

Income Protector - personal





Protect your lifestyle



Irish Life

product snapshot

income protector - personal

Aim		Provides you with a replacement income if you cannot work as a result of an illness or injury after a certain period of time. It does not cover you if you become unemployed.
Cost of Cover		If you choose to make guaranteed payments, the cost of your chosen cover amount is guaranteed for the term of your plan. If you choose to make reviewable payments, the cost of your cover is guaranteed for the first five years. We will then review it on every fifth anniversary after that time.
Time Period		Up to age 65
Jargon Free		Yes

Committed to Plain English

There is no financial jargon in this booklet and everything you need to know is written in an upfront and honest way. We are delighted to have received the 'Best in Plain English' Award from the Plain English Campaign. This award recognises our commitment to communicating clearly. For this award, we were chosen ahead of 12,000 other organisations from 80 countries.



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

Income Protector - personal

Providing you with an income if you cannot work as a result of an illness or injury.

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Introduction

What is income protection?

Income protection is a type of insurance that pays you a regular income if you can no longer work due to an injury or illness. Its aim is to replace some of your earned income once any state benefits are taken into account, so you can still maintain the level of lifestyle you are used to.

If you are in full-time employment or you are self-employed and earn an income, you can take advantage of an income-protection plan.

Income protection does not provide any cover for you if you become unemployed.

Why should I buy income protection?

Statistics show that a 30-year-old person is more likely to be off work due to illness or injury for a long period than to die before they reach the age of 65. If you had to give up work due to illness or injury, you would still have to pay your regular bills, such as mortgage and loan repayments and household expenses.

However, you would also have the extra financial burden of extra medical costs, so the total amount of your bills could increase.

With this in mind, could you maintain your current standard of living while you were out of work?

If the answer is no, you need income protection.

You can claim income tax relief on your payments to this plan at your marginal rate of tax. Please see page 19 for more details.



This booklet will give you details of the Income Protector

plan. It is only a guide that allows us to explain the product to you in simple terms. There will be more specific rules in your terms and conditions booklet, which you should read carefully.

②

Income
Protector –
guaranteed
or reviewable

What is Income Protector?

Income Protector is the product name for our income-protection plan. It provides a replacement income, also called incapacity benefit, if you cannot work as a result of an illness or injury.

After a certain period, known as the deferred period, you receive the incapacity benefit to replace some of your income while you are off work

We have two great options for you to choose from.

Income Protector:

Guaranteed option or reviewable option

Guaranteed option	Reviewable option
✓ You are safe in the knowledge that the rates we charge for cover will never change	✓ Cheaper regular payments for the first five years
✗ Slightly more expensive	✗ We will review the rates we charge after five years and your regular payments could increase, reduce or stay the same.

Guaranteed option

With the guaranteed option, we guarantee the regular payments you make will stay the same for the term of your plan (unless you change the level of cover, please see page 7 for more information).

If you change the level of your cover, your payment will increase just to reflect the change in the level of cover. The rates we charge will stay the same for the term of your plan.

The advantage in choosing the guaranteed option is that you will always know how much you will pay for your current level of cover. However, the guaranteed Income Protector option is more expensive than the reviewable option. With the guaranteed option, you are paying for peace of mind in always knowing what regular payments you will make.

Reviewable option

The advantage in choosing the reviewable option is that it is less expensive at the beginning than the guaranteed option. This is because we only guarantee the payments for the first five years. We have worked out your premium to maintain your chosen level of cover until your plan ends. After the first five years, we will review your regular payments. Your payments could go up or down, or stay the same.

Your payments are based on our expected cost of providing cover in the future. We work them out to maintain your chosen level of cover until your plan ends. This means your payments should change when we review them only if our expected cost of providing this reviewable cover changes.

At each review, we will consider our actual experience of claims and our updated view on what we expect the cost of providing cover for this plan will be in the future. If we receive more claims than we expect, or if the expected cost of providing cover increases, your payments may rise. Any change in your payments can happen only on a review date.

You can find more information on our payment review process, and the factors

which may or may not lead to a change in your payments, in your Terms and Conditions booklet. (You can ask us for a copy of this booklet.)

Please see the examples below. They are based on an Income Protector plan that ends when the customer is age 65, for a non-smoker, with a 13-week deferred period, in occupation class 1, with €50,000 benefit, and no escalation.

Male

Age 30

Reviewable option	€83.02 p.m
Guaranteed option	€104.55 p.m.

Age 40

Reviewable option	€127.45 p.m.
Guaranteed option	€159.80 p.m.

Female

Age 30

Reviewable option	€130.43 p.m.
Guaranteed option	€164.88 p.m.

Age 40

Reviewable option	€201.53 p.m.
Guaranteed option	€253.28 p.m.

Suitability snapshot

Income Protector could be suitable if you:

- ✓ are 18 to 54 years of age and in full-time employment or are self-employed;
- ✓ want to protect some of your income until you are age 65 if you cannot work because of an illness or injury (please see pages 15 and 19 for more details on the limits);
- ✓ want a product that pays you a regular income if you cannot work because of an illness or injury, after a certain amount of time (deferred period);
- ✓ want the option to top up your cover at a later date;
- ✓ want your cover to continue, no matter how many claims you make;
- ✓ want your money back if the plan is not right for you within 30 days;
- ✓ want to take advantage of potential income tax relief.

