by authorised staff at the Irish Life Head Office. Together these documents, and any appendices, form the terms and conditions of the plan.

We pay benefits in return for the single contribution you made as shown on your plan schedule, and any additional single contributions we receive (as described in section 4).

We will pay claims only from the assets we hold to make payments due to clients. Benefits will be paid from the Irish Life Head Office in Ireland, Irish Life Centre, Lower Abbey Street, Dublin 1. All contributions and benefits under this plan will normally be paid in the currency of Ireland.

In legal disputes Irish law will apply and the Irish courts are the only courts which are entitled to hear any disputes. The only rules, terms or conditions that are legally binding are those shown in our contract with you.

In the event of circumstances beyond our control including, without limitation, act of civil or military authority; sabotage; crime; terrorist attack; war or other government action; civil disturbance or riot; strike or other industrial dispute; an act of god; national emergency; epidemic; flood, earthquake, fire or other catastrophe; we may be directly or indirectly prevented from fulfilling our obligations under or pursuant to this plan or from doing so in a timely manner. If this happens, we will not be liable for any loss, damage or inconvenience caused.

More detailed information on all these matters is 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 follow the instructions about payment from the person who is legally entitled to deal with your estate. We may have to deduct tax before paying a benefit on death. We explain this in section 8.3.

Writing to us

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

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 your Welcome Pack (or a copy), we will cancel your plan. We will return your contribution in accordance with Revenue rules, subject to taking off any losses that may have been incurred as a result of falls in the value of assets relating to the investment for the period that it was in place. We strongly recommend that you consult your AIB Financial Advisor before you cancel your plan.

Can the policy be cancelled or amended by the insurer?
Irish Life can alter or cancel the plan or issue another plan in its place if at any time any of the following happens:

- The Revenue Commissioners remove their approval of this contract.
- It becomes impossible or impracticable to carry out any of the plan provisions because of a change in the law or other circumstances beyond our control.
- The tax treatment of Irish Life or this plan is altered or we have to pay a government levy.

If the cost of administering your **AIB ARF** increases unexpectedly we may need to increase the charges on your plan. If we alter or cancel the plan (or issue another in its place), we will send a notice to your last known address explaining the change and your options.

You must provide any information or evidence which we need to administer the plan.

The plan may be ended if you are ineligible for an Approved Retirement Plan.

Complaints

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

Financial Services and Pensions Ombudsman,
Lincoln House,
Lincoln Place,
Dublin 2,
D02 VH29.
Phone: 01 567 7000
E-mail: info@fspo.ie
Website: www.fspo.ie

Family Law
If you go through a separation, divorce, dissolution of a civil partnership or ending of a relationship with a qualified cohabitant, a court application for a property adjustment order may be made for the benefits paid under this plan. You can get more information from your solicitor.

Transferring your plan
You cannot transfer or assign your plan to anyone else in any circumstances.

Contents

Section 1
Definitions

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

Certain words and phrases we use in this Terms and Conditions booklet have specific meanings, which might be different from the meaning they would have normally. 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 in the plan;

multiplied by

- the unit price of the funds.

Allocation amount
This is your single contribution multiplied by the percentage of contribution invested shown in the plan schedule.

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

Approved Retirement Fund (ARF)
A fund managed by a qualifying fund manager and which keeps to the conditions of Section 784B of the TCA for this type of fund.

At Arm's Length
All property investments by pension schemes and plans must be on an arms-length basis. In broad terms this means that the property cannot be used for your own or a connected person's personal use. Acquisitions, disposals and lettings must also be on an arms-length basis. If you invest in property you:

- must be at arms-length from the property;
- cannot purchase the property at any time;
- cannot own the property;
- do not have the right to place tenants in any particular property.

Investments must not be a transaction that is deemed to be a pension in payment in accordance with Section 784A, TCA.

Connected Person
The term "connected person" is defined in accordance with section 10 of the TCA and includes:

- Your spouse or registered civil partner;
- 'Relatives' of you or your spouse or registered civil partner, which includes brothers, sisters, parents, grandparents, children and grandchildren;

- The spouse or registered civil partner of your relative, or your spouse or registered civil partner's relative;
- The trustees of any settlement set up by you;
- Individuals involved in a business partnership with you or your spouse or registered civil partner, and those business partners' spouses or registered civil partners and relatives;
- Any company over which you, or a person connected with you, have control;
- Any person with whom you act to secure or exercise control of, or acquire a holding in a company, are connected with you in relation to that company.

