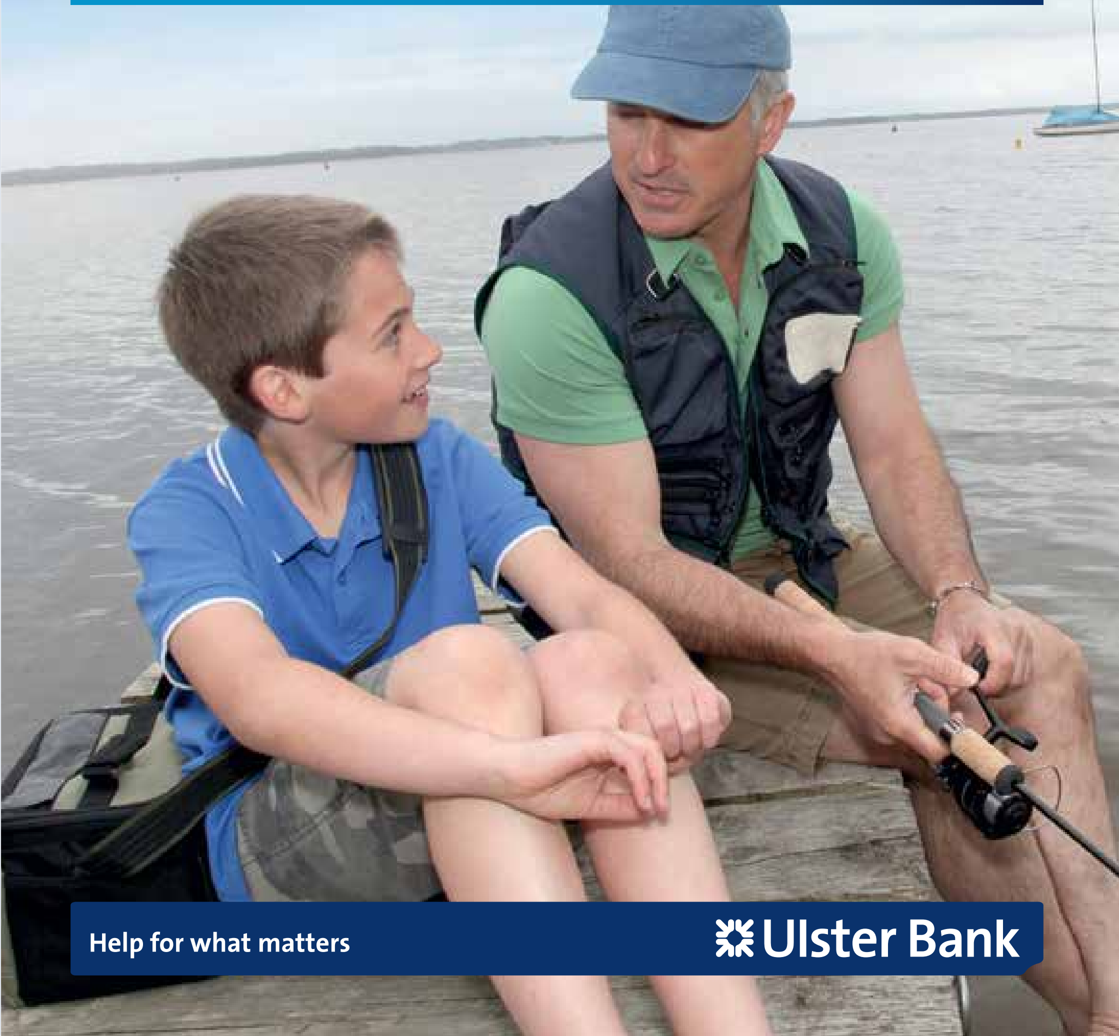
PRSA Standard

This product is provided by Irish Life Assurance plc.



Help for what matters

Ulster Bank

PRSA Standard

Aim	To build up a fund to help provide for your retirement.
Risk	Low to high depending on your fund choice
Funds available	Eight
Time period	Normally to between age 60 and 75
Jargon-free	Yes

Ulster Bank have selected Ireland's leading life and pensions provider, Irish Life, to provide its customers with Life Assurance products including pensions, protection, investments and regular savings plans.

Important note

PRSA Standard is provided by Irish Life Assurance plc (Irish Life). Irish Life is part of the Great-West Lifeco group of companies, one of the world's leading life assurance organisations.

As the provider of this product, Irish Life have written this booklet to explain how the product works. So, any reference to 'we' or 'us' refers to Irish Life. Your Ulster Bank Financial Planning Manager can answer any questions you might have.
All information including the terms and conditions of your plan will be provided in English. Irish Life will continue to communicate to you in English at all times.

The information and figures quoted in this booklet is correct as of May 2016 but may change.

Warning: If you invest in this product you will not have access to your money until age 60 and/or you retire.

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1. Introduction

This booklet will give you details of the benefits available on the PRSA Standard plan. It is designed as a guide that allows us to explain the product to you in short and simple terms. There will be more specific details and rules in your Terms and Conditions booklet which you should read carefully.

Our service to you

Putting you first

We are committed to providing excellent customer service to you at all times from the moment you apply right throughout the life of your plan. When you ring us, you will get straight through to our customer service team, based in Ireland, who will be on hand to listen to your queries and help you when you are looking for answers. Below is just a sample of the services we offer.

You can change your mind

We want to make sure that you are happy with your decision to take out a PRSA Standard plan. If after taking out this plan you feel it is not suitable, you can cancel it within 30 days from the day we send you your welcome pack. We will return any contributions you have made in line with Revenue rules, less any reduction in investment values during the period.

Keeping it simple – clear communication

Because financial products can be complicated and difficult to understand, we are committed to using clear and straightforward language on all our communications to you. As a result, we work with the Plain English Campaign to make sure all our customer communications meet the highest standards of clarity, openness and honesty.

Keeping you up to date

We are committed to keeping you informed about your plan. Because of this, every year we will send you a statement to keep you up to date on your plan details.

Online services

We have a range of online services available for you. You can check the details of your plan online by visiting www.myonlineservices.ie. You will need a Personal Identification Number (PIN), which you receive when you start your plan. If you have lost your PIN or need a new one, contact our customer service team on 01 704 1010. Our online services help you keep up to date, at any time, with how your plan is performing. You can:

- View the current value of your plan;
- Change your choice of fund;
- View your annual benefit statements; and
- Use our information service - weekly investment market updates, fund information and fund prices.

You can also phone our automated Customer Information Line on 01 704 1111, to obtain a current value, access our weekly market update and to change your PIN.

How to contact us

If you want to talk to us, just phone our customer service team on 01 704 1010. They can answer questions about your plan.

Our lines are open:
8am to 8pm Monday to Thursday
10am to 6pm Friday
9am to 1pm Saturday.
In the interest of customer service, we will record and monitor calls.

You can also contact us in the following ways:

Email: customerservice@irishlife.ie
Fax: 01 704 1900
Write to: Customer service team,
Irish Life Assurance plc,
Irish Life Centre,
Lower Abbey Street,
Dublin 1.

Any problems?

If you experience any problems, please call your Ulster Bank Financial Planning Manager or contact our customer service team. We monitor our complaint process to make sure it is of the highest standard. We hope you never have to complain. However, if for any reason you do, we want to hear from you.

If, having contacted our customer service team, you feel we have not dealt fairly with your query, you can contact The Office of the Pensions Ombudsman. For further information please see page 38.

What is a PRSA?

PRSA stands for 'Personal Retirement Savings Account'. It is a contract between you and a PRSA provider, in this case Irish Life. PRSAs make it easier to save for retirement because they offer value for money, flexibility and convenience. Whether you are an employee, self-employed or between jobs, a PRSA helps you save for retirement. And if your employment status changes or you move to a new employer, you may be able to bring your PRSA with you. You can also use your PRSA to add to the pension benefits already available from your job.

How PRSAs work

Contributions

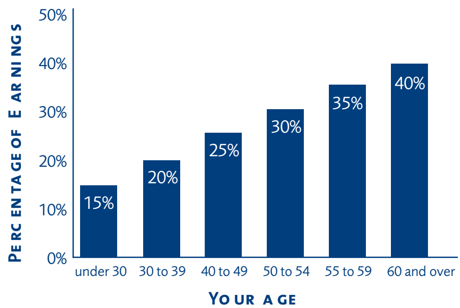
You invest regular contributions or one-off contributions, or both. Most people choose regular contributions because it is easier and smoothes out the cost. If you are an employee and are not in a pension plan at work, your employer could also contribute to your plan.