Income Protector could be less suitable if you:

- ✗ are unemployed;
- ✗ want protection against being made unemployed;
- ✗ want cover that continues after you are age 65;
- ✗ want a lump-sum payment for certain illnesses;
- ✗ need a life-cover protection plan, with added family benefits;
- ✗ need a product with a cash-in value; and
- ✗ need more cover than is available with Income Protector.

In any of these situations, please speak to your financial adviser about our excellent range of plans on offer.

How Income Protector works

We have designed Income Protector to be as flexible as possible, and its aim is to suit your income-protection needs. Below are some points to help you decide if this cover is right for you.

- You decide whether you can afford to make guaranteed or reviewable regular payments and what is best for you.
- You decide how much cover you need based on your current earnings, the deferred period you want (either 13, 26 or 52 weeks), how long you need the benefit to be paid for, and how long you want the cover for.
- You make regular payments to keep the cover in force.
- We provide cover until your plan ends, no matter how many claims you make.
- You must tell us when an illness or an injury stops you working.
- We pay you a monthly income from the end of your chosen deferred period for as long as you are eligible (see page 12).
- If you are in hospital for more than seven days in a row during the deferred period, you may be able to receive hospitalisation benefit (see page 19).

Important points about Income Protector

- If you stop making your regular payments, you will no longer be protected, and we will not refund any money.
- You cannot cash in your plan – it is not a savings plan.
- It is very important that you review your plan benefits against your current earnings, as they may not continue to meet your needs.
- At the time of a claim, your earnings must be above the level that justifies the amount of cover you have chosen. If not, you will receive a reduced benefit. In this case, we will not refund any part of the payments you have made. Please see page 22 for more details.
- If you choose the reviewable payments option, your regular payments are guaranteed for the first five years only. Please see page 17 for more details.
- You can claim income tax relief on your payments to this plan. Please see page 19 for more details.



We will not pay claims in certain circumstances, for example if you have not given us full information about your health. We have listed a summary of the circumstances in which we will not pay claims on page 22 of this booklet. Please see pages 22 and 24 for more details.

NurseAssist 24/7 Free added extra

This free, confidential service allows you to phone a team of trained nurses who can help you with a full range of questions or concerns you might have about your family's health.

This can range from:

- information on medicines and drugs;
- information on social services, self-help groups and other services;
- screening for minor illnesses;
- counselling services for bereavement, trauma and illness; and
- information on the legal and financial effects of bereavement.

You can call NurseAssist 24 hours a day, and seven days a week on 1850 22 88 33 . You will need to give them your member number, which is the same as your Income Protector plan number. This will be on your welcome pack.

NurseAssist 24/7 is a confidential advice service. It is not designed to replace your doctor. The team of nurses will not have access to your plan details or application form.

If you have any questions about your Income Protection plan, you should call

our Customer Service Team on 01 704 1010.

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

3

Claiming
incapacity
benefit

Deferred period

You can claim incapacity benefit if, as a result of illness or injury, you cannot work for more than the deferred period and this results in you losing earnings. When you take out this plan, you choose a deferred period of 13, 26 or 52 weeks. This is the continuous amount of time you need to be off work before we will pay the incapacity benefit.

Please see the table below outlining when you should send in your claim form, depending on your deferred period.

Deferred Period	Send in your claim form NO LATER THAN	
13 weeks	8 weeks	AFTER you become unable to work as a result of illness or injury
26 weeks	16 weeks	
52 weeks	30 weeks	

You must be totally unable to carry out the main duties of your normal job for this cover and you must not be doing any other work. An injury or illness must be the reason why you cannot work. Our Chief Medical Officer must be satisfied with the evidence you provide. The main duties of your job are those you normally need to carry out and which cannot reasonably be left out or altered.

To be able to claim incapacity benefit, you must do the following.

- You need to fill in a claim form (your financial adviser will get the claim form for you or you can get one from our Customer Service Team).
- You must get your doctor to fill in a medical certificate, which we will provide (you will have to pay any fees your doctor charges for this).
- You must give us evidence of your earnings immediately before your illness or injury. If you are employed, this evidence must be a P60 and a statement from your employer. If you are self-employed, this evidence must be copies of your accounts, tax computations and income-tax assessments for the three accounting years immediately before the start of the deferred period.
- You must provide evidence of other insurance, pensions and state benefits.
- You will also need to have a medical examination or other specialist assessment, which we will pay for.

Someone acting for us may also visit or phone you, for example, a nurse or health claims specialist.

When we receive your claim, we and our Chief Medical Officer will consider your

illness or injury and the main duties of your normal job. We will then assess your ability to carry out your normal job based on all the information we have available. We will decide whether to accept your claim based on all the medical and financial information we have, as long as you meet the definition of disability as shown in the policy terms and conditions.

4

Your
questions
answered

How much cover do I need?

Your financial adviser will help you decide how much cover you need. That cover should reflect your income. The benefit you receive must be set at a level which makes you no better off financially. This is so that you have an incentive to return to work.

In general, the most cover you can have at any one time (including that provided under other income-protection plans and continuing income from your job or pension) is:

- €250,000 a year; or
- 75% of your total yearly earnings; less
- any state benefits for disability (except benefits for children) and other forms of income you may have. Please see page 19 for more details about this.