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 alternative.)

Endorsement
If the terms and conditions of the plan have been changed or are different to the standard terms, we set the new terms or conditions out in a separate document which we will attach to the plan. This is called an endorsement.

External Fund Manager
All fund managers with the exception of Irish Life Investment Managers (ILIM) and Setanta Asset Management who are both part of the Great-West Lifeco group of companies, are regarded as external fund managers.

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. Your initial fund link will be shown on your schedule. However, this may change in the future

Head Office
This is Irish Life Assurance plc, Irish Life Centre, Lower Abbey Street, Dublin 1. If this changes, we will let you know.

Imputed distribution
A specified amount of the value of your plan that will be subject to income tax. The specified amount will be the relevant percentage for that year of assessment, less any withdrawals, regular withdrawal payments or deemed distributions made to you in that year. The specified amount will be calculated in accordance with Section 790D of the TCA.

Panel of Funds
This includes the funds listed in section 2.3 and any other funds that we may add from time to time. At any stage we can change the range of fund options that are available. We reserve the right to close a fund to new contributions, or to close a fund entirely and move existing clients to other funds open at that time. If you are invested in that fund, we will give you at least one month's advance notice. It may happen however that, in order to protect client values, we have to close a fund immediately without any advance notice. In this event, we will notify you as soon as possible after the fund closes.

Details of how we work out fund prices can be found in our Fund Operating Procedures governing the funds. These are available online at *www.irishlife.ie* or from the Irish Life Head Office.

Percentage of contribution invested
The percentage of the payment that we invest for you as described in section 3.

Plan Schedule
The schedule that forms part of this plan.

Qualifying fund manager
This is defined in Section 784A of the TCA. We are a qualifying fund manager.

Single contribution
The amount initially paid to us from an appropriate pension plan. The amount is shown on your plan schedule. If you make additional single contributions, the amounts will be shown separately.

Start date
The date when we invest your single contribution. It is shown on your plan schedule.

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

Third Party
In connection with this plan, this is a person or persons other than you or us or one of our group companies.

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 net value of the assets of the fund after deductions. We set aside a number of these units for the plan so we can work out its value.

Unit price
This is 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 unit price on any given date is the price which we have set for that date. This will go down as well as up depending on how the assets in the fund perform.

Vested Personal Retirement Savings Account (PRSA)
A vested PRSA is defined in Section 790D(1) of the TCA, and means-
(a) a PRSA where its assets have been paid to the contributor (e.g. PRSA contributor has taken their retirement lump sum and leaves the remainder of their fund invested in the PRSA); or
(b) in the case of a PRSA to which the contributor made additional voluntary contributions, where benefits become payable under the main occupational pension scheme; or
(c) a PRSA where the PRSA contributor has reached age 75.

Vested Retirement Annuity Contract (RAC)
A vested RAC is defined in Section 787O of the TCA and means a personal pension where retirement benefits have not commenced and the individual has reached age 75.
We, us, our
Irish Life Assurance plc.

You, your
The person named as customer in the plan schedule.

Section 2

Funds and unit prices

This section explains how the investment funds work.

2.1 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 plan can be linked to up to ten funds.

In certain funds there may be a maximum amount that you are allowed to invest in each fund.

2.2 Working out unit prices

We work out the unit 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. Unit prices may fall as well as rise.

Our current policy is to use unit prices effective on the same working day we receive your contribution. We may change this policy in the future to use unit prices effective on a different date. We advise that you check with Irish Life or your AIB Financial Advisor what our policy is at the time you make a contribution.

When there are more clients moving out of a fund than making new investments in it or when there are more clients making new investments than moving out of a fund, we may reduce the value of the units in the fund to reflect the percentage of the costs associated with buying and selling the assets of the fund. The reduction in the value of the affected assets will be different for each fund and is likely to be most significant for the proportion of any fund invested in property. The reduction for any part of the fund invested with fund managers may happen at a different time to the reduction for the rest of the fund.

Some funds may be invested in other funds where the above reduction would apply. As described above, when more clients are moving out of these funds than making new investments, the value of the units may undergo a reduction to reflect a proportion of the costs associated with buying and selling the assets. This in turn will lead to a reduction in the value of the units of the fund.

