

Key Features

of Pension Term Assurance

Customer Guide

Please read this document carefully. It highlights the main features and benefits of the policy, which is underwritten by Royal London Insurance DAC (Royal London Ireland), and includes some sample illustrations.

You'll find full details of the benefits provided and the terms and conditions which apply in the Policy Conditions booklet which will be sent to you when your policy starts. However, if you want to refer to this before your policy starts, your Financial Broker will provide a copy to you or you can request a copy of this from us at any time. If there is anything that you do not understand, or if you would like more information, please ask your Financial Broker.

Section 1:

Information about the Policy

1.1 Make sure the policy meets your needs!

- This policy is a life assurance protection policy. You choose the level of cover you need and the length of time you need it. Pension Term Assurance is only available if you meet certain criteria. You don't need to have a pension plan to benefit from this type of policy; it is available if you are self-employed or in non-pensionable employment.

The policy is structured to use the tax relief that is currently available under Pension legislation. If you are eligible to take out Pension Term Assurance, you can claim tax relief on your premiums up to a certain percentage of your net relevant earnings in any one year. The maximum percentage of net relevant earnings depends on your age (see Section 1.7).

If you no longer meet the criteria for Pension Term Assurance, you could become ineligible to claim tax relief from Revenue on your premiums paid. However, your policy will not stop if you continue to pay the premiums. No surrender value will be payable.

- The purpose of the Life Cover is to provide a lump sum if the Life Assured dies during the selected term of the policy.
- If a Conversion Option is included as part of your policy, it may be exercised at any time up to the conversion option expiry date (which is contained in the Policy Schedule). The benefit of the Conversion Option is that, subject to certain terms and conditions, the Life Assured can convert the amount of their existing Life Cover into another policy providing Life Cover only, without having to provide details of their health. The Conversion Option may not be exercised if you are no longer resident in the Republic of Ireland. The new policy must be for a fixed term which cannot be greater than 51 years and which expires before the 91st birthday of the Life Assured.

Royal London Ireland's standard new business terms and conditions at the date of conversion will apply. The premium rates current at the time of conversion, appropriate to the Life Assured's age at the time, will apply. Full details of the Conversion Option are contained in the Policy Conditions booklet.

- If Indexation is included as part of your policy, the cover will increase by 3% every year and your total payment will increase by 4% every year. The indexation will occur on each policy anniversary before your 70th birthday. Full details of Indexation are contained in the Policy Conditions booklet.
- You are committed to make regular monthly or annual payments throughout the term of the policy. However, please see Sections 4.1 – Right of cancellation and 4.2 – Stopping the policy.
- Unless you are fully satisfied as to the nature of the commitment, having regard to your needs, resources and circumstances, you should not enter into that commitment.
- This policy cannot be assigned.

WARNING

If you propose to take out this policy in complete or partial replacement of an existing policy, please take special care to satisfy yourself that this policy meets your needs.

In particular, please make sure that you are aware of the financial consequences of replacing your existing policy. If you are in doubt about this, please contact your insurer or insurance intermediary.

1.2 What happens if you want to cash in the policy early or stop paying premiums?

- As your policy is designed solely to provide protection benefits, there is **no surrender value payable** at any stage under the policy.
- The policy will lapse and all cover under the policy will end immediately if any payment is not received by Royal London Ireland within 30 days from the date it was due to be paid. No surrender value will be paid on the lapse of the policy. If a benefit becomes payable within this 30 day period, any outstanding payments will be deducted from the amount paid.
- If all unpaid premiums due on your policy are paid by you, or by a third party on your behalf, within 100 days of the date your first unpaid premium was due, your policy will be reinstated without a requirement to submit a Declaration of Health form (the time period during which this is permitted is known as a 'Reinstatement Period'). Your policy can be reinstated even if a claim event has occurred during this Reinstatement Period.
- Notwithstanding the above, where the policy lapses because we have not received a payment, it may be reinstated at the absolute discretion of Royal London Ireland, within 12 calendar months from the date the policy lapses, by paying all outstanding payments.
- In order to reinstate cover, the Life/Lives Assured must also complete a Declaration of Health form based on events that have occurred since the date that the first unpaid premium was due. The answers provided to the questions on this form will be used in the underwriting process to establish if cover can be reinstated. We may refuse to reinstate cover or reinstate the cover with an increased premium or with new conditions or exclusions (this could include the removal of options) if the Declaration of Health form confirms a material change to a Life Assured's state of health.

- Full details of the conditions of Reinstatement are contained in the Policy Conditions booklet.
- Monthly premiums must be paid by Direct Debit.

1.3 What are the projected benefits under the policy?

The illustration table below is based on the following details for a typical Personal Pension Term Assurance policy (with no Automatic Indexation):

Basis of Cover	Single Life
Sex	Male
Age (next birthday)	47
Smoker Status	Non-Smoker
Sum Assured	€300,000
Total Monthly Payment (incl. Policy Fee)	€53.41
Payment Frequency	Monthly
Retirement Age (Policy Expiry)	65 th Birthday

Royal London Ireland will provide you with illustrations based on your own exact details when your policy is issued.