The overall maximum amount of cover we will provide is €250,000 a year.

Should I review my cover?

You should review your cover to make sure it continues to meet your needs as your earnings change. Your financial adviser can help you review your cover.

What happens after I apply for Income Protector?

We assess your application to see if we think you are an acceptable risk. Your answers to the various questions on our application form give us the information we need to decide whether to accept your application and on what terms. It is important to give us all relevant information when you answer the questions on the application form.

We accept some applications after assessing just the application form. However, for most levels of cover, we need a report from your doctor. By signing the application form you are giving us permission to ask your doctor for this report. Your doctor will produce the report from records and it will include details of your visits, results of any investigations, information on any medication you are currently taking and details of your habits such as smoking, drinking or taking drugs. We will pay the fee for this report. The fact that we may get a report does not reduce the need for you to give full information on the application form. You may also need to have a medical examination or other tests by an independent doctor. We will write to you and tell you if this is necessary. Again we will pay the fee for this. We will keep the information we receive confidential.

If we accept your application, you will receive:

- the terms and conditions booklet (which sets out your plan rules);
- the plan schedule (which sets out the specific details of the payments and benefits);
- a copy of the health questions and your answers to these questions;
- a detailed customer information notice which gives you extra information about the plan; and
- your permanent health insurance income tax relief certificate.

You should keep these items safe because you will need them to make a claim if you cannot work. However, you should make sure the details of your plan are what you want. So when you receive the information mentioned above, we give you 30 days during which you can cancel the plan.

How much does Income Protector cost?

The cost of cover depends on:

- whether you choose the guaranteed or reviewable Income Protector option (regular payments with the guaranteed option are more expensive, but they will stay the same for the term of your plan unless you choose to change the level of cover);

- your age (as you get older the chance of you being ill increases);
- your sex (on average, women suffer more ill-health than men and so pay more than men);
- your occupation (some occupations carry a higher risk of accidents and illness than others and it is easier to return to work after an illness or accident in some occupations);
- whether you smoke;
- your deferred period and the age at which your cover ends; and
- your health.

What are the charges?

The payments you make cover:

- the cost of setting up the plan, including sales and commission costs;
- the cost of providing your incapacity benefit; and
- ongoing costs.

How are payments made?

You must pay your premiums by direct debit every month, every three months, twice a year, or once a year.

Can the regular payments change?

Guaranteed option

If you choose the guaranteed option, your regular payments are guaranteed to stay the same for the term of your plan.

However, if you top up your Income Protector or choose indexation, your regular payments will increase only to reflect the cost of your increased cover.

This will only happen if you choose a top-up or indexation on your guaranteed option.

Reviewable option

If you choose the reviewable option, we guarantee your regular payments for the first five years only. We will review your payment on the fifth anniversary of the date your plan started and every five years after that. Your payment may go up or down, or may stay the same.

If we decide to change your payments, we will tell you and give you a choice. For example, if your payments increase, you can either increase your regular payments or reduce the benefit you are covered for. There is no limit to the size of any change, but we will not change your payment if the level of change indicated by the review is small.

Can I increase my cover?

Top-up option

Yes, you can increase your cover with our 20% top-up option.

On each third anniversary of your plan, you can top up your Income Protector benefit by 20% without having to give us any extra evidence of your health, job, residence or pastimes. You can choose to top up your cover five times, but the top-up limit of 20% is always based on your original amount of cover. If you do not choose to increase your cover on two occasions when we offer the chance to top up, we will not offer you the top-up again. Please see the example on the following page.

You cannot top up:

- within five years of the end date of your plan;
- after the 15th anniversary of your plan;
- during a period of disability which lasts a week or more;
- within six months of a period of disability; or
- while you are receiving any benefit under your Income Protector plan.

Any increases to your Income Protector, as a result of top-ups or indexation, must stay within the maximum limits allowed.

(Please see pages 15 and 17.) Also, if we apply a rating or exclusion to your original plan, this same rating or exclusion will apply to any increase in benefit under this option.

Original amount of Income Protector:	€50,000	
First top up (available on the third anniversary)	€10,000	= 20% of €50,000
New Income Protector benefit amount	€60,000	
Next top-up (available on the sixth anniversary)	€10,000	= 20% of €50,000 which was the original amount of cover
New Income Protector benefit amount	€70,000	
Next top-up (available on the ninth anniversary)	€10,000	= 20% of €50,000 which was the original amount of cover
New Income Protector benefit amount	€80,000	

Indexation

As well as the top-up option above, one year after you start your Income Protector plan, we will offer you the chance to have your cover automatically increased. (This is called 'indexation'. Please see overleaf for an explanation of indexation.) If you choose this option, your cover will automatically increase each year by 5% or in line with the consumer price index, whichever is higher, without you needing to provide medical evidence. The payments you make will increase by more than this to reflect the cost of the increased cover, based on your age at the time of the increase.

If you do not take these options when we offer them, you will need to provide evidence of your health for any future increase.

Does the incapacity benefit increase during a claim?