You will find exact details of how we work out fund prices in our Fund Operating Procedures governing the funds. You can get a copy of these online at *www.irishlife.ie* or from the Irish Life Head Office.

Delay Periods

In certain circumstances, we may need to delay transfers into or out of your plan. Some of the reasons we may delay a transfer can include if:

- large numbers of customers want to put money in or take money out of the same fund at the same time
- there are practical problems in buying or selling the assets the fund is invested in
- the fund manager who is responsible for the investment of any part of the fund imposes a delay

- you invest in markets or funds with assets with significant time differences including trading or settlement time differences. An example of this is Asian markets.

Due to the high cost and time involved in buying properties, a delay of this sort is most likely to happen if you are investing in a property fund (or a fund with a high proportion of property or property related assets). The length of any delay will depend on how long it takes us to buy the assets in the fund. A significant delay would be likely to apply in this situation. This delay will be no longer than 18 months.

Once you have told us that you want to make a transfer payment you cannot change your mind during any notice period. If a transfer is delayed, we will carry out the transfer based on unit prices at the end of the notice period.

When there are more customers moving out of a fund than making new investments in it or when there are more customers making new investments than moving out of a fund, we may reduce the value of the units in the fund to reflect the percentage of the costs associated with buying and selling the assets of the fund. The reduction in the value of the affected assets will be different for each fund and is likely to be most significant for the proportion of any fund invested in property. The reduction for any part of the fund invested with fund managers may happen at a different time to the reduction for the rest of the fund.

If we delay a transfer, it will be based on the unit price at the end of the delay period.

2.3 Fund charges

We have summarised our current charges for each fund in the following table:

Panel of funds	Standard charge	Estimated average level of variable charge	Total average estimated fund charge each year
AIB Global Cash Fund	1.00%	0.00%	1.00%
Consensus Cautious	1.00%	0.00%	1.00%
Consensus Equity	1.00%	0.00%	1.00%
Consensus Fund	1.00%	0.00%	1.00%
Fidelity World Fund	1.00%	0.70%	1.70%
Global Cash Fund	1.00%	0.00%	1.00%
Indexed Commodities	0.80%	0.20%	1.00%
Indexed Emerging Market Equity Fund	1.00%	0.00%	1.00%
Indexed European Corporate Bond	1.00%	0.00%	1.00%
Indexed European Equity Fund	1.00%	0.00%	1.00%
Indexed European Short Dated Bond Fund	1.00%	0.00%	1.00%
Indexed World Equities	1.00%	0.00%	1.00%
Multi Asset Portfolio 2	1.00%	0.15%	1.15%
Multi Asset Portfolio 3	1.00%	0.15%	1.15%
Multi Asset Portfolio 4	1.00%	0.15%	1.15%

Multi Asset Portfolio 5	1.00%	0.15%	1.15%
Multi Asset Portfolio 6	1.00%	0.05%	1.05%
Pension Property Fund	1.25%	0.00%	1.25%
Pension Protection Fund	1.00%	0.00%	1.00%
Property Portfolio Fund	0.80%	0.75%	1.55%

The estimated average levels of the variable charges shown above are those expected over the long-term. The actual level of charges may be higher or lower than this. The section on variable charges below explains the reasons for this.

Where the estimated average level of the variable charge is 0%, this indicates that the fund manager may at some point choose to invest in assets which attract additional charges but the current expectation is that they will not.

Variable charges

As noted above the charge on a number of funds can vary and therefore is not fixed throughout the lifetime of your plan.

The charge noted reflects our best estimate of the total charges we expect will be incurred by the fund over the long term. However, the actual charges you incur may vary for the reasons given below.

Funds are administered at an overall level by Irish Life. For some funds, part or all of the assets are managed by companies (fund managers) other than Irish Life. There are charges taken from these funds by both Irish Life and these fund managers.

The 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 several reasons.

- The first reason is the fact that the charges on the overall fund will vary according to the proportion of the fund invested in each of the underlying funds and the specific charges for these funds. The underlying funds may also change in the future and different charges for the new funds may lead to overall fund charge changing.
- The second reason is that the costs associated with managing a fund may vary and change over time. These costs include, for example, license fees where funds track a particular index, legal, accounting and marketing costs.
- The third reason is that some funds may borrow to increase the amount of assets that the funds can invest in. Borrowing increases the chance of achieving improved returns if the assets perform well. However, it also increases the level of risk of the investment. The fund managers' charges in relation to investments are based on the total value of the assets held including any borrowings made 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 assets held.