Income tax relief

To encourage people to save for retirement the Government provides significant tax relief on PRSA pension plans. You can claim income tax relief on your contributions and tax free investment returns. You may also be able to take a retirement lump sum, some or all of this may be tax free. Pension income in retirement is subject to income tax, the Universal Social Charge (USC), PRSI (if applicable) and any other taxes or government levies on withdrawal.

You are not guaranteed income tax relief, but you will generally get income tax relief on contributions up to the percentage of net relevant earnings defined on page 5 and set out on the graph below.

This graph shows the maximum contribution you can make, as a percentage of your earnings, for which you can claim income tax relief.



If you are an employee, these limits include any contribution your employer may make. Any employer contributions over these limits will be treated as a benefit-in-kind (a perk that does not take the form of salary) for the employee.

Please talk to your Ulster Bank Financial Planning Manager for more information on the possible benefits-in-kind implications on your employer contributions.

If you contribute more than these amounts, or if you contribute during a period when you are unemployed, you can carry forward income tax relief for future years.

Earnings are defined as follows:

- If you are an employee, your earnings are your salary plus any overtime, bonuses and benefits-in-kind.
- If you are self-employed, your earnings are your 'net relevant earnings'. (Net relevant earnings is, your income during a tax year, less any allowances, losses and certain charges and deductions (such as mortgage interest) you can claim income tax relief on).

Currently income tax relief is not available on net relevant earnings which are more than €115,000 and include contributions to other approved pension arrangements, such as retirement annuity contracts, other PRSAs and employee contributions to company pension schemes, (including Additional Voluntary Contributions (AVCs). To be eligible to claim tax relief, your income must be taxable under Schedule E or Schedule D (case 1 or II).

Growth

We invest your contributions (less any contribution charge) in a fund where any growth achieved will not be taxed. Sometimes the fund you have chosen may have to pay tax on some of the assets held outside of Ireland depending on the tax rules of the country.

Retirement fund

By the time you retire you will hopefully have built up a big enough fund for your retirement. Normally, you can take your benefits between the ages of 60 and 75, but there are certain exceptions (see page 35 for more details). At that stage, you'll have a number of choices in terms of what you want to do with your money.

First of all, you can take a part of your pension fund as a retirement lump sum. You may be able to take some or all of this retirement lump sum tax free. The amount of this will depend on Revenue limits and your job status (for example self-employed or an employee) at the date you take your benefit.

Depending on your circumstances the balance of the fund can be used for one or more of the following:

- buy a pension for life (annuity);
- leave the rest of your retirement fund in your PRSA plan and continue as an investment until a later date; or
- take as a taxable cash sum.

Income tax, the USC, PRSI (if applicable) and any other taxes or government levies due at the time will be taken from each of these options. We explain your retirement options more fully on pages 25 to 30.

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

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

2. PRSA Standard plan

PRSA Standard helps you build up a fund for your retirement. Everybody knows that it makes sense to plan for retirement. Yet many people put off starting a pension because they think pensions are confusing or hard work.

PRSA Standard can offer you the perfect solution – an easy-to-understand pension plan.

Suitability Snapshot

Below we have set out some important points for you to consider to help you decide if this plan is suitable for you. If you are in any doubt, you should contact your Ulster Bank Financial Planning Manager.

PRSA Standard might suit you if you:	PRSA Standard might not suit you if you:
✔ are looking for a long term investment plan to provide for your retirement;	✗ do not need a plan to provide for your retirement;
✔ don't need access to your investment until you retire (age 60);	✗ need to get access to your investment before you retire (age 60);
✔ are happy with the charges set out in this booklet;	✗ want a plan which offers more funds but may have higher charges as a result;
✔ are happy with the choice of funds available and understand that the value of your investment could fall as well as rise;	✗ are not happy with the choice of funds available;
✔ would like to take advantage of the income tax relief available on the pension contributions; and understand that when you retire, your pension benefits (after the retirement lump sum) are taxed income.	✗ are currently paying income tax, and cannot take advantage of the income tax relief on pension contributions.

What are the charges?

PRSA Standard offers you value for money, giving you a straightforward pension solution with competitive charges.

Contribution charges

There is a contribution charge of 5% on every regular and one off contributions you pay. You do not have to pay a contribution charge on any transfers you make from approved pension plans into your PRSA.

Yearly fund charge

Over the term of your plan, we take a monthly charge from the value of your retirement fund. This charge is equal to 1% a year. Please see your Preliminary Disclosure Certificate which shows you how the yearly charge affects a typical PRSA.

As your retirement fund grows, the charge for managing that fund reduces:

Value of your retirement fund	Yearly fund charge
€150,000 to €249,999	0.95%
€250,000 to €499,999	0.90%
€50,000 or more	0.85%

Government levies

We will take any Government levies due and pass them direct to the Revenue Commissioners. These levies will be taken from your fund.

What funds are available?

The following funds are available. These are explained in detail in the Fund Guide section.

Portfolio funds

Pension Portfolio Fund 2

Pension Portfolio Fund 3

Pension Portfolio Fund 4

Pension Portfolio Fund 5

Pension Portfolio Fund 6

Other funds available

Cash Fund

Pension Protection Fund

Consensus Fund

Default investment strategy

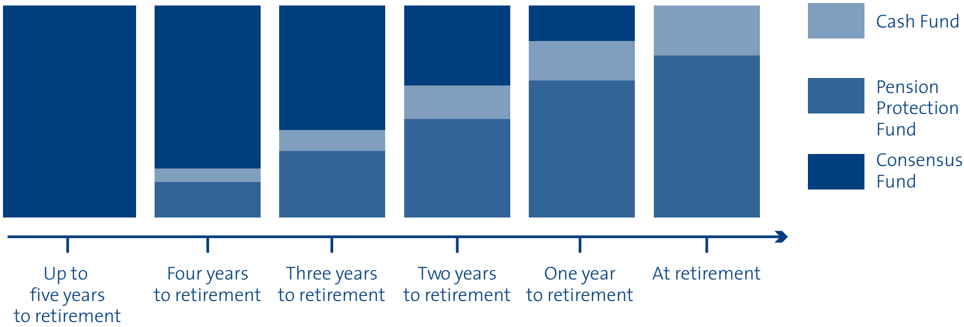
The Default Investment Strategy (DIS) is an automatic switching tool that gradually moves your pension fund between certain funds during the term of your plan, and as you get nearer your chosen retirement age. The Default Investment Strategy is intended to meet the needs of a typical contributor and invests through pooled unit-linked funds, the underlying assets of which will provide for diversification, liquidity, transparency of charges and frequent valuation and pricing. We will review this strategy at least every five years.

If the Default Investment Strategy is chosen, we will invest your money in the Consensus Fund (medium risk) until you are near your chosen retirement date. Because the Consensus Fund invests mainly in shares it can be risky over short time periods.

When you are five years away from your chosen retirement date, we will gradually switch your fund from the Consensus Fund into a mix of the Pension Protection Fund (medium risk) and Cash Fund (low risk). We switch one-tenth of the fund every six months, until six months from your chosen retirement date when we invest all your fund in the Cash Fund and the Pension Protection Fund.

The purpose of the Default Investment Strategy is mainly to generate a retirement income by buying an annuity rather than drawing down your retirement fund.

If you do not tell us your investment choice, we will invest your money in this strategy.



Other investment options

If you do not choose to invest in the Default Investment Strategy, you can choose any one, or a combination, of the funds available. You must let us know in writing if you do not want to invest in the Default Investment Strategy. If you choose your own choice of funds we will not automatically switch your funds into more secure funds near your chosen retirement date. However, at any stage over the term of your contract, you can ask to switch funds into the Default Investment Strategy at no cost.

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

Warning: This product may be affected by changes in currency exchange rates.

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

3. Fund Guide

The fund that is right for you depends on:

Amount of risk

- Lower-risk funds aim to protect your investment from large falls in value, but the potential for large gains is lower than if you choose a higher-risk fund.

- Higher-risk funds, such as those investing in company shares, do not aim to protect your investment from large falls in value, but you do have the potential to gain much more, especially over the long term. If you invest in these types of fund, you should realise that, in wanting a higher return, you need to accept that the value of these funds can move up and down, sometimes by large amounts and you can lose some or all of your investment.

How long you want to invest for

If you are investing in a pension plan it is important to consider how long you have left until you retire. If you are many years away from retirement you may be able to accept more risk than somebody who is quite close to retirement.