You can choose for your incapacity benefit to actually increase while you are claiming it. This option is called 'escalation'. If you want this option, you must choose it before you take out the plan. Your incapacity benefit will increase each year by 5% or in line with the consumer price index, whichever is lower, to help protect it against inflation. If you choose this option, the extra cost will be reflected in the payments you make.

What is the difference between escalation and indexation?

Inflation protection (Indexation)

This option allows you to increase your cover every year (to keep in line with the cost of living). You do not have to provide evidence of your health. This is often called 'indexation'.

Escalation

If you choose to increase payments in line with inflation, and if we pay a claim for incapacity benefit, we will increase the incapacity benefit amount paid on the first and every anniversary of the date we start paying. The amount of the increase will be:

- the yearly rate of increase in the consumer price index for the last year;
- or
- 5%;

whichever is lower.

Do I get tax relief on my payments?

Under current tax law (February 2011), payments to this Income Protector plan are eligible for full income tax relief at your marginal rate of income tax. The maximum amount of payments you can claim tax relief on is limited to 10% of your total

income for the tax year of tax assessment. Your total income is any earned income, as adjusted for tax purposes. We will give you a permanent health insurance certificate, which you will normally need to get your tax relief. You will need to check if you are eligible for this tax relief.

When will my benefit payments start?

This depends on what deferred period you have chosen. (The deferred period is the continuous amount of time you have to be off work due to an illness or injury before we begin to pay the incapacity benefit.) Your deferred period can be either 13, 26 or 52 weeks, depending on your job. We will not pay any benefit until the end of this period, so the longer the deferred period, the cheaper the cover. We will make the first payment of benefit one month after the end of the deferred period. We will backdate this payment to the end of the deferred period.

However, if you are in hospital for more than seven days in a row during the deferred period, we will pay you 'hospitalisation benefit' for each day you spend in hospital. We will do this from the eighth day up to the end of:

- your deferred period; or
 - your 91st day in hospital;
- whichever is earlier.

Each day's hospitalisation benefit is equal to your yearly incapacity benefit divided by 365. We will not pay any hospitalisation benefit in the circumstances set out on page 16.

What are the limits on the amount of an incapacity benefit claim?

You will receive the amount of incapacity benefit you are insured for, within the following benefit limits. The maximum benefit you can receive is:

- €250,000 a year; or
- 75% of your yearly earnings; less
 - any continuing income from work or any other source (not including investment income);
 - any pension payments;
 - any state disability or other benefits (except benefits for children); and
 - any regular payments from any other income-protection plan or similar insurance;

whichever is less.

From time to time during any claim, we will check to make sure your benefit stays within these limits. The limits aim to make sure you have a financial incentive to return to work. We will not refund any payments if, as a result of these limits, we pay less than the amount of incapacity benefit you have asked for.

What earnings do you take into account?

If you are employed, we take account of your yearly salary before income tax and Pay-Related Social Insurance, including overtime and regular bonuses, for the 12 months up to the date your deferred period starts.

If you are self-employed, we take account of your average 'net annual profit' (your actual profit less any allowable expenses), based on your business accounts for the three years ending on the most recent accounting date before the start of the deferred period. The profit we use for this calculation is the profit before any adjustments, which need to be made for tax purposes.

Is my benefit taxed?

Your incapacity benefit will be treated as normal income and so is assessed for income tax, PRSI and the Universal Social Charge. We will pay the benefit direct to you. We will take any income tax, PRSI and Universal Social Charge in the same way as an employer would take them from a normal income. Hospitalisation benefit is also assessed for tax.

Remember that you can claim income tax relief on any payments into this plan. Please see page 19 for more details.

When is the benefit paid?

We pay the benefit to you every month for the month just gone.

The Direct Debit Guarantee

- This is a guarantee provided by your own Bank as a member of the Direct Debit Scheme, in which Banks and Originators of Direct Debits participate.
- If you authorise payment by Direct Debit, then
 - Your Direct Debit Originator will notify you in advance of the amounts to be debited to your account
 - Your Bank will accept and pay such debits, provided that your account has sufficient available funds
- If it is established that an unauthorised Direct Debit was charged to your account, you are guaranteed an immediate refund by your Bank of the amount so charged where you notify your Bank without undue delay on becoming aware of the unauthorised Direct Debit, and in any event no later than 13 months after the date of debiting of such Direct Debit to your account.
- You are entitled to request a refund of any Variable Direct Debit the amount of which exceeded what you could have reasonably expected, subject to

requesting your Bank within a period of 8 weeks from the date of debiting of such Direct Debit to your account.

- You can instruct your Bank to refuse a Direct Debit payment by writing in good time to your Bank.
- You can cancel the Direct Debit Instruction in good time by writing to your Bank.

How long will incapacity benefit be paid for?

We will pay incapacity benefit until:

- you return to work;
- you reach the age at which your cover ends;
- you die;
- we decide that you are fit enough to do your normal work; or
- you take up your own or another job and fail to tell us;

whichever happens first.

Do I need to keep making regular payments to my plan while I am receiving incapacity benefit?

While you are receiving incapacity benefit from us, you do not need to make payments and the cover will stay in force. Your regular payments will have to start again when we stop paying incapacity benefit.

Are there any situations in which you would not pay my benefit?

We would not pay incapacity benefit in the situations listed below.