  If the level of borrowing increases by more than the value of assets, then the level of charges as a percentage of funds managed would also increase. For example, a significant fall in asset values would 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 asset values means that the amounts borrowed would represent a higher percentage of the fund value. Equally, if the level of borrowing reduces by more than the value of assets, then the level of charges as a percentage of funds managed would also reduce. For example, a significant rise in asset 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 asset values means that the amounts borrowed would represent a lower percentage of the fund value.

Taking account of these factors, the estimated average level of the variable charge will reflect our best estimate of the total charges we expect will be incurred by the fund over the long term. However, the total charge may be higher or lower than this depending on the factors outlined above.

It is possible that the charge on some funds may vary in the future and therefore will not be fixed throughout the lifetime of the plan.

Extra points to note:

Counterparty Risk

We are not liable for any loss incurred by any of the investments in the funds available under this plan. It is important to note that the value of investments with any fund manager may be affected if any of the institutions with whom money is placed suffers insolvency or any other financial difficulties. The value of your units will reflect the value of the assets recovered from that manager. Irish Life will not use any of our assets to make up any shortfall.

Currency

Certain funds contain assets which are invested outside of the eurozone. The fund managers may use currency protection against any changes in the value of those currencies against the euro. The cost of any currency protection used is charged to your fund. Where the fund manager has not used currency protection, there is a risk that your plan value will be adversely affected by changes in currency exchange rates. Your separate Fund Guide contains details on currency protection.

External Funds

Where a fund invests in an external fund, we will represent the key features of the external fund in our literature. However, the managers of external funds may retain discretion over the nature and choice of assets, custodians and institutions with whom they place money, and the expenses incurred, within any part of a fund they manage. Our commitment to you is to pass on the full value of the fund we receive from the external manager for your investment. We are not liable for any pricing inaccuracies related to the external providers or any losses caused by the acts and omissions of an external provider. Our commitment is restricted to the returns we actually receive from the external manager.

Where funds are managed by external fund managers, the investments may be legally held in other countries other than Ireland. Where a fund is based will impact on how it is regulated.

Fund Guide
Please refer to your separate relevant fund guides for further information on the funds available on this plan. These guides must be read in conjunction with the terms and conditions.

Funds containing property
We take the costs of maintaining and valuing the properties in these funds and the costs of collecting rent off the fund before we take any charges.

Incentive fees
Some fund managers may deduct an incentive fee if they achieve positive investment returns on the funds they manage. Depending on the particular fund, circumstances in which an incentive fee may be deducted by the fund manager include the following:

- If the investment returns exceed a certain level in any calendar quarter.
- If the investment returns exceed a certain level each year.
- If the investment returns achieved in a particular year are greater than the previous highest investment return.
- If the returns achieved by these funds exceed the performance of a benchmark fund.

If during the term of your plan an incentive fee is deducted, this will be reflected in the unit price.

Increase in charges
We will only increase the charges given above for one of the following reasons:

- If there is an increase in the costs of dealing with the investment. If this happens, we will give you notice of the increase.
- If the charges vary for one of the reasons given above in the section on variable charges.

Investment at arm's length
All property investments by pension schemes and plans must be on an arm's length basis. Investments must not be a transaction that is deemed to be a pension in payment in accordance with Section 784A, TCA.

Investment decisions
We will not be responsible for any investment decisions taken by you or any party acting on your behalf.

Securities lending
If you have chosen to invest in a fund that invests in equities or bonds, the equities or bonds within that fund may be used for the purpose of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within a fund it provides an opportunity to increase the investment return. Where a fund manager engages in securities lending, they may keep some or all of the revenue from this activity for themselves.

Funds which are managed by Irish Life Investment Managers will include securities lending on equities and bonds as part of its investment strategy. The aim of securities lending is to earn an additional return for the fund(s). Securities lending involves the lending of some assets of the fund to selected financial institutions. Whilst the objective is to enhance returns to the fund, in certain circumstances the fund could suffer a loss if the financial institution(s) encountered financial difficulties.

2.4 Switching between 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. The unit prices we use for your switch will be determined according to our switching policy in place at the time of the switch. Our current policy is to use unit prices effective on the same working day we receive your written request unless your switch is subject to a delay period (see below). However, we reserve the right to change our switching policy in the future.