Volatility scale and risk levels

To help you choose between funds we rate the possible level of 'volatility' of each fund on a scale of 1 to 7 (Volatility refers to the potential ups and downs that a fund may experience over time). A fund with a risk level of 1 is very low risk and a risk level of 7 is very high risk. You should remember that risk and potential return are closely linked. In other words, investments which are higher risk tend to have higher returns over the long term, but can also experience higher falls.

Our volatility scale assumes that all investments are held on a long-term basis. If an investment is held for a short term, it will usually have a greater level of risk than the volatility scale shows.

You can usually reduce the level of risk attached to an investment by diversifying (splitting the investment 'eggs' between different 'baskets') and leaving the investment where it is for a longer period of time. (In other words, the longer you hold volatile investments for, the less volatile the returns become).

Our volatility scale can change. Therefore the volatility ratings in this booklet may not be the most up-to-date ratings. Please visit our website www.irishlife.ie to see the most up-to-date volatility scale.

Think about how you feel about the risks associated with investing. Everyone's situation is different and everyone handles risk differently. Together with your Ulster Bank Financial Planning Manager you can decide which level of risk you are open to.

We have set out the full range of investment funds available to you on page 12. We divided these into high-risk funds with the potential for higher returns, medium-risk funds with the possibility of medium return, and low-risk funds with lower potential for returns.

Low-risk funds

Volatility 1

Cash Fund

Volatility 2

Pension Portfolio Fund 2

Medium-risk funds

Volatility 3

Pension Portfolio Fund 3

Volatility 4

Pension Portfolio Fund 4

Pension Protection Fund

High-risk funds

Volatility 5

Consensus Fund

Pension Portfolio Fund 5

Volatility 6

Pension Portfolio Fund 6

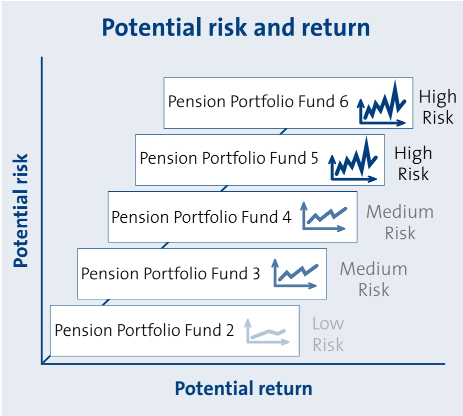
Volatility 7

Currently no funds at this rating

Pension Portfolio Funds

Historically, the best returns over longer periods come from investing in a wide-range of shares and other 'growth' assets. However, alongside possibly higher returns these types of assets usually bring higher risk and so your investment may rise and fall in value over short periods.

What is needed is an investment in growth assets, but also in other assets deliberately chosen to try to reduce these swings in value. Also, at times of severe market movements, like we saw in 2008, for example, the best course of action might be to temporarily move out of growth assets and into lower risk assets like cash.



Warning: Past performance is not a reliable guide to future performance.

PENSION PORTFOLIO FUNDS USING THE DYNAMIC SHARE TO CASH™ MODEL

CUSTOMER RISK RATING	2 CAREFUL	3 CONSERVATIVE	4 BALANCED	5 EXPERIENCED	6 ADVENTUROUS	7 VERY ADVENTUROUS
FUND NAME	PENSION PORTFOLIO 2	PENSION PORTFOLIO 3	PENSION PORTFOLIO 4	PENSION PORTFOLIO 5	PENSION PORTFOLIO 6	

Irish Life Investment Managers (ILIM) have developed five different versions of the Pension Portfolio Funds to suit different attitudes to risk. These range from lower risk, where there is a large portion of the fund in cash and bonds, to higher risk where most of the fund is invested in shares. So if you are a low risk or high risk investor, there is a fund that may suit you.

The Pension Portfolio Funds are designed to provide peace of mind for you as an investor.

Based on your attitude to risk, you will have a risk rating between 1 (Safety First) and 7 (Very Adventurous). Each of our Pension Portfolio Funds is designed for a specific risk rating, as the graphic shows above, the target market for Pension Portfolio Fund 3 is someone with risk rating 3 (Conservative).

Our investment managers will manage these funds to this risk rating throughout. This means that Pension Portfolio Fund 3 will be managed to a risk rating of 3 and you don't have to worry about switching your fund, if your attitude to risk doesn't change.

Warning: The value of your investment may go down as well as up.
Warning: These funds may be affected by changes in currency exchange rates.
Warning: If you invest in this product you may lose some or all of the money you invest.
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Range of assets

Range of Funds from Low to High Risk

Pension Portfolio Funds invest in a wide range of assets. Investing in a range of assets increases the diversification of each Pension Portfolio Fund. We recommend that you diversify your investment by not putting all your 'eggs in one basket' and these funds allow you to do just that. Greater diversification also aims to reduce the volatility of the fund, which is a measure of the extent the fund value moves up and down in value.

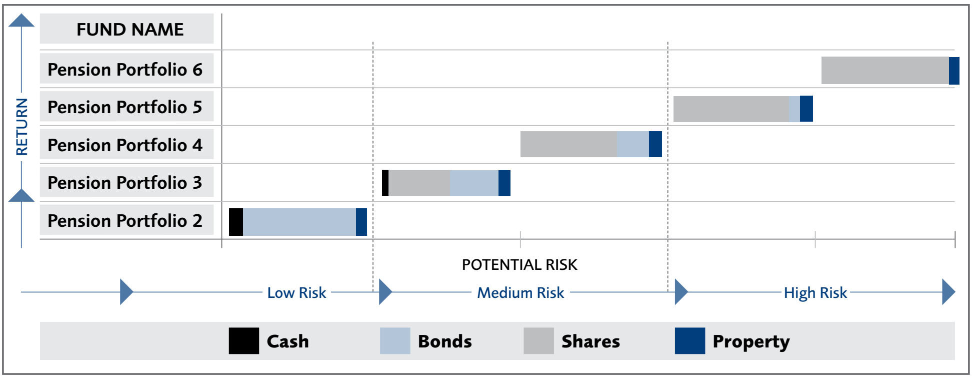
The assets that are available in these funds are outlined and explained below. The split across each of the asset classes determines the risk rating of your fund.

Our investment managers will continually monitor and review these assets and may change them over time. For the actual Pension Portfolio Fund mix, see the latest factsheets at www.irishlife.ie

Cash & Bonds	Shares	Other Assets
• Cash • Government Bonds • Corporate Bonds	• Global Shares	As markets change and new opportunities arise ILIM may invest in other asset classes, for example property.

The Pension Portfolio Fund splits

As mentioned there are five Pension Portfolio Funds available to suit different attitudes to risk. The graph below which is a guide only, shows the broad asset mix of each of the five funds. As you can see the lower risk fund Pension Portfolio Fund 2 has a very high percentage in bonds and cash which are traditionally less volatile assets. The higher risk fund Pension Portfolio Fund 6 is predominantly invested in shares, which are traditionally more volatile than bonds or cash but have historically given better long-term returns.



For the actual Pension Portfolio Fund mix, see the latest factsheets at www.irishlife.ie

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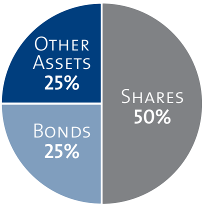
Expertly Managed by Irish Life Investment Managers

Our investment managers are world class investment managers. They have designed the Pension Portfolio Funds and the Dynamic Share to Cash (DSC) model, so you are getting the benefit of their expertise.

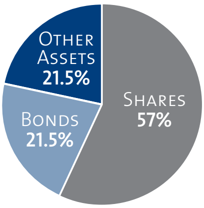
Our investment managers will monitor and review the asset splits and the DSC on a regular basis to ensure that each Pension Portfolio Fund is managed to its original risk rating.

Our investment managers will also rebalance each of the Pension Portfolio Funds every quarter.

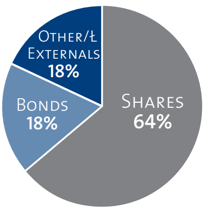
What Does Rebalancing Mean?



We start with this pie-chart, which shows a fund with 50% in shares, 25% in bonds and 25% in other assets.



If, over the course of a year, shares grew in value by 20%, while bonds and other assets both fell in value by 10%, then, without rebalancing, the second pie-chart shows the new split of the fund. Here 57% of the fund is now invested in shares.