- If you have given incorrect information at any time, or if you did not tell us something that would have affected our assessment of your application when you first took out the plan. You must also give us all relevant information about your health and occupation on your application form. If you do not give us all the relevant information and you make a claim, we may not pay your benefit. When you take out the plan we will send you a photocopy of your application form or a summary of the medical and other information contained in it. You should check this carefully to make sure that you have answered all the questions accurately.
- If the injury or condition resulting in the claim was self-inflicted, caused by you taking alcohol or drugs, or caused as a result of you failing to follow reasonable medical advice.
- If the injury or condition resulting in the claim was caused by you taking part in any of the following activities. Abseiling, bobsleighting, boxing, caving, flying (except as a fare-paying passenger on public airlines), hang-gliding, horse racing, motor car and motorcycle racing or sports, mountaineering, parachuting, potholing, powerboat racing, rock climbing or scuba-diving
- If, at the time of a claim, you are living outside Ireland or the United Kingdom. If this is the case, we will only pay incapacity benefit for up to 13 weeks in any 12-month period, and for 39 weeks in total over the lifetime of the plan.
- We will not pay hospitalisation benefit if you are in hospital for mental illness, a psychiatric disorder, alcoholism or any cosmetic surgery or surgery that is not essential.



We will not pay this benefit if you lose your job or become unemployed. If you are receiving a claim and you become unemployed, the claim will end.

Why is my job important in deciding what options I choose?

Your job will influence the cost of your cover and the options available. This is because some jobs are more dangerous than others. For example, a bank clerk will pay less for cover than a carpenter because of the increased risk of accident involved in the carpenter's job.

We will also take account of how fit you have to be to do particular work. For example, you will need to be fitter to do manual work than you would to do a desk job. As a result, some options will not be available to certain occupations. For example, in some occupations, cover cannot continue after you are 55 or 60 and the deferred period must be 26 or 52 weeks.

Your financial adviser will tell you what your options are based on your current job.

We may refuse to provide cover for certain occupations.



If you become unemployed (if your employment ends for whatever reason) or you stop being self-employed, all your cover will end immediately and we will not pay a claim. You must tell us immediately if you become unemployed.

If you become unemployed because you wind the business up or it is liquidated, other than for the purposes of reconstruction or amalgamation, cover will continue and we will pay a claim.

What happens if I return to work part-time or to a position with lower pay?

If, after a period when you were being paid incapacity benefit, you return to work part-time or to a lower-paid job, we will still pay part of the benefit if we are satisfied that you are still not able to do your normal job. It is important that you discuss any work opportunities with us before you return to work. In these circumstances, we will reduce the incapacity benefit we pay by the amount of your new earnings.

After I return to work, can I claim again?

Yes, the terms of your plan are not affected by the number of claims you make. If you have received incapacity benefit and within six months of returning to work you claim again as a result of the same injury or illness, the deferred period will not apply. However, you must have started to make your regular payments again when you returned to work.

Must I tell you if I take up any work?

Yes. While you are receiving incapacity benefit under the plan, you must tell us if you plan to return to work part-time or to take up any other paid work. If you do not

tell us, all benefit payments and cover under the plan will end.

What happens if I change my mind?

We want to make sure that you are happy with your decision to take out an Income Protector plan. If after taking out this plan, you feel it is not suitable, we guarantee to pay all your money back within the first 30 days after we send you details of your plan. The 30-day period starts from the day we send you your Income Protector welcome pack.

What happens if I cancel my plan?

You can cancel the plan at any time by stopping your regular payments. If you cancel the plan, we will not refund any of the payments you have made. You will only receive a refund of any payments you have made if you cancel within the first 30 days as mentioned above. Before cancelling, you should be sure that you do not need the cover as you would have to provide evidence of your health and occupation to get cover again. If you want to cancel the plan, you should contact your financial adviser or write to:

Customer Service Team
Irish Life

Lower Abbey Street
Dublin 1.

What happens if I die?

If you die, the plan will end and, as there is no life cover, we will not pay out any benefit .

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

If you have any questions about your Income Protector plan, talk to your financial adviser or you can call our Customer Service Team on 01 704 1010.

Our lines are open:

8am to 8pm Monday to Thursday
10am to 6pm Friday
9am to 1pm Saturday

You can also contact us in the following ways.

Email: customerservice@irishlife.ie

Fax: 01 704 1900

Write to: Customer Service Team,
1 Lower Abbey Street, Dublin 1.

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

We hope you never have to complain.
However, if you do, we want to hear from you. If, having contacted the Customer Service Team, you feel we have not dealt fairly with your query, you can contact:

The Financial Services Ombudsman's
Bureau
3rd Floor
Lincoln House
Lincoln Place
Dublin 2.

Lo-call: 1890 88 20 90

Email: enquiries@financialombudsman.ie

Fax: 01 662 0890

Website: www.financialombudsman.ie.



Customer information notice

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Introduction

This notice is designed to highlight some important details about the plan and, along with the Income Protector booklet, is meant to be a guide to help you understand your plan. Full details on the specific benefits and options that apply to you will be contained in your plan schedule, Terms and Conditions booklet and personalised customer information notice which you will receive when the contract is in place. It is important that you should read these carefully when you receive them as certain exclusions and conditions may apply to the benefits and options you have selected.

