

A photograph of a woman with her hair in a bun, wearing a light pink t-shirt and blue jeans, sitting on the floor and reading a book to a young girl. The girl is wearing a purple sleeveless top and blue jeans, leaning against the woman. They are in a room with a white tent-like structure in the background and a potted plant on a shelf to the left.

Income Protection

Brochure

Protection for the money you earn

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IMPORTANT NOTICE: This brochure is designed to help you understand our Income Protection policy. To make it easier to read, we haven't included all of the technical details which apply to your policy here. This is an advertisement.

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

Section 1

Income Protection at a glance

1.1 Why choose AIB life?

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

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

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

1.2 What's the difference between AIB and AIB life?

Allied Irish Banks, p.l.c. (AIB) is a separate company from AIB life, which was launched in 2023. AIB has a 50% holding in AIB life. AIB life provides protection, pension and investment products. AIB provides advice on these products.

1.3 What is Income Protection?

The vast majority of us pay for our rent or mortgages, our car payments and all other bills with our salary. When we rely upon this income to cover those payments, being unable to work due to an injury or illness can make them far more difficult to afford. This is especially true if it continues for an extended period.

Our Income Protection policy is designed to protect against such eventualities by filling the gap of that missing income with a replacement regular payment.

1.4 What types of Income Protection are available?

There are two types of Income Protection available: Personal Income Protection and Executive Income Protection. For both types of cover you, the life covered, will get a regular payment if you are unable to work and lose income as a result. So, what's the difference?

Personal Income Protection is purchased by you to cover your own income. You will be the owner of the policy and responsible for premium payments.

Executive Income Protection is generally taken out by a company on behalf of a director or employee, known as the life covered, to protect their income. You, the director or employee, will be the life covered and the company will be the policy owner and will pay the premiums.

AIB life Income Protection is a single life policy, which means it provides cover for only one person.

Section 2

Your cover explained

2.1 How does Income Protection work?

For Personal Income Protection, you choose the cover amount and deferred period. For Executive Income Protection, your employer chooses the cover amount and deferred period. We provide cover up to 75% of your gross earned income minus any state disability benefits or other income you would receive while you are unable to work. The total cover amount will also be subject to the maximum cover available under our Income Protection product at the time of application. Your AIB Advisor will help determine the amount of cover that's right for you.

The deferred period is the number of weeks you must be unable to work before your Income Protection payments will start. The deferred period will begin on the date you become ill or injured and if, at the end of this period, you are still unable to perform the duties of your own occupation and are not earning an income, we will start paying you a monthly benefit. Payments will continue until you are able to return to work.

If your illness or injury is permanent and you are unable to return to work, the monthly payments will continue until you reach your planned retirement age.

If you return to work in a limited capacity or take up another occupation earning a lower income, we'll consider extending your claim on a partial basis. We'll only consider paying a partial claim if, in our opinion, you're medically unable to fully carry out the duties of your own occupation.

2.2 What amount will be paid?

If you're unable to work and you have a valid claim after the deferred period, we will pay out the benefit every month. We will check that the cover amount does not exceed 75% of your total gross earnings, minus

- any state disability or illness benefits or other disability income you might receive, and
- any income received from a pension fund, and
- any other earned income you continue to receive.

Because we protect your gross income under Personal Income Protection, we'll deduct any relevant income tax, Pay Related Social Insurance (PRSI) and Universal Social Charge (USC) due under the Pay As You Earn (PAYE) system before we pay you a benefit net of income tax.

In the case of Executive Income Protection we will pay the regular benefit to the company and they will have to deduct any relevant income tax, PRSI and USC under the PAYE system before a benefit is paid to you.

2.3 How much will it cost me?

The exact premium you or, in the case of Executive Income Protection, your employer will pay depends on a number of factors including:

- Your age
- Your job
- Your health
- Whether you smoke
- The deferred period
- Your planned retirement age
- Whether the Claim Escalation Option is selected, which we describe in the next section

An Annual Increase Option can also be added to your policy. That means the cover amount will increase by 3% and the premium will increase by 3.5% every year on the policy anniversary. This is also described in more detail in the next section.

If the Annual Increase Option is not selected, the premium will stay the same throughout the policy.



Section 3

Other benefits

Along with your main Income Protection benefit, there's a handful of other options available, which make this policy far-reaching and flexible. The Life Changes and Converting Your Policy features are automatically available on your policy.

The Claim Escalation Option is available to you at an additional cost and if you select the Annual Increase Option, your cover amount and premium will increase on your policy anniversary each year.

3.1 Life Changes

Major changes in your life can impact how you'd like to insure yourself or how your employer wants to insure your income.

That's why if you:

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

you can ask us to change your planned retirement age and/or increase your cover amount by up to 50% of the cover amount on the day of the life change. For Executive Income Protection, your employer can ask us to make these changes to the policy.

If you want to take advantage of this option, you'll need to do so before you turn 55. The Life Changes feature can be used more than once. However, the total amount of additional cover added through this feature cannot exceed 100% of the original cover amount at the start of the policy.

The total cover amount cannot exceed 75% of your gross earned income (minus any state or other disability benefits), or the maximum cover available under our Income Protection product.

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

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

This option won't apply if you have claimed or if there is a claim on any AIB life policy providing cover for you. Please see the policy conditions for full details of this option, including any restrictions or other exclusions which may apply.

3.2 Converting your policy

3.2.1 Personal Income Protection

If you have a Personal Income Protection policy and start working for a company that offers to pay your Income Protection premiums, you can convert to a new Executive Income Protection policy. You won't need to provide any information about your health.

Once complete, your Executive Income Protection policy will have the same level of cover, deferred period, retirement age and optional benefit selections as your personal policy. The premium your employer will pay going forward will be based on your age at the start of the new policy.

You must ask us to convert the policy within 90 days of the end date of the Personal Income Protection policy.

3.2.2 Executive Income Protection

If an employer has taken out an Executive Income Protection policy for you it could end because you stop being employed by them or your employer no longer wishes to pay the premiums. If either happens, you'll have the option to convert this policy to a Personal Income Protection policy.

The Personal Income Protection policy will be a new policy and it will mirror the cover amount, deferred period, retirement age and optional benefit selections of the Executive policy being converted. The premium will be based on your age at the start date of the new policy.

You must ask us to convert the policy within 90 days of the end date of the Executive Income Protection policy.

3.3 Annual Increase Option

With this option, we'll increase the cover by 3% each year to help keep it in line with the cost of living. This is sometimes called 'indexation'. You don't need to provide us with evidence of your health for these increases. The premiums will also increase by 3.5% each year.

We'll let you, or your employer for Executive Income Protection, know when an increase is coming up and you'll have the option to decline an increase in cover in any year. If this option is turned down two years in a row, we'll stop offering any further increases. You can also ask us to stop applying annual increases to your cover amount altogether. If you haven't chosen this option from the start or it has ended, you can ask us to add it to your policy, but you will have to answer questions about your health.

For Executive Income Protection the employer will be notified of an upcoming increase and they can decide to decline it. The same rules will apply if it is declined twice in a row.

3.4 Claim Escalation Option

This option means that for a valid claim, the monthly amount we pay will increase by 3% each year. The Claim Escalation Option can be added at the beginning of a policy at an additional cost. It is not possible to add this option after the policy has started.

For Executive Income Protection the amount we will pay your employer will increase by 3% each year.