If the same thing happened for a second year, we would end up as shown in the third pie-chart, with nearly two-thirds of the fund invested in shares, compared to the 50% we started with. This could mean that the fund is no longer suitable for the investor who chose to invest in the original mix. If the original mix of 50% shares, 25% bonds and 25% other assets is most suitable for an investor, they will not want to see their fund drift away from this mix over time.

This change in asset split can be avoided by regularly rebalancing the fund to ensure that it stays in line with its intended split. Our investment managers rebalances each of the Pension Portfolio Funds on a quarterly basis and this means that each fund will not drift over time and will remain suitable for each investor as shown on page 13. This means that you don't have to worry about a fund becoming a higher risk rating than the one you originally invested in.

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Dynamic Share to Cash (DSC) Model

The DSC model is used on all five Pension Portfolio Funds. This innovative model uses a multi-factor approach to identifying long-term stock market trends and movements.

The advantage of having the DSC is that it aims to reduce the amount invested in Global Shares and increase the amount in cash when it identifies greater potential for stock market falls. As importantly, when the DSC identifies greater potential for stock market recovery, it will move back out of cash and into Global Shares.

This innovative solution is a market first in Ireland.

It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks. Also, currently DSC applies to Global Shares, though our investment managers will continually review this and, in the future, a similar process may apply to other assets.

How the DSC works

The DSC is driven by a number of key factors. Among these are:

- How stock markets move over long periods of time,
- How company earnings are changing; and
- How more general market factors like oil prices and bond yields are changing.

Based on how these factors are moving over time, the DSC will determine what portion of each fund to hold as shares and what to hold as cash. So in the graph on page 14, some of the proportion in shares could be replaced by cash depending on the DSC.

Since all of the factors on which the DSC is based are available going back over a number of years, it is possible to show how the DSC would have worked in the past.

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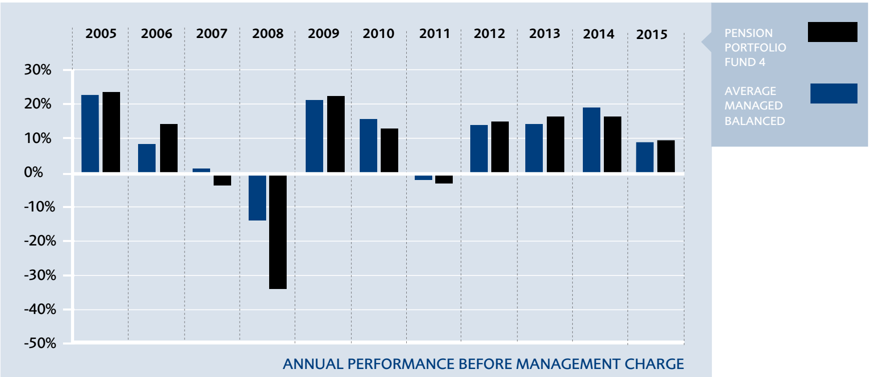
The graph below shows how Pension Portfolio Fund 4 compares to the average Managed Balanced Fund since 2005.

Pension Portfolio Fund 4 uses the DSC as outlined previously, whereas the Managed Balanced Fund doesn't use this model.



STOCK MARKET FALLS

The 2008 Credit Crunch:

As the graph above shows, during 2008, the Managed Balanced Fund fell nearly 35%. Because the DSC available on Pension Portfolio Fund 4 would have reduced the amount of the fund invested in shares and increased the amount in cash, it would have fallen by nearly 13% in the same year. So although Pension Portfolio Fund 4 would still have fallen in value, it was not the severe drop seen on the Managed Balanced Fund.

STOCK MARKET RISES

2012 and 2013 Strong Market:

During 2012 and 2013, the Managed Balanced Fund grew by slightly more than Pension Portfolio Fund 4. This is due to the higher proportion of shares in the Managed Balanced Fund but this higher proportion would usually mean greater volatility and a greater chance of large falls as seen in 2008.

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Portfolio Funds

LOW-RISK

PENSION PORTFOLIO FUND 2

(Volatility **2**)

This fund can invest in a range of assets such as bonds, shares, property and cash. This is a low risk fund for careful investors, which aims to have a small allocation to higher risk assets such as shares and property. This asset mix will be reviewed and rebalanced regularly to maintain a low level of exposure to such asset classes. For the current asset mix of the fund please see www.irishlife.ie

In addition to regular rebalancing of the fund's assets, the Dynamic Share to Cash (DSC) Model will operate on a portion of the fund. For this portion of the fund, the DSC model determines the level of investment in cash and shares. The DSC model looks at long term movements and trends in the market to determine factors such as the potential for stock market falls. Where this analysis identifies, for example, greater potential for stock market falls, the amount invested in shares will be reduced and the amount invested in cash increased in the portion of the fund to which the DSC applies. A similar process may in the future apply to other assets. It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks.

MEDIUM-RISK

PENSION PORTFOLIO FUND 3

(Volatility **3**)

This fund can invest in a range of assets such as bonds, shares, property and cash. This is a low to medium risk fund for conservative investors, which aims to have a significant proportion invested in cash and bonds and a lower allocation to higher risk assets such as shares and property. This asset mix will be reviewed and rebalanced regularly to maintain a medium level of exposure to such asset classes. For the current asset mix of the fund please see www.irishlife.ie.

In addition to regular rebalancing of the fund's assets, the Dynamic Share to Cash (DSC) Model will operate on a portion of the fund. For this portion of the fund, the DSC model will be used to determine the level of investment in cash and shares. The DSC model looks at long term movements and trends in the market to determine factors such as the potential for stock market falls. Where this analysis identifies, for example, greater potential for stock market falls, the amount invested in shares will be reduced and the amount invested in cash increased in the portion of the fund to which the DSC applies. A similar process may in the future apply to other assets. It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks.

PENSION PORTFOLIO FUND 4
(Volatility **4**)

This fund can invest in a range of assets such as bonds, shares, property and cash. This is a medium risk fund for balanced investors, which aims to have a moderate allocation to higher risk assets such as shares and property. This asset mix will be reviewed and rebalanced regularly to maintain a medium level of exposure to such asset classes. For the current asset mix of the fund please see www.irishlife.ie.

In addition to regular rebalancing of the fund's assets, the Dynamic Share to Cash (DSC) Model will operate on a portion of the fund. For this portion of the fund, the DSC model will be used to determine the level of investment in cash and shares. The DSC model looks at long term movements and trends in the market to determine factors such as the potential for stock market falls. Where this analysis identifies, for example, greater potential for stock market falls, the amount invested in shares will be reduced and the amount invested in cash increased in the portion of the fund to which the DSC applies. A similar process may in the future apply to other assets. It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks.

HIGH-RISK

PENSION PORTFOLIO FUND 5
(Volatility **5**)

This fund can invest in a range of assets such as bonds, shares, property and cash. This is a medium to high risk fund for experienced investors, which aims to have a relatively high allocation to higher risk assets such as shares and property. This asset mix will be reviewed and rebalanced regularly to maintain a high level of exposure to such asset classes. For the current asset mix of the fund please see www.irishlife.ie.

In addition to regular rebalancing of the fund's assets, the Dynamic Share to Cash (DSC) Model will operate on a portion of the fund. For this portion of the fund, the DSC model will be used to determine the level of investment in cash and shares. The DSC model looks at long term movements and trends in the market to determine factors such as the potential for stock market falls. Where this analysis identifies, for example, greater potential for stock market falls, the amount invested in shares will be reduced and the amount invested in cash increased in the portion of the fund to which the DSC applies. A similar process may in the future apply to other assets. It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks.

PENSION PORTFOLIO FUND 6
(Volatility **6**)

This fund can invest in a range of assets such as bonds, shares, property and cash. This is a high risk fund for adventurous and very adventurous investors, which aims to have a high allocation to higher risk assets such as shares and property. This asset mix will be reviewed and rebalanced regularly to maintain a high level of exposure to such asset classes. For the current asset mix of the fund please see www.irishlife.ie.

In addition to regular rebalancing of the fund's assets, the Dynamic Share to Cash (DSC) Model will operate on a portion of the fund. For this portion of the fund, the DSC model will be used to determine the level of investment in cash and shares. The DSC model looks at long term movements and trends in the market to determine factors such as the potential for stock market falls. Where this analysis identifies, for example, greater potential for stock market falls, the amount invested in shares will be reduced and the amount invested in cash increased in the portion of the fund to which the DSC applies. A similar process may in the future apply to other assets. It is important to note that the DSC looks at long-term movements and trends in the market and is not designed to react to one-off or short-term jumps or shocks.