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.

Please ensure that you are aware of the level of risk, possible returns and the yearly fund charge for a fund before switching into it.

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.

After a switch has taken place we will send you a switch letter (either by post or online if you have chosen to receive communication about your plan online). This switch letter forms part of your contract.

In certain circumstances, we may place restrictions on switches between funds. These restrictions may include, but are not limited to:

- Requiring a minimum period of time between switches;
- Limiting the amount that may be switched between funds at any one time;
- Not accepting switch requests from an agent acting on your behalf.

Delay Periods

In certain circumstances, we may need to delay switches. The circumstances in which we may delay a switch can include the following:

- If a large number of customers want to put money into or take money out of the same fund at the same time.
- If there are practical problems buying or selling the assets in which the fund is invested.
- If the fund manager imposes a delay.
- If you invest in markets or funds with assets with significant time differences including trading or settlement time differences. An example of this is Asian markets.

Due to the high cost and time involved in buying and selling properties, a delay of this sort is most likely to happen if the plan is invested in a property fund (or a fund with a high proportion of property assets). The length of any delay will depend on how long it takes us to buy or sell the assets in the fund. A significant delay would be likely to apply in this situation. This delay will be no longer than 18 months.

When there are more clients moving out of a fund than there are clients making new investments in it or when there are more clients making new investments than moving out of a fund, we may reduce the value of the units in the fund. See section 2.2 for further details.

Once we have been given notice that a switch is to be made between funds this decision cannot be changed during any notice period.

Delayed switches will be based on the value of units at the end of the period when the switch actually takes place.

Section 3
Charges

This section deals with the amount of the contribution we will place in the funds on your behalf and the charges you will have to pay. You must read this section and your plan schedule together.

3.1 Entry charge on your single contribution
For your single contribution the amount invested will be the single contribution multiplied by the percentage of contribution invested.

The percentage of your single contribution invested is shown in your schedule which is included in your welcome pack. If the percentage of contribution invested is less than 100%, the amount not invested is a charge.

3.2 Entry charge on future single contributions
If you choose to make an extra single contribution at any time, the percentage of contribution invested for the extra single contribution may be different from the percentage of contribution invested applying to your initial single contribution. The amount invested at that date will be your extra single contribution multiplied by the percentage of contribution invested. This percentage will be shown on your top-up schedule at that date.

The percentage of contribution invested for extra single contributions will be those available at the time you make the extra single contribution.

The amount not invested is a charge. Before making a single contribution, we advise that you check with Irish Life or your AIB

Financial Advisor as to what the percentage of contribution invested will be for single contributions.

3.3 Yearly fund charge

We will take fund charges and these will depend on the fund link you have chosen. This charge is taken as a percentage of your fund value. It can be different for each fund that you are invested in. You will find an explanation of these charges in section 2.3. The charge is reflected in the unit price of each of the different funds you have invested in.

3.4 Yearly plan charge

If this charge applies, it will be shown on your plan schedule. This charge is taken as a percentage of your fund value (if applicable). This will apply as well as the fund charge referred to in sections 2.3 and 3.3.

We will take one twelfth of the plan charge every month by cancelling units from the unit account.

In certain cases we may add extra units to your investment each month so we can reduce the effect of your fund charge. If this applies to you, you will find details in your schedule. This reduction may be different for additional contributions you make.

3.5 Exit charge

If you want to take money out of your plan less than five years after you put it in, we will take an 'exit' charge from your fund value. This charge is a percentage of your accumulated fund which depends on the number of years (or part of a year) between the date you take your money out and the fifth anniversary of the date you put your money in. This means that you may have different exit charges on different parts of your accumulated fund if you have made additional contributions. We do not make this charge if you cancel during the cooling-off period. The percentages are as follows:

Year*	Exit charge percentage
1	5%
2	5%
3	5%
4	3%
5	1%

*This refers to the anniversary of the date you put the money in. For example if you made an additional investment during year three and you cash in all of your investment during year four, we will take a 5% charge from your additional investment, but a 3% charge from your initial single contribution.

If we have increased the percentage of contribution invested on your single contributions or any extra single contribution, the exit charges shown above may be increased by the same percentage as we increased your percentage of contribution invested. If this applies it will be shown on your plan schedule as an increase to the standard exit charges above.