Table 1: Illustrative table of projected benefit and charges to date

Year	A	B	C	D	E=A+B-C-D
	Total amount of premiums paid into the policy to date	Projected investment growth to date	Projected expenses and charges to date	Projected cost of protection benefits to date	Projected policy value
1	€640.92	€0.00	€512.77	€128.15	€0.00
2	€1,281.84	€0.00	€979.07	€302.77	€0.00
3	€1,922.76	€0.00	€1,400.33	€522.43	€0.00
4	€2,563.68	€0.00	€1,768.99	€794.69	€0.00
5	€3,204.60	€0.00	€2,075.67	€1,128.93	€0.00
10	€6,409.20	€0.00	€2,781.98	€3,627.22	€0.00
15	€9,613.80	€0.00	€2,781.98	€6,831.82	€0.00
Final Year	€12,177.48	€0.00	€2,781.98	€9,395.50	€0.00

This policy does not acquire a surrender or maturity value.

1.4 What intermediary/sales remuneration is payable?

The following table is based on the same policy details as for Table 1 above.

Table 2: Illustrative table of intermediary/sales remuneration

Year	Premium payable in that year	Projected total intermediary remuneration payable in that year
1	€640.92	€803.33
2	€640.92	€128.19
3	€640.92	€128.19
4	€640.92	€128.19
5	€640.92	€128.19
6	€640.92	€19.23
10	€640.92	€19.23
15	€640.92	€19.23
Final Year	€640.92	€19.23

The intermediary remuneration amounts shown above are maximum amounts based on the premium indicated and are for illustration purposes only. They are not in addition to the premiums paid by you and are paid by us to your Financial Broker. The actual amounts payable may differ from year to year and depend on a number of factors. The actual intermediary remuneration payable on your policy will be fully outlined in the policy documentation that you will receive when your policy is issued.

1.5 Are returns guaranteed and can the premium be reviewed?

The premiums you pay at the start of the policy are guaranteed to provide the level of cover you select and will not be reviewed at any stage by Royal London Ireland (if Indexation is included as part of your policy your total payment will increase on each policy anniversary by 4%). The total payment may change if any additional tax, stamp duty or levy is imposed on your policy in the future.

1.6 Can the policy be cancelled or amended by the insurer?

Your application will include a series of questions which are material to the underwriting of your policy and the calculation of the premium. The answers you provide to the questions and the associated declarations will be used in the underwriting process to establish material facts about you which influence the assessment and acceptance of cover, the setting of the terms, and the calculation of the premium. You have a statutory duty to respond to all of the questions posed by us in your application honestly and with reasonable care.

We will send you a copy of your completed proposal form with the answers that you provided or were provided on your behalf by your financial broker in your [online] application. In order to protect your personal information, we might not automatically send you a copy of any additional information which you may be asked to submit, particularly if more than one person is covered under the policy. If you would like to obtain a copy of your additional information, then please contact us using the contact information in Section 4.8. Where your policy relates to the life of another party, it may be necessary to provide a copy of the application which will include details of their medical history to them directly. You should review these answers to confirm that you understand the responses are correct and that you have fulfilled your duty to answer all questions honestly and with reasonable care.

If you or a Life Assured didn't answer the questions on your application fully, honestly, to the best of your knowledge and with reasonable care, this may result (depending on the circumstances) in:

- Delays in the processing of your claim;
- A reduction in the claim amount or refusal of a claim;
- The policy being treated as if it had been entered into on different terms; or
- The policy being cancelled from the start date (potentially without returning premiums) and with any subsequent claim not being paid.

You must tell us if there's a change to anything that would affect any of the answers to the specific questions in your application or any relevant additional information in relation to your application, in the time after you've

applied for your cover, but before your policy commences. These changes could be changes affecting you or the Life Assured, for example, a change to health, occupation, or leisure activities of the Life Assured. If you don't let us know about any changes affecting any of your answers before policy commencement, then this may also result in the consequences set out in the bullet points in the previous paragraph.

If the date of birth of a Life Assured differs from that shown on the policy schedule, we may be entitled to cancel the policy without paying the claim or returning premiums, to limit the amount paid out in the event of a claim, or to treat the policy as if it had been entered into on different terms.

1.7 Information on taxation issues

Benefit: Under current law, the benefit payable on death will not be liable to Income Tax or Capital Gains Tax.

Premium: This plan has been approved by the Revenue Commissioners as a section 785 Pension Term Assurance plan. Under current legislation, you can claim tax relief on any premiums paid into either a personal pension policy or a section 785 Pension Term Assurance policy as an expense in the year of payment, subject to the maximum percentage of "Net Relevant Earnings" listed below. Royal London Ireland will issue you with a Retirement Annuity Certificate, which you should include with your tax returns in order to obtain this relief.

Age	Maximum % of Net Relevant Earnings
Under 30	15
30–39	20
40–49	25
50–54	30
55–59	35
60 and over	40

Note that a monetary maximum applies to the Net Relevant Earnings allowable for tax relief purposes. Budget 2011 set this limit to €115,000, however this limit could change in future.