OTHER FUNDS

Low-risk fund
Volatility 1

Cash Fund
This low risk fund invests in deposits money placed in financial accounts and short-term investment on international money markets. It is aimed at getting the best return while keeping your investment secure.

Medium-risk funds
Volatility 4

Pension Protection Fund
Currently this fund invests largely in long-term Eurozone government bonds and cash. The balance of the fund may have direct or indirect exposure to global interest rate markets. The aim of this fund is to pay for an annuity when you retire.

This fund should broadly follow the long-term changes in annuity prices due to interest rates, i.e. if long-term interest rates fall, the value of this fund will increase to roughly compensate for the rise in annuity prices. Long-term interest rates are just one of the main factors that determine the cost of an annuity and there will be times when the fund will not track annuity prices closely and no guarantee can be given in relation to such movements.

High-risk funds
Volatility 5

Consensus Fund
This fund is one of Ireland's most popular funds, currently managing over €5.2 billion. Its success is based on an approach which combines the wisdom of the main investment managers in Ireland. The fund matches the investments they make in shares, property, bonds and cash. The Consensus Fund aims to provide performance that is consistently in line with the average of all pension managed funds in the market.

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

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

Warning: This product may be affected by changes in currency exchange rates.

Important information about available funds
This section gives you information about tax, currency, charges and important information relating to investing in our funds.

Delay periods
In certain circumstances we may need to delay switches, withdrawals or transfers out of a fund. The circumstances in which we may delay a switch, withdrawal or transfer 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 invested.

The amount then switched, withdrawn or transferred will be based on the value of the units at the end of the delay period.

Reducing the value of the fund
When there are more customers moving out of a fund than making new investments in it, we may reduce the value of the units in the fund. This is 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.

Currency
Funds that invest outside of the Eurozone carry a risk related to currency. This is because the funds are priced in euro but the assets that are invested outside the Eurozone are valued in their local currency. This can increase or reduce your returns depending upon how those local currencies are performing compared to the euro.

For example, parts of the Pension Portfolio Funds aim to track the performance of a number of different international share indexes. This may mean buying shares in currencies other than euro, for example, pounds sterling. The value of the share indexes will be affected by how the shares of the companies perform and any movements in the euro and sterling exchange rate. If, for example, there has been no change in the value of shares in sterling, but sterling falls in value against the euro, the Pension Portfolio Funds would fall in value. Obviously, in the same circumstances, a rise in the value of sterling would result in an increase in the value of the Pension Portfolio Funds.

Warning: This product may be affected by changes in currency exchange rates.

Tax

The personal income tax relief you may be entitled to is explained on page 4.

Under current Irish tax rules, the growth of all pension funds, including PRSAs, is not taxed until the benefits are taken. However, if your chosen fund invests in assets outside Ireland, the fund may have to pay tax on these investments.

We will take tax on income or profits if this is necessary under the tax rules of the country the assets are held in. In some instances, withholding tax or other taxes may apply, depending on the tax rules of the country. We will take any tax due from the fund, and this is reflected in the returns of the fund.

If tax legislation and practice changes during the term of your plan, we will amend this in the fund value as a result.

This information is based on current tax law, which could change in the future.

General Information

If you have chosen to invest in a fund that invests in shares or bonds the assets in that fund may be used for the purpose of securities lending which aims to earn an extra return for the fund. Although this increases the level of counterparty risk within a fund, it provides an opportunity to increase the return.

We can change the range of funds we offer, and we may decide to stop giving access to certain funds. In this case you can switch out of those funds into any other funds that are open at the time. We may also restrict the option to switch to, or invest top-up contributions in, any funds. We will give you one month's notice before we make this change.

Property

Funds that invest directly in property are different from other types of investment funds in a number of ways.

The property cycle – selling costs and delays

The property market reacts slower than stock markets and tends to follow more of a cycle. It can rise or fall for longer periods and in a more consistent way than the stock market does. This is partly because it takes more time and is more expensive to buy and sell properties than to buy or sell shares. As a result, if there are more investors who want to cash in their investments than there are new investors, we may need to make the following changes so that all investors pay their fair share of the costs the funds have to pay.

Reducing the value of the fund

When there are more customers moving out of a fund than making new investments in it, 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 is likely to be most significant for the percentage of any fund invested in property.

For those funds invested in property, the actual reduction will depend on the percentage of property in the fund and the actual costs involved in having to sell properties within that fund. We estimate that funds with a low property asset mix, less than 10%, the reduction in value could be in the region of 1-2%. To arrive at this rate, we have estimated the selling costs that might apply. It is possible that the reduction in value could be higher or lower in the future and could take place in stages.

Using borrowings

The property investment within Pension Portfolio Funds has the ability to access property markets indirectly, for example property companies. These property companies may borrow money to buy properties. This increases the possibility for growth but it also means that if property values fall, then the value of the investment will fall by a greater amount because of the level of borrowing.
The level of risk in a fund increases as borrowing increases.

The example below shows how a property fund works if it usually invests in a mix of direct and indirect properties.

Amount of investment	€100,000
Amount invested directly in property	€75,000
Amount indirectly invested in property	€25,000
Amount borrowed by indirect funds	€75,000
Amount invested in indirect property with borrowings	€100,000
Total amount invested in property including borrowings	€175,000

In this example:

- 25% of the investment is invested indirectly in property; and
- for every €1 invested indirectly in property, €3 is borrowed. Please note that the level of borrowing will vary from fund to fund.

When referring to funds with borrowing, the term 'loan-to-value' is often used. This is the loan amount divided by the value of the property, and in the above example is 75%. The loan to value ratio changes, based on the value of the indirect properties at any given time so this percentage will vary regularly.

What happens if property falls in value?

In certain circumstances we may need to delay switches, withdrawals or transfers out of a fund. The circumstances in which we may delay a switch, withdrawal or transfer can include the following.

- That part of the fund linked to indirect property investments will fall in value by a greater amount because of the level of borrowing.

- The following are examples.

  - If the value of the indirect properties falls by 10%, and the indirect fund borrowed €3 for every €1 invested, the actual fall in value of the indirect part of the investment would be 40%.

  - If the value of the indirect properties falls by 10%, and the indirect fund borrowed €2 for every €1 invested, the actual fall in value of the indirect part of the investment would be 30%.

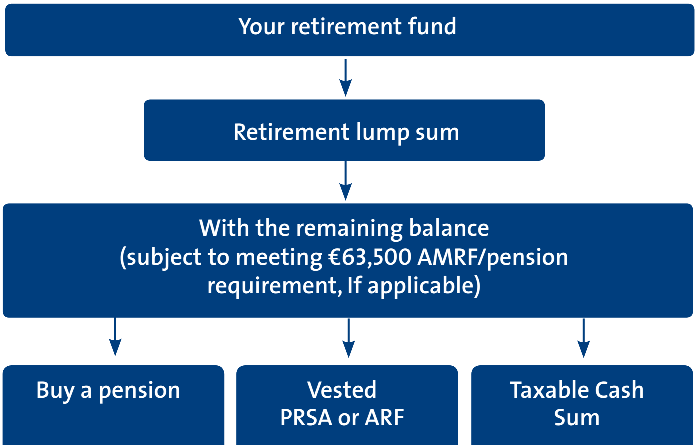
  - If the value of the indirect properties falls by 10%, and the indirect fund borrowed €1 for every €1 invested, the actual fall in value of the indirect part of the investment would be 20%.

The level of borrowing within the part of the fund invested indirectly in property will also change over time. The higher the amount of the loan compared to the amount invested in property, the greater the potential returns. However, the level of risk will be higher

4. Your options when you retire

With PRSA Standard, you will have a number of options when you retire, including taking part of your pension fund as a retirement lump sum.

You don't need to decide now what you're going to do - you can make your decisions closer to retirement when you have a better idea of how you'd like to spend the money you've built up.



Retirement lump Sum

You can take part of your pension fund as a retirement lump sum. You may be able to take some or all of this retirement lump sum tax free.

The amount you can take as a retirement lump sum will depend on whether or not you are a member of an occupational pension scheme.

- If you are self-employed, or an employee but not a member of an occupational pension scheme, you can take 25% of the fund as a retirement lump sum.
- If you are a member of an occupational pension scheme and have contributed AVCs (Additional Voluntary Contributions), your PRSA will be a PRSA AVC and the retirement lump sum from your PRSA AVC will depend on how you take your retirement lump sum from your occupational pension scheme.