Any withdrawal may be subject to a delay period as explained in Section 6.

3.6 Future increases in charges

We won’t increase the charges outlined in these Terms and Conditions unless we need to because of an increase in the costs of dealing with the investment or if they vary as described in section 2.3.

Section 4
Additional single contributions

This section explains what happens when you make additional single contributions.

At any time, if you hold other pension assets it may be possible to transfer their value into this plan (depending on any laws in force at that time). We will not accept additional single contributions of less than €1,000. In certain circumstances we may refuse to accept additional single contributions. However, in that case we will tell you the reason for our refusal.

Assuming we accept, we will invest the additional single contribution in the fund or funds of your choice (if they are available). Our current process is to and place extra units in your plan based on the unit prices on the same working day we receive your additional single contribution. However, we reserve the right to change our process in the future. Whatever process is in place at the time we accept your extra payment will apply. Your fund value will increase by the amount of your additional single contribution multiplied by the percentage of contribution invested as described in section 3.2.

Section 5

Transfers out of your plan

This section deals with what happens when you transfer money out of your plan.

You may transfer the fund value to another ARF at any time or use the fund value to buy an annuity. This annuity must be an annuity for your life with the income paid to you from the date you buy the annuity. We will not take off any tax as detailed in section 8.2 on these transfers. However, you are likely to have to pay tax on any payments from your new plan.

You may have to pay an exit charge as described in section 3.5 and the transfer may be delayed as described in sections 2.2 and 6.4. You also have the option of cashing in your plan as described in section 6.

Section 6

Cashing in your plan or taking a regular withdrawal

This section deals with what happens when you cash in all or part of your plan or you take a regular withdrawal.

6.1 Cashing in your plan in full

You may cash in your plan in full at any time (however the withdrawal may be delayed as described in section 6.4). If you take your money out more than five years after you put it in, we will pay you your accumulated fund less any taxes due. However, if you want to cash in your plan less than five years after putting your money in, we may reduce your fund value by taking off an 'exit' charge as described in section 3.5. If this applies it will be shown on your plan schedule.

Our current process for working out your withdrawal value is to use those unit prices that apply on the day we receive your filled-in claim form (depending on section 6.4) and any other documents we need. However, we reserve the right to change our process in the future. Whatever process is in place at the time you cash in your investment will apply.

The plan will end after you have cashed it in.

Before we can pay a total or partial withdrawal, we will need:

- a filled-in claim form; and

- proof that you are entitled to claim the plan's proceeds. This will include these terms and conditions and the plan schedule.

See section 8 for details about tax on withdrawals.

6.2 Cashing in part of your plan

You may withdraw money from your plan at any time (however, the withdrawal may be delayed as described in section 6.4) as long as:

- the amount you ask for is not less than €350; and
- the accumulated fund after you have made a withdrawal is at least €1,000.

We will reduce your withdrawals by the amount of income tax, Universal Social Charge and PRSI (if applicable) due and any other taxes or government levies ("tax") we must take off (as described in section 8). You may have to declare your withdrawal for tax purposes.

When you cash in part of your plan the accumulated fund left will be:

- the accumulated fund before the withdrawal;

  less

- the withdrawal amount you have asked for (before tax);

  and

- an exit charge (if one applies) as described in section 3.5 (if you are withdrawing money before the fifth anniversary of the date you put it in).

If you do not say which fund or funds you would like to withdraw your money from, we will cash in units in each fund as a percentage of the value of the units placed in your plan from each fund at the date you make the withdrawal.

6.3 Minimum, regular and one-off withdrawals

1. From the year you turn 61 (or 60 if your birthday is 1 January) we, as your qualifying fund manager, must deduct tax from your fund as if you had taken a minimum regular withdrawal.

To implement this, we will automatically pay you the minimum withdrawal rate each December, after tax has been deducted. As at February 2022, the minimum amount (before tax) we will pay you from your fund will be 4% of the value of your fund at the end of the year. From the year you turn 71 (or 70 if your birthday is the 1 January) this minimum withdrawal amount increases to 5%. Where the total value of your ARFs and Vested PRSAs are greater than €2 million then a withdrawal of at least 6% of the value of your ARF must be made each year. We set the minimum withdrawal rate in line with the required imputed distribution amount in place at the time of withdrawal. The minimum withdrawal rate may therefore change in the future to reflect changes in the legislation. It is your responsibility to let us know if you have other ARFs and Vested PRSAs with a total value of greater than €2 million.