These limits apply to the total amount of your pension and/or PRSA contributions, not to each individual policy.

There are a number of exceptions to the limits above.

For example, certain occupations (such as professional sports people under the age of 55) are entitled to contribute 30% of net relevant earnings at all ages.

Section 2:

Information on Service Fee

There is no service fee payable to Royal London Ireland.

Where such a fee has been, or is to be, levied by your Financial Broker, then they should enter the amount and full details below:

Financial Broker Fee:

Details of the Arrangement:

Section 3:

Information about the Insurer/Insurance Intermediary

This policy is underwritten by Royal London Insurance DAC. Royal London Insurance DAC does not provide advice about its products which are distributed through independent intermediaries who at all times act on your behalf.

Royal London Insurance DAC is regulated by the Central Bank of Ireland. It is registered in Ireland, number 630146, at 47–49 St Stephen’s Green, Dublin 2.


Royal London Insurance DAC is a wholly owned subsidiary of The Royal London Mutual Insurance Society Limited which is registered in England, number 99064, at 80 Fenchurch Street, London, EC3M 4BY.

Your Financial Broker should advise you of information relevant to them, including their authorised status. Please see the box below for contact details.

You can find out more about the policy by talking to your Financial Broker. Alternatively, you can contact:

Royal London Insurance DAC

47–49 St Stephen’s Green
Dublin 2

 +353 (0)1 429 3333

 service@royallondon.ie

Financial Broker Name:	
Financial Broker Address:	
Telephone Number:	
Email Address:	

Section 4:

Additional Information Relating to your Policy

4.1 Right of cancellation

You can cancel the policy by sending a written instruction to Royal London Ireland within a period of 30 days from the date we send you your policy documents (or a copy). The address to write to is Existing Business, Royal London Ireland, 47–49 St Stephen’s Green, Dublin 2. On cancellation all cover will cease immediately, and any payments received by Royal London Ireland will be refunded in full to you. If you do not cancel your contract within the 30 day ‘Cooling-off’ period your policy will continue.

4.2 Stopping the policy

You can stop the policy at any time by writing to Royal London Ireland instructing us to stop the policy or by stopping payments, but all cover would then cease in such circumstances. The address to write to is Existing Business, Royal London Ireland, 47–49 St Stephen’s Green, Dublin 2.

We strongly recommend that you consult with your Financial Broker before you cancel the policy.

4.3 Law that applies to the policy

This policy shall be governed by and interpreted in accordance with the Laws of Ireland.

The language used for contractual terms and conditions and for communication whilst the contract remains in force is English.


4.4 Complaints

Royal London Ireland is committed to the provision of the highest standards of customer satisfaction and takes all complaints very seriously.

If you have any queries about the benefits provided by this type of policy please contact your Financial Broker or contact Royal London Ireland directly. If at any time you have a complaint about the policy you should refer it to us through your Financial Broker, or by contacting the Compliance Manager at Royal London Ireland, 47–49 St Stephen’s Green, Dublin 2.

If your complaint is not dealt with to your satisfaction, you can refer it to the **Financial Services and Pensions Ombudsman** using the following address and contact details:

Financial Services and Pensions Ombudsman
Lincoln House
Lincoln Place
Dublin 2
D02 VH29

 +353 (0)1 567 7000

 info@fspo.ie

 www.fspo.ie

4.5 Additional information for non-face to face customers under the Distance Marketing of Financial Services Directive

There is no additional charge made by Royal London Ireland, where your insurance contract is completed only by means of distance communication. Your Financial Broker will advise you if they apply a charge in similar circumstances.

4.6 Data privacy

Our Privacy Notice explains how we use your personal data, how long we keep your personal data for, our ‘lawful basis’ for processing your personal data and your rights under data protection laws applicable in Ireland. You will find the full Privacy Notice at www.royallondon.ie/privacy-policy.

4.7 Solvency and Financial Condition Report


A copy of the latest Solvency and Financial Condition Report for Royal London Insurance DAC is available on our website at www.royallondon.ie/about-us/corporategovernance/sfcr.

4.8 Contact us

You can contact us in the following ways:

Royal London Ireland

47–49 St Stephen’s Green
Dublin 2

 +353 (0)1 429 3333

 service@royallondon.ie

This key features document is a guide to Royal London Ireland's Pension Term Assurance policy. Its purpose is to provide a general overview and guidance on the benefits of a Royal London Ireland Pension Term Assurance policy.

If you take out a policy, the Policy Conditions booklet and the Policy Schedule will set out your contract with us. The contract sets out further details of the cover and the exclusions. If there's any ambiguity between the contract and this key features document, the contract shall prevail. This key features document does not form any part of any contract between us.

We strongly recommend that you consult with your Financial Broker before taking out the policy as this key features document is provided without any liability or responsibility on our part.

All information is valid at the time of going to print.



Royal London Ireland

47-49 St Stephen's Green, Dublin 2

T: 01 429 3333 F: 01 662 5095 E: service@royallondon.ie

www.royallondon.ie

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