If you take 25% of your occupational pension scheme as a retirement lump sum, then you can also take 25% from your PRSA AVC as a retirement lump sum.

Your other option is to take a maximum retirement lump sum between your occupation pension scheme and PRSA AVC of up to 150% of your final salary. However, this depends on the length of time you have actually been employed. If this is less than 20 years, the retirement lump sum will be reduced.

Let's take an example:

If your employer's scheme provides you with 100% of your final salary as a retirement lump sum, you can use your PRSA AVC to provide the other 50%, as long as you have the number of years service to allow this.

The maximum tax free retirement lump sum you can receive is €200,000. Retirement lump sums between €200,000 and €500,000 will be subject to standard rate income tax (currently 20%). Any retirement lump sum greater than €500,000 will be taxed at your marginal income tax rate, the USC, PRSI (if applicable) and any other taxes or government levies due at that time will also be deducted. Both the €200,000 and €500,000 limits include all retirement lump sums you have received since 7 December 2005.

After you've taken your retirement lump sum, you have three options.

A. Buy a pension for life (annuity);

B. You can invest the rest of your fund; or

C. You can take as a taxable cash sum.

A. Buying a pension for life

You can use the rest of the fund if any to buy a pension (in other words, a regular income which will be paid for the rest of your life, or annuity). Usually, this means that you pay your pension fund over to us (or another insurance company if you'd prefer) and we'll guarantee to pay you a regular amount every month while you're still alive.

You can also choose other options, for example having the income increase each year, or having part of it paid to your spouse, registered civil partner or dependents after you've died. There is also an annuity investment protection option which means when you die any remaining money not paid will be paid to your estate. You don't have to make any of these decisions until you actually retire. If, when you retire, you do decide to buy an annuity, the pension is treated as normal income so you will have to pay income tax and any other taxes due at that time. Also, because it is a pension for you, you cannot cash it in, change it to a lump sum, or transfer it to someone else in the future.

If you are a member of an occupational pension scheme and you have paid AVCs into a PRSA, there may be limits on the maximum pension allowed. For more information please read our 'Additional Voluntary Contributions and your Personal Retirement Savings Account' booklet.

B. You can invest the rest of your fund

After taking your retirement lump sum, you can continue to invest the rest of your pension in a fund that you can manage and control during your lifetime, and then leave to your family when you die. Depending on your circumstances, you will have two options for investing your pension fund.

Option 1

Leave your funds in your PRSA

If you leave the remaining fund in your PRSA, your plan is called a Vested PRSA. Depending on your circumstances at the time you take your retirement lump sum, you may have to keep up to €63,500 in your Vested PRSA - this is called your restricted fund. You will not be able to take withdrawals on the fund below the amount of the restricted fund. You will not have to keep a restricted fund if you meet one of the following conditions:

- You receive a guaranteed pension income of €12,700 a year; or
- You have invested €63,500 in an Approved Minimum Retirement Fund (AMRF); (see option 2 for more information) or
- You have €63,500 in a separate Vested PRSA along with any amount you have invested in an AMRF; or
- You have used at least €63,500 to buy a guaranteed pension income for life (annuity).

Anything over your restricted fund will be treated in a similar way to an Approved Retirement Fund (ARF) (see page 29).

When you turn age 75, you will not be able to make further withdrawals from your Vested PRSA (however the minimum withdrawal requirements will continue to apply - see the Minimum withdrawal amount section below for further information). If you want to take withdrawals greater than the minimum withdrawal amount, you should speak to your Ulster Bank Financial Planning Manager who can discuss other options with you.

Minimum withdrawal amount

The Finance Act 2006 introduced an obligation on all Qualifying Fund Managers to take tax from ARF funds every year as if you had taken a minimum withdrawal. The Finance Act 2012 extended this tax requirement to Vested PRSAs. We are a Qualified Fund Manager. 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 any income tax, PRSI (if this applies), the USC and any other taxes or government levies due at that time. We will only take the minimum withdrawal amount from your ARF or Vested PRSA from the year you turn 61.

The current minimum withdrawal amount is 5% of the value of your funds at the end of each year. You will have to appoint a nominee Qualified Fund Manager (QFM) if the total value of your ARFs and Vested PRSAs (less the restricted fund if you have one) is more than €2,000,000. The nominee QFM is responsible for making sure a withdrawal of 6% is taken from the total value of your Vested PRSAs (above the restricted amount) and ARFs. We will pay you a minimum withdrawal of 5% as outlined above. **It is your responsibility to tell us if you have other ARFs and Vested PRSAs with a total value of more than €2,000,000.**

The restricted fund in a Vested PRSA is not covered by this rule until you turn age 75. However, if at any stage in the future you become entitled to a guaranteed income which brings your total guaranteed income up to €12,700 a year, or if you invest more funds in a separate AMRF (see opposite for more information on AMRFs), the requirement to keep a restricted fund will no longer apply. The minimum withdrawal requirement will then apply to the full value of your Vested PRSA.

It is your responsibility to let us know if your income circumstances change.

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

Option 2

Invest in an ARF

Instead of leaving your fund invested in your PRSA, you can invest the rest of it in an ARF or AMRF of your choice. Then you can make withdrawals from your ARF when you need them. However, you will have to pay tax on any withdrawals you make. You can use your fund at any time to buy an annuity. From the year you turn 61 you will have to take a minimum regular income from your ARF. See the minimum withdrawal amount section on page 28 for more information.

AMRF

If you do not have a guaranteed pension income for life of at least €12,700 a year when you retire, you must invest €63,500 in an AMRF (or the rest of your fund if it is less than this amount) or buy a pension with the same amount. The main difference between an AMRF and an ARF is that you are not required to make a minimum withdrawal from an AMRF each year. You may make one withdrawal each year from an AMRF of up to a maximum of 4% of the value of your funds at that time. You will have to pay tax on any withdrawal made and the withdrawal may be subject to an early withdrawal penalty. This 4% restriction applies until one of the following happens (whichever is first).

- You start receiving a guaranteed pension income for life from other sources (currently €12,700 a year), or

- You reach age 75.

It is your responsibility to let us know if your income changes.

Whether you decide to take money from the fund within the Vested PRSA or transfer to an ARF, it is important to remember that the value of your fund may be reduced over time if the level of income is high and the investment return is not high enough to maintain this.

Making regular withdrawals may reduce the value of your fund, 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. The higher the level of regular withdrawal you make, the higher the chances are that you will use up your fund in your lifetime. What is most important is that you make sure you have a reasonable fund when you retire so you can make these choices. If you do not have a guaranteed pension income that will maintain your current standard of living during retirement, we recommend that you think about buying a pension before choosing to draw an income from your Vested PRSA or invest in an ARF.

All of these options and limits are based on current laws and regulations, which could change in the future.

C. Taking your pension fund as taxable cash sum

Before you can take this option, you need to have a guaranteed pension income for life of €12,700 a year or leave €63,500 in your PRSA as a Vested PRSA or an AMRF. You will have to pay income tax at your highest rate on the cash lump sum along with any other taxes and levies due at that time. These limits may change in the future.

When you are taking your retirement benefits, you will need to give us all relevant information about your existing pension arrangements and income. We will let you know the restricted fund amount that applies to you when you are taking your retirement benefits.

4. Your questions answered

Am I eligible to take out this plan?

You can take out this plan if:

- You are a resident (you live permanently) in Ireland and you are between the ages of 18 and 75; and
- you are self-employed or in a job which is non-pensionable; or
- you are a member of an occupational pension scheme and want to pay AVCs into a PRSA to boost your retirement benefits (see note); or
- you are unemployed.

Note: If you plan to pay AVCs into your PRSA, we recommend you also read our guide called 'AVCs and your PRSA - A guide for members of Occupational Pension Schemes'. Certain restrictions apply and we outline these in the guide. You cannot pay AVCs into defined – benefit occupational pension schemes through your PRSA plan.

What payment options do I have?

You can choose between making regular contributions, adding a one-off lump sum at any stage or paying contributions separately. Most people tend to pay regularly. You can pay:

- regular contributions by direct debit (every month, every three months, every six months or every year);
- one-off contributions by cheque; and
- if you are an employee, by having your contributions taken from your salary. If you are not in an occupational scheme at work, any employer contributions will be added to your personal contributions. If you start your PRSA by paying one-off contributions, you will not be able to pay regular contributions into that PRSA.