A copy of the Terms and Conditions booklet is available on request.

Any Questions?

If you have any questions on the information included in this customer information notice you should contact your financial adviser or your insurer Irish Life, who will deal with your enquiry at our Customer Services Team, Lower Abbey Street, Dublin 1.

A. INFORMATION ABOUT THE POLICY

1. MAKE SURE THE POLICY MEETS YOUR NEEDS!

The Income Protector plan is a regular payment protection plan which provides income protection insurance cover. The plan provides a regular income incapacity benefit if you become unable to work due to illness or injury.

Before the first anniversary of your plan and again before the second anniversary of your plan, we will offer you the opportunity to increase the amount of your incapacity benefit. This option is called indexation. Where you accept the indexation option, the level of benefits will automatically increase each year. The payment you make will also increase each year. Your cover will automatically increase each year by 5% or in line with the consumer price index, whichever is higher. The payments you make may increase by more than this to reflect the increase in your age and the cost of increased cover. If you do not take the indexation option when offered, you will need to provide evidence of health for any future increase.

You are entering into a commitment to pay a regular payment over a relatively long term.

Unless you are fully satisfied as to the nature of this commitment having regard to your needs, resources and circumstances, you should not enter into this commitment.

Your financial adviser must indicate whether paragraph a) or paragraph b) below applies

A

This plan replaces in whole or in part an existing plan with Irish Life, or with another insurer, which has been or is to be cancelled or reduced. Your financial adviser will advise you as to the financial consequences of such replacement and of possible financial loss as a result. You will be asked at the beginning of your application form to confirm this in writing.

Please ensure that you have completed this section of the form and that you are satisfied with the explanations provided by your financial adviser before you complete the rest of the application form.

B

This plan does not replace in whole or in part an existing plan with Irish Life or with any other insurer which has been or is to be cancelled or reduced.

2. WHAT HAPPENS IF YOU WANT TO CASH IN THE POLICY EARLY OR STOP PAYING PREMIUMS?

The plan does not acquire a cash or surrender value at any stage.

If you stop making your payments all cover under the plan will end and we will not refund any of your payments.

3. WHAT ARE THE PROJECTED BENEFITS UNDER THE POLICY?

The following payment and benefit details are for a typical income protector plan.

The figures will obviously vary based on each individual's personal details and choice of protection benefits. The figures below are based on the following details.

Protection Benefits: Incapacity benefit cover of €2,500 per month with escalation in claim of 5% each year and a deferred period of 13 weeks.

Life covered: Male, aged 37 next birthday, occupational class 1, non-smoker.

Payment: €63.65 per month payable by direct debit. The guaranteed premium option has been assumed and indexation is included.

Term: The term of the plan is up to age 60.

The plan provides protection benefits up until the expiry date of the plan, which is stated on the plan schedule. The plan does not acquire a cash or surrender value at any stage.

ILLUSTRATIVE TABLE OF PROJECTED BENEFITS AND CHARGES

	A	B	C	D	E = A + B – C – D
Year	€	€	€	€	€
	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 before payment of taxation
1	764	0	406	357	0
2	1,566	0	807	759	0
3	2,409	0	1,199	1,210	0
4	3,299	0	1,582	1,717	0
5	4,237	0	1,953	2,284	0
10	9,822	0	3,489	6,333	0
15	17,365	0	3,744	13,621	0
20	27,433	0	3,744	23,689	0
24	37,513	0	6,148	31,364	0

There is no life cover on this plan.

The payment made includes the cost of the protection benefits, and all charges, expenses, intermediary remuneration and sales remuneration associated with your plan.

The charges shown in Column C include the cost of intermediary/sales remuneration incurred by Irish Life, as described in Section 4.

The premiums shown in column A do not include the government levy.

4. WHAT INTERMEDIARY/SALES REMUNERATION IS PAYABLE?

The level of intermediary/sales remuneration shown is based on the typical plan outlined in Section 3 above. The figures will vary based on the exact plan details in each case. Figures for your specific plan details will be shown in your welcome pack.

ILLUSTRATIVE TABLE OF INTERMEDIARY/ SALES REMUNERATION INCOME PROTECTOR

Year	€ Premium payable in that year	€ Projected total intermediary/ sales remuneration payable in that year
1	764	1,232
2	802	84
3	843	91
4	889	99
5	939	106
10	1,252	152
15	1,702	216
20	2,211	145
24	2,731	102

The projected intermediary/sales remuneration shown above includes the costs incurred by Irish Life in relation to the provision of sales advice, service and support for the plan. These costs are included in the plan charges set out in Column C of the Illustrative Table of Projected Benefits and Charges in Section 3

5. ARE RETURNS GUARANTEED AND CAN THE PREMIUM BE REVIEWED?

We offer two types of premium on this plan. You can choose to pay **Guaranteed Premiums** or **Reviewable Premiums**. The premium type chosen will be shown on your plan schedule and you cannot move to the other premium type after the start date of your plan.

Guaranteed Premiums

If you choose this premium option, your regular payments will not change during the term

of your plan as long as your chosen benefits remain the same.

If you choose to increase your incapacity benefit in the future through the indexation option offered, your payment will increase solely to reflect the cost of the increased amount of cover.