You can choose to take a higher regular withdrawal than the rate shown above. See also 2 below.

Each year, in December, we will check the amount of withdrawals you have taken in that year. If for some reason you have taken less than the amounts specified above then we will deduct an amount from your fund to make up the difference and pay this to you (less a deduction for tax payable at that time) prior to the end of that calendar year.

2. You can choose to take a regular withdrawal of between the minimum withdrawal rate (currently 4%, 5% or 6% depending on your age and the value of your total ARFs and Vested PRSAs) and 15% of your accumulated fund each year. This can be paid to you every month, every three months, every six months or every year. The details of this regular withdrawal will be outlined on your plan schedule. We will treat the regular withdrawal payments as if you were cashing in part of your plan on each payment date. However, we will not apply any exit charge to these payments.

The accumulated fund value used to calculate your minimum or regular withdrawals as outlined in 1. and 2. above will be indicative, as the true value will not be known until assets in the fund are sold.

3. The way tax is calculated is outlined in section 8.

4. If you want to change either the percentage amounts of regular withdrawals or how often you receive them you must give us three months' notice in writing. We may charge a fee for this change to cover the administrative costs involved in changing the plan details.

6.4 Power of delay

In certain circumstances, we may need to delay withdrawals. The circumstances in which we may delay a withdrawal can include the following:

- If a large number of clients 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.
- If the fund manager who is responsible for the investment of any part of the fund imposes a delay.
- If you invest in markets or funds with assets with significant time differences including trading or settlement time differences. An example of this is Asian markets.

Due to the high cost and time involved in selling properties, a delay of this sort is most likely to happen if you are invested in a fund with a high proportion of property assets or property related assets. The length of any delay will depend on how long it takes us to sell the assets in the fund. A significant delay would be likely to apply in this situation. This delay will be no longer than 18 months.

When there are more clients moving out of a fund than there are clients making new investments in it, we may reduce the value of the units in the fund. See section 2.2 for further details.

Once you have given us notice that you wish to make a withdrawal you cannot change your mind during any notice period.

If a withdrawal is delayed, we will carry out the withdrawal based on unit prices at the end of the notice period

Section 7
Death benefit

This section gives the details of the benefit we will pay if you die and what we need before we can pay out the death benefits.

7.1 On the date we are told about your death, our current process is to switch the accumulated fund to the Pension Claims Cash Fund based on unit prices on that day. We reserve the right to change this process in the future. The death benefit we pay will be 100.1% of the value of the accumulated fund based on the unit price of the Pension Claims Cash Fund on the day we receive all the documents described in section 7.2.

If your spouse or registered civil partner inherits your **AIB ARF**, they can take out a new ARF in their own name with the accumulated fund from this plan.

See section 8 for details about tax on your death while the plan is in force.

7.2 Before we will pay or make available the accumulated fund to provide benefits, 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 plan schedule.

c. 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).

7.3 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’.

Section 8
Tax

This section deals with tax laws.

Any taxes or levies imposed by the government will be collected by Irish Life and passed directly to the Revenue Commissioners as required.

8.1 Tax on returns within the fund
Returns accruing within ARF funds are normally exempt from tax. However, there are some exceptions to this as follows.

Funds containing overseas property or other overseas assets
Some funds may invest wholly or partly in property or other assets outside of Ireland. Under current UK tax law, income from rent received on UK property investments is subject to tax, after certain expenses and interest payments. The current rate is 20% (as at February 2022). This tax will be taken from the fund and reflected in the fund's value. Property held directly by Irish Life will not be subject to tax.

For investments in overseas property, tax will be paid on profit from rent if this is required by the tax rules of the relevant country. In some instances, depending on the tax rules of the country, capital gains tax may also be due on any growth in the value of your plan. Any tax due will be taken from the fund and be reflected in the fund's value.

For any investments in overseas assets, tax will be deducted on income or gains if this is required by the domestic tax rules of the relevant country. In some instances, withholding or other underlying taxes may apply, depending on the domestic tax rules of the relevant country.

Any tax due will be deducted from the fund and reflected in the fund's value.

If tax legislation and practice changes during the term, this will be reflected in the fund value. This information is based on current tax law, which could change in the future.