Please note if you start your PRSA by paying one-off contributions, you will not be able to pay regular contributions into that PRSA.

If you are a member of an occupational pension scheme at work, it is not possible for your employer to contribute to your PRSA as contributions can only be paid by you as AVCs.

Can my employer take contributions from my salary?

Yes. Your employer can take contributions from your salary whenever you are paid. This could be every week, two weeks or month. We will then take this contribution from your employer's bank account. Your plan will be a monthly-paid plan and we will collect contributions from your employer every month.

For example, if you are paid weekly and decide to make a regular contribution of €60, we multiply €60 by 52 (weeks in a year) and divide it by 12 (months in a year). We will then set up your plan for €260 every month. We will collect this from your employer's bank account every month by direct debit. As a result, at certain times, your employer may hold deductions from your payroll in their bank account for a short period before they send them to us and we invest them in your plan. We invest contributions on the day we receive them.

What is the minimum amount I can contribute?

The minimum amount you can contribute by direct debit is €300 a year.

Can I change the amount I pay, or even stop paying for a while?

If you want to, you can increase your contributions, reduce your contributions or take a break from making payments at any time. Also, you should note that the estimated value of your pension fund, which we include in the 'Statement of Reasonable Projection' of your welcome pack when you take out your PRSA plan, is based on the contribution level that you agreed to pay when you started the plan. So if you reduce or stop your contributions, it will reduce the value of your pension when you retire. If you are going to miss any contributions, you should contact your Ulster Bank Financial Planning Manager or our Customer Service Team.

Can I transfer my existing pension funds into PRSA Standard plan?

You can transfer any existing pension funds from approved retirement annuity contracts, PRSAs and occupational pension schemes into your PRSA. You can also transfer funds from pension arrangements overseas. We will not add a contribution charge to that transfer contribution. You should think carefully about transferring funds from one plan to another. Some restrictions apply to transfers from occupational pension schemes and arrangements from overseas.

Do my contributions increase with inflation?

When you take out your plan, you can choose to have your contributions increase with inflation. If, like most people, you choose this option, your contribution will increase each year in line with the Consumer Price Index (a measurement of inflation), or by 5% if this is higher. If your employer takes your contributions from your salary, this option is not available.

How do I get income tax relief on my PRSA contributions?

If we take your personal contributions from your bank account, you can apply to your inspector of taxes to have your tax credits adjusted to reflect your pension contributions. If your contributions are paid from your salary you will receive immediate income tax relief. Any employer contributions will receive corporation tax relief in the year the contribution was made. If you are self-employed, you must include your pension contribution in your self assessment tax returns in order to get income tax relief.

Currently income tax relief is not available on net relevant earnings which are more than €115,000 including contributions to other approved pension arrangements. For certain occupations you may get tax relief of 30% of your earnings, no matter how old you are. In general, these tend to be professional sportspeople who earn their income from that occupation.

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 us at:

Irish Life Assurance plc, Irish Life Centre, Lower Abbey Street, Dublin 1.

If you do this within 30 days of the date you receive your statement of reasonable projection, we will cancel the plan. We will refund any regular contributions you have made. We will return any one-off contribution or transfers received less any fall in value due to market conditions and in line with Revenue rules. After the 30 days are over, you do not have the option to cancel your plan and get a refund if the plan is not suitable. You can stop contributing to your plan at any time, but you will not usually be able to take the benefits from your plan before you reach age 60.

What is the minimum term?

There is no minimum term on this PRSA plan.

Can I stop paying into my plan?

If you decide to stop making contributions, your pension fund stays invested and continues to grow tax-free. Obviously, the value of your fund when you retire will be lower at retirement than if you had continued paying. Before stopping contributions, you should be sure that you have made other arrangements for your retirement. You should contact your Ulster Bank Financial Planning Manager for more details.

Is there any limit on the size of my pension fund or my tax-free cash?

For tax purposes, the current maximum pension fund you can have is €2,000,000 from all sources. This is called the Standard Fund Threshold (SFT). If you have pension funds over this amount, you will be taxed at the higher rate for income tax. This tax is taken from the pension fund before your retirement benefits are payable. You should contact your Ulster Bank Financial Planning Manager for more details.

You will have to pay standard rate income tax on any retirement lump sum between €200,000 and €500,000. Any amounts over €500,000 will be taxed at your marginal income tax rate, the USC, PRSI (if applicable) and any other taxes or government levies will be taken.

What is a Personal Fund Threshold?

If you have a Personal Fund Threshold Certificate issued from the Revenue, your maximum pension fund at retirement may be more than €2,000,000. You should contact your Ulster Bank Financial Planning Manager or Irish Life for more details.

Do I have to pay tax on my pension?

We must pay benefits under this plan in line with current tax law. Any taxes or government levies will be collected by us and passed directly to the Revenue Commissioners as required. Under current law, when you retire you can take some of the fund as a retirement lump sum tax free. We explain how much of a retirement lump sum you may be able to take tax-free on page 26. You will have a number of options as to how you can use the rest of your pension fund. The tax you pay will vary depending on which one you choose.

If you choose to buy a guaranteed pension for life, your income will be taxed as income in the normal way.

If you invest in an ARF or continue to invest in your PRSA as a Vested PRSA, you will have to pay tax on any withdrawals that you make.

When is the earliest I can take my pension and do I have to retire?

If you are self-employed, you can take your benefits from age 60. You do not have to retire to take your pension benefits. Some occupations, such as a pilot, fisherman, jockey, professional rugby player and so on, allow you to retire earlier.

If you are an employee and you are not a member of an occupational pension scheme, you can take your benefits at any time after your 50th birthday. If you do this between age 50 and 60, you must retire from your job. If you take benefits from age 60, you do not have to retire and you can continue to work while enjoying the benefits from your PRSA.

If you are a member of an occupational pension scheme at work and have paid AVCs into a PRSA, your retirement age must be the same as the retirement age under your pension scheme at work. We will pay benefits in line with your main scheme. You will need the permission of the trustees of your work scheme to take your benefits. This may mean that you will need to retire so you can take benefits before the scheme's normal retirement age. If you are sick, it is possible to take benefits earlier than shown above. See further on for more details.

What happens if I stop working?

If you stop working but do not plan to begin taking benefits, you can either:

- stop contributing to the plan (perhaps until you start working again);

or

- continue to contribute to the plan. If you continue to contribute, income tax relief on the contributions may have to be carried forward to when you have earnings in the future.

What happens if I have to retire early because of ill health?

If you have to retire early because of ill health (that is, you are permanently unable to carry out your own occupation or any occupation of a similar nature for which you are trained to do so because of a mental or physical condition), you can take your pension benefits immediately. However, your pension may be low because your contributions are stopping at an earlier age and the pension will have to last longer as you will be retiring earlier. If you retire early because of ill health, you must give us medical evidence to support this.

The definition of ill health in Section 787k of the Taxes Consolidation Act 1997 is you are "permanently incapable through infirmity of mind or body of carrying out his or her own occupation or any occupation of a similar nature for which he or she is trained or fitted".

What happens if I leave employment?

If you are self-employed and paying into a PRSA and then move into a job which has a pension scheme, your contributions into your PRSA should either stop or become AVCs linked to your main scheme. The way you make your contributions could change (in other words, from direct debit to your employer taking them from the payroll) and you should contact your Ulster Bank Financial Planning Manager or Irish Life.

If you are employed in a job which does not have a pension scheme and then you become self-employed, you can continue your contributions as normal. If you move into a job which has a pension scheme, your contributions into your PRSA should either stop or become AVCs linked to your main scheme. The way you make your contributions could change (for example, from direct debit to your employer taking them from the payroll) and you should contact your Ulster Bank Financial Planning Manager or Irish Life.

If you are a member of an occupational pension scheme and are paying AVCs into PRSAs but leave that job, your contributions can continue but they will become 'ordinary' contributions unless you join another job with a pension scheme. This may mean changing the way you make your payment (for example, from your employer taking payments from the payroll to direct debit from your own bank account).

If you move from a job which has an occupational pension to another job with an occupational pension, the payroll system may change from your old employer to a new employer. We can only do this if you let us know immediately about this change.

It is important that we keep a record of your employment history so we can pay out the correct benefit to you when you retire. Changing your job does not mean that you have to stop paying into your PRSA. It just means that you may have to change the way you pay your contributions and you should let us know as soon as possible if you change your job. There may be restrictions on paying AVCs into some occupational pension schemes. These are outlined in the Irish Life Guide on AVCs.