If you choose to increase your incapacity benefit in the future through the top-up option offered, your payment will increase in line with the premium you would be charged if you were taking out a new plan for the increased amount.

Reviewable Premiums

If you choose this premium option, your regular payments are guaranteed for the first five years. We will review your payment at the 5th anniversary of the date your plan started and every 5 years after that. Your payment may go up or down, or remain unchanged.

Your payments are based on our expected cost of providing cover into the future. They are calculated to maintain your chosen level of cover until the expiry date shown on your plan schedule. This means your payment should change at a review only if our expected cost of providing cover changes.

At each review, we will consider our actual claims experience and our updated view on what we expect the cost of providing cover will be in the future. If we receive more claims than we expect or if the expected cost of providing cover increases, then payments may rise. Any change in your payments (assuming your benefit remains the same) can happen only on a review date.

You can find more information on our payment review process and the factors which may or may not cause a change in your payments in your Terms and Conditions booklet (a copy of which is available on request).

If we decide to change your payments, we will tell you if this happens and you will be given a choice. For example, in the event of your payments increasing, you can either increase your regular payments or reduce the benefit you are covered for. There is no limit to the size of any change, but we will not seek to alter your payment where the level of change indicated by the review is small.

6. CAN THE POLICY BE CANCELLED OR AMENDED BY THE INSURER?

We may cancel your plan if you stop making payments.

If you have chosen the **Reviewable Premium** option as outlined above, your cover and or payment may be changed at a review as outlined above.

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

If we receive evidence that your date of birth as shown on your application form for this plan is incorrect, we will adjust the benefits appropriately.

We may end your cover and refuse to pay a claim if you did not give us information (or if you give us incorrect information) regarding an illness or condition that would have affected our assessment of your application at the time you completed the application for this plan. The same would apply to the information you give us regarding your occupation. Our decision to accept you for cover is based on this information. If that information is not true and complete or if we have not received all relevant information, we may end your cover and refuse to pay any claim.

If this happens you will lose all rights under the plan and we will not refund your payments. Relevant information includes anything that a reputable insurer might regard as likely to influence the assessment and acceptance of your application. We will provide a photocopy of your application form or any other forms that you have filled in for us if you ask.

We will pay no benefit if you are unemployed at the time you apply for incapacity benefit. You should therefore cancel your plan if you become unemployed.

We may end your cover and refuse to pay a claim if you don't give us information (or if you give us incorrect information) that would affect our assessment of your application for incapacity benefit at the time you complete a claim application.

If you are receiving incapacity benefit and go back to work or take up alternative employment without telling us, we may end your cover and refuse to pay further benefits.

The plan will end on your death.

7. INFORMATION ON TAXATION ISSUES

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

This plan is a permanent health insurance plan which is approved by the Revenue Commissioners. Under current law, you can claim tax relief on payments made into an approved permanent health insurance plan – up to a maximum of 10% of your total income for the year of tax assessment. Your 'total income' is income from all sources, as adjusted for tax purposes.

If you are married and assessed jointly with your husband/wife, the upper limit allowed is 10% of your joint total incomes. Your employer may be willing to deduct the cost of this benefit from your salary. If this happens, you will obtain income tax relief immediately. If payments are not made by salary deduction, you can obtain income tax relief by contacting your tax office. Irish Life will provide you with a permanent health insurance certificate which is normally required to obtain your tax relief.

Your benefit will be treated as normal employment income and as such is liable

to tax. When we make a benefit payment, we will deduct an amount for income tax, PRSI and the Universal Social Charge which are payable under the PAYE system. If we receive your Certificate of Tax Credits, we will deduct tax in line with this. If we do not have your certificate of tax credits, this can result in tax being deducted at the higher rate of tax.

If payments are made by anyone other than the legal owner of the plan, for example from a company or business account, there may be other tax implications.

Please contact your financial adviser or Irish Life if you do not fully understand the likely tax treatment of any benefits payable in connection with your Income Protector plan.

8. ADDITIONAL INFORMATION IN RELATION TO YOUR POLICY

What are the Benefits and Options provided under this plan?

Your Income Protector plan provides valuable protection benefits. **Full details of the benefits you have chosen are set out in your plan schedule and Terms and Conditions booklet - you should study these documents carefully.**

Incapacity benefit

We will pay the incapacity benefit shown on your plan schedule plus any increases due to indexation if you are unable to work due to illness or injury. Your Terms and Conditions booklet gives details of the maximum amount of incapacity benefit we will pay if you make a claim.

If you have chosen escalation in claim, the benefit you receive will increase annually by the lower of 5% or the increase in CPI, from the date of receipt of the first benefit payment. To qualify for benefit our Medical Officer will decide whether your claim satisfies the necessary requirements described in the Terms and Conditions booklet. The benefit will become payable on a monthly basis once the deferred period of 13, 26 or 52 weeks has expired. We will continue to pay the incapacity benefit while your illness or injury prevents you from doing your usual job, and while you are not following another occupation.

We will cease paying the incapacity benefit at the earliest of:

- the expiry age, as shown on your plan schedule
- death
- your return to work
- when we decide you are no longer prevented from working due to illness or injury

- if you go back to work or take up another occupation and fail to tell us

Hospitalisation benefit

We will pay you a benefit if you become hospitalised for more than seven days for anything other than mental illness during the deferred period of 13, 26 or 52 weeks. This benefit is equal to 1/365th of the yearly incapacity benefit for each day spent in hospital from day eight up to the earliest of:

- last day in hospital
- 91st day in hospital
- end of deferred period
- death
- plan expiry date

Can I increase my incapacity benefit in the future?