8.2 Tax on withdrawals and regular withdrawals
Irish Life will deduct income tax, PRSI (if applicable), Universal Social Charge and any other taxes or government levies ("tax") from any distribution or deemed distributions from your fund. Distributions include withdrawals made from your fund including any regular withdrawals we pay you and certain other deemed distributions outlined in Section 784A of the TCA.

From the year you turn 61 (or 60 if your birthday is 1 January), Irish Life is obliged to deduct a minimum amount of income tax on a yearly basis relating to withdrawals made from the fund. Tax is payable on a minimum withdrawal from the fund at the end of each calendar year. The minimum withdrawal rate is currently 4% of the value of your fund at the end of the year. From the year you turn 71 (or 70 if your birthday is 1 January) this minimum withdrawal amount increases to 5%. Where the total value of your ARFs and Vested PRSAs are greater than €2 million then a withdrawal of at least 6% of the value of your ARF must be made each year. You will have to appoint a nominee Qualified Fund Manager (QFM) if your total ARFs and Vested PRSAs are greater than €2 million. The nominee QFM is responsible for ensuring a withdrawal of 6% is taken from the total value of your ARFs and Vested PRSAs and is taxed as income. We will pay you a minimum withdrawal of 4% or 5% depending on your age as outlined above. **It is your responsibility to let us know if you have other ARFs and Vested PRSAs with a total value of greater than €2 million.** You can choose to take a higher withdrawal amount if you wish.

We set the minimum withdrawal rate in line with the required imputed distribution amount in place at the time of withdrawal. The minimum withdrawal rate may therefore change in the future to reflect changes in the legislation. Where an actual withdrawal is made during the year, tax will be paid on the greater amount of the minimum withdrawal specified above or the actual withdrawal.

We take this income tax under the Pay As You Earn (PAYE) system. If we receive a certificate of tax and standard rate cut-off point or a tax deduction card for a particular tax year, we will take tax in line with this. If we do not receive a certificate of tax and standard rate cut-off point or a tax deduction card for a particular tax year, by law we have to take income tax at the higher rate (which is currently 40% as at February 2022).

Irish Life will deduct all relevant tax required by law in the manner described in Section 784A of the TCA and in a manner most appropriate to the administration of the policy.

8.3 Tax on your death

We treat any payments from your **AIB ARF** after you die as income for the tax year in which you die, and they are taxed under the PAYE system as outlined in section 8.2. We pass the rest, after tax, to your personal representatives. There are a number of exceptions to this rule.

We will not take income tax if:

- the value of your **AIB ARF** after your death is transferred to an ARF owned by your spouse or registered civil partner;
- the value of your **AIB ARF** after your death is transferred for the benefit of any of your children who are under 21 on the day you die; or

Income tax will be deducted at a rate of 30% (current rate as of February 2022) if either:

- the value of your **AIB ARF** after your death is transferred for the benefit of any of your children who are over 21 on the day you die; or
- the value is paid out on your death where you had set up this **AIB ARF** with the proceeds of an ARF, vested PRSA or vested RAC inherited after the death of your spouse or registered civil partner.

As well as any income tax due, there may also be Capital Acquisitions Tax due on the value of your plan, if the value of your **AIB ARF** is not paid to your surviving spouse or registered civil partner or to any of your children over 21 years of age. The beneficiaries are responsible for paying this tax.

Section 9
Law

This section defines the law that will govern the plan and what will happen if there is any change in the law.

This plan will be governed by the laws of the Republic of Ireland and the Irish courts are the only courts which are entitled to hear any disputes.

If any court or any other relevant authority deem any provision (or part of a provision) of these conditions invalid, illegal or unenforceable then this provision will not form part of this contract. The other provisions of the contract will not be affected by this decision.

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 these changes. We will write and tell you about any changes to the terms and conditions

Irish Life

Contact us

Phone: 0818 700 390
Fax: 01 704 1900
Website: www.irishlife.ie
Email: aibserviceteam@irishlife.ie
Write to: AIB Service Team, Irish Life Assurance plc, Irish Life Centre, Lower Abbey St, Dublin 1.

Form: CA1RSAA/AI

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

Irish Life Assurance plc is regulated by the Central Bank of Ireland.
Irish Life Assurance plc is registered in Ireland number 152576, VAT number 9F55923G.

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