Can I take money out of my PRSA?

In most cases you will only be able to access your PRSA from age 60 or due to early retirement.

Where you have paid Additional Voluntary Contributions (AVCs) into your PRSA you can take a once off withdrawal up to a maximum of 30% of the value of your AVCs before April 2016. If you decide to take a withdrawal which is less than 30% of the value of your AVCs, you will not be able to take another withdrawal.

You will have to pay income tax at your marginal rate if you take a pre-retirement AVC withdrawal. Irish Life is obliged to deduct income tax at the highest rate from this withdrawal unless you provide us with a tax certificate before the withdrawal is paid.

Taking a pre-retirement AVC withdrawal will reduce the amount available to you in retirement. Before deciding to take a withdrawal from your AVCs you should be sure that you have made other arrangements for your retirement. You should contact your Ulster Bank Financial Planning Manager for more information on this.

It may be possible to cash in the value of your plan if it is €650 or less and you have not paid contributions into your PRSA in the two years before you ask to cash in. If the value of your fund is €650 or less and you do not pay any more contributions into it for two years, we can ask you to transfer your fund to another approved pension scheme or start to pay contributions again. We will tell you in writing about this. If we don't hear back from you within three months of this request, we could decide to automatically refund the value to you.

What happens if I die before starting to take my benefits?

We will pay the value of your PRSA to your estate. Your dependants may have to pay inheritance tax depending on who inherits the fund. Tax law changes over time and you should get independent tax advice on this.

What happens if I die after starting to take my benefits?

If you have taken your retirement lump sum, and you have decided to continue investing through your PRSA as a Vested PRSA, we will pay any value left in your Vested PRSA to your estate. Your dependents may have to pay tax, depending on who inherits the funds.

If you leave the funds to your spouse or registered civil partner, they can transfer the funds to an ARF in their own name. In all other cases, we pass the funds to your estate. If your estate has to pay income tax, we must deduct this before paying the proceeds to your estate.

Generally the amount is treated as income for the year of you death. There are a number of exceptions to this rule:

Income tax is not due if:

- The funds are transferred to an ARF in your spouse's or registered civil partner's name. However PAYE is due on any future withdrawals.

- The funds are transferred for the benefit of your children who are under 21 on the day you die.

Income tax will be due at a rate of 30% if the value of your Vested PRSA is transferred for the benefit of any of your children who are over 21 on the day you die.

As well as income tax, there may also be Capital Acquisitions Tax due on the value of your plan, if your Vested PRSA is not paid to your spouse or registered civil partner or to any of your children over 21 year of age. The beneficiaries are responsible for paying this tax. Tax law changes over time and you should get independent tax advice on this.

Can I move my money to another provider?

You can transfer your plan to another approved PRSA provider at any stage. You can also transfer your assets to an approved occupational pension scheme if you are a member of that scheme and the trustees are willing to allow this. You may also be able to make a transfer to an approved pension arrangement outside the state. Some restrictions apply to transfers to pension arrangements overseas.

We do not charge you for transferring out of the PRSA unless you are in a fund which restricts you from leaving before an agreed date. We may also set a notice period before a transfer can take place. You should check with your Ulster Bank Financial Planning Manager if this applies to your chosen fund. Please also see the relevant fund description in this booklet and your terms and conditions document. These give you an idea of whether these restrictions could apply.

Family law and pensions

If you are involved in a legal separation, are getting divorced or having a civil partnership dissolved, or ending a relationship with a qualified cohabitant, a court application for a pension adjustment order can be made. You can get more information on how a pension adjustment order works from your solicitor or the Pensions Authority. If a pension adjustment order has been granted on your plan, you must let us know. You can get more information on how a pension adjustment order works from the Pensions Authority at the following address:

The Pensions Authority,
Verschoyle House,
28/30 Lower Mount Street,
Dublin 2.
Phone: 01 613 1900
Fax: 01 631 8602

Who should I talk to if I have a complaint?

If you believe that you have suffered a financial loss as a result of your PRSA being poorly managed or if there is a dispute of fact or law, you should contact our Customer Service Team. As a PRSA provider, we must set up an “internal disputes resolution” procedure. You can ask us for a copy of this at any time. After writing to us with your complaint, we will make a decision on it and let you know. If you are unhappy with this decision, under Part XI of the Pensions Act, 1990 as amended, you can take your complaint to the Pensions Ombudsman at the following address.

The Office of the Pensions Ombudsman,
36 Upper Mount Street,
Dublin 2.
Phone: 01 647 1650
Fax: 01 676 9577
Email: info@pensionsombudsman.ie
Website: www.pensionsombudsman.ie

The Pensions Ombudsman will investigate the matter for you. Both you and we can appeal against their decision to the High Court. For more information on your rights, please contact the Ombudsman's office.

If you have any other type of complaint, please contact our Customer Service Team. We will review your complaint and let you know the outcome. If you are not satisfied with this, we will let you know where you can go to take your complaint further.

The Pensions Ombudsman does not investigate every customer complaint. Sometimes complaints are dealt with by other industry regulators, such as the Pensions Authority, the Financial Regulator or the Financial Services Ombudsman. Our Customer Service Department can let you know which regulator is most suitable for your complaint. However, the decision as to which office will deal with your complaint lies only with that office. If you have any other type of complaint, please contact our Customer Service Team.

Who is my PRSA contract provided by?

Your contract is in the form of a plan and is provided by Irish Life Assurance plc. It sets out the details of your contract with us. This booklet is only meant to be a guide to help you understand your PRSA and does not give all the details of your plan. These details will be in your plan schedule. We will include more specific details and rules in your terms and conditions booklet, which you should also read carefully. Your application form and plan will be your legal contract with us. The contract will be governed by Irish law. The Irish courts are the only courts that are entitled to hear disagreements. The information in this booklet is based on our understanding of current law, tax and Revenue practice. Irish Life's PRSAs are approved by the Pensions Authority and the Revenue Commissioners. The approval number of your standard PRSA is APP/K/935/S.

6. 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 into 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 €12,700 a year, and you are not buying an annuity, you must leave €63,500 invested in your Vested PRSA as a restricted fund or invest this amount from your pension fund into a personal investment account called an AMRF.

Additional voluntary contributions (AVCs)

Extra contributions you can pay into your PRSA to add to the pension benefits already available from your company pension scheme.

Chosen retirement date

The date you want to retire and take your pension benefits. Your chosen retirement age must be between age 60 and 75.

Consumer Price Index (CPI)

A measure that examines the change in prices of particular household goods and services, such as transport, food and medical care.

Equities/shares

Investing in equities means investing in companies on the stock market, and the investor becomes a shareholder. For the purpose of the funds that invest in shares, as described in this booklet, we are the investor and so the shareholder. How those companies perform affects whether the price of units in the fund rises or falls.

Inflation

The rate at which the general level of prices for goods and services increases, and as a result, the buying power of money falls.

One-off contributions

These are also known as single contributions, as these contributions are not paid into your PRSA plan on a regular basis and can often be different amounts of money.

Personal retirement savings account (PRSA)

Personal retirement savings accounts are a type of pension plan introduced in 2002. PRSAs are available to everybody up to the age of 75, whether they are employed, self-employed, work at home or on a temporary career break. They are convenient, flexible pension plans that you can take with you if you move jobs.

Return

Return means the money or the profit you make on an investment. However, if markets do not perform well, your return could be less than the amount you invested. In other words, return means the profit or loss you make on your investment over a period of time.

Regular contributions

Contributions you pay into your PRSA on a regular basis (for example, every month or every three months). These regular contributions are usually a set amount of money for a set period of time.

Securities lending

When an investment manager lends securities owned by its clients to a third party.

Unit-linked fund

A unit-linked fund combines your money with money from other investors and buys units in a fund. The number of units you get depends on how much you invest and the price of the units at the time you buy.

Vested PRSA

A Vested PRSA is

- a PRSA where the PRSA customer 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) havebeen paid).

Volatility

The potential ups and downs that a fund may experience. The more volatile a fund is, the more likely it is to experience ups and downs that could have a significant effect on the value of your retirement fund.

Notes

Notes

For further information:

Call the Ulster Bank team at Irish Life on 01 704 1010

Visit your local Ulster Bank branch

ulsterbank.ie

This brochure is also available in Braille, large print, audio or on disc. Please contact your local branch for details or Textphone 1800 924 615.

Ulster Bank

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