There is a top-up option available on your plan. On the third anniversary of the start date of your plan and every three years thereafter you will have the option to increase (top-up) your incapacity benefit by 20% of your original benefit amount without providing any additional medical or occupational evidence.

This option will end on any of the following events:

- on the fifteenth anniversary of the start date of your plan
- if this option is not exercised on two occasions when it is offered. If this

happens it will not be offered again

- if your plan is within five years of the plan expiry date as set out on your schedule

You should be aware of the following conditions which apply under this option:

- you cannot increase your incapacity benefit on each increase date by more than 20% of the incapacity benefit at the start date of your plan
- if you have reduced your incapacity benefit since the start date of your plan, the increase in incapacity benefit under this option will apply to the lower of the current benefit amount at the date the increase is to take place or the incapacity benefit at the commencement date of the plan
- the total incapacity benefit after any benefit increases must not be greater than the maximum benefit allowable under this contract. If you own more than one Income Protector plan, this maximum applies to the sum of all benefits plus any increases over all plans held
- the extra premium charged for any increase in benefit will be the same as the premium you would be charged if you were taking out a new plan for the increased amount. If you pay reviewable premiums, this extra premium may

change at a review date as explained in section 5. If you pay guaranteed premiums, the extra premium payable will become guaranteed and will not change in the future

- this option cannot be applied to any previous benefit increases
- if a rating or exclusion is applied to your original plan then this same rating or exclusion will apply to any increase in benefit under this option
- If this option is chosen, we will not increase your incapacity benefit during a period of incapacity that lasts a week or more, within six months of a period of incapacity or while you are receiving any benefit under this plan

Can I own more than one Income Protector plan?

You can own more than one Income Protector plan however there is a limit on the amount of benefit you can receive from all Income Protector plans held. See your Terms & Conditions booklet for details on this.

Note: You cannot take out another Income Protector plan during a period of incapacity that lasts a week or more, within six months of a period of incapacity or while you are receiving any benefit under your current Income Protector plan.

What is the term of the contract?

The plan provides protection benefits until the expiry date as shown on your plan schedule.

Are there any circumstances under which the plan may be ended?

We may cancel your plan if you stop making payments. There are other circumstances outlined in Section 6.

Is there an opportunity to change your mind?

You have an opportunity to cancel this plan if you are not satisfied that the benefits meet your needs. You may do this by writing to the Customer Services Team at Irish Life within 30 days of the date we send you details of your plan. On cancellation all benefits will cease and Irish Life will refund your payment.

Law applicable to your plan

Irish Law governs the plan and the Irish Courts are the only courts that are entitled to settle disputes.

What to do if you are not happy or have any questions

If for any reason you feel that this plan is not right for you, or if you have any questions, you should contact our Irish Life Customer Services Team, Lower Abbey Street, Dublin 1 who will deal with your

enquiry. Our Customer Services Team also operate an internal complaints procedure and any complaints you may have will, in the first instance, be fully reviewed by them. If you feel we have not dealt fairly with your complaint, you should contact the Financial Services Ombudsman at 3rd Floor, Lincoln House, Lincoln Place, Dublin 2. Taking your complaint to the Financial Services Ombudsman will not affect your right to take legal action against us.

B. INFORMATION ON SERVICE FEE

There are no charges payable to Irish Life other than those set out in your table of benefits and charges and in your terms and conditions booklet.

C. INFORMATION ABOUT THE INSURER OR INSURANCE INTERMEDIARY OR SALES EMPLOYEE

Insurer

Your Income Protector plan is provided by Irish Life Assurance plc, a company authorised in Ireland. Irish Life Assurance plc is regulated by the Central Bank of Ireland. You can contact us at Irish Life Centre, Lower Abbey Street, Dublin 1, by telephone at 01 704 1010, by fax at 01 704 1900, and by e-mail at customerservice@irishlife.ie.

In the interest of Customer Service we will record and monitor calls.

Insurance Intermediary/Sales Employee

The financial adviser should insert details of their name, legal status, their address for correspondence and a contact telephone number/fax number or e-mail address and where relevant, the companies with whom agencies are held.

No delegated or binding authority is granted by Irish Life to your financial adviser in relation to underwriting, claims handling or claims settlement.

D. INFORMATION TO BE SUPPLIED TO THE POLICYHOLDER DURING THE TERM OF THE INSURANCE CONTRACT

We at Irish Life are obliged by law to tell you if any of the following events occurs during the term of your contract:

- we change our name;
- our legal status changes;
- our head office address changes;
- an alteration is made to any term of the contract which results in a change to the information given in paragraph A(8) of this document.

notes

Contact us

phone: 01 704 1010
8am to 8pm Monday to Thursday
10am to 6pm on Fridays
9am to 1pm on Saturdays

fax: 01 704 1900

e-mail: customerservice@irishlife.ie

website: www.irishlife.ie

write to: Irish Life Assurance plc, Lower Abbey Street, Dublin 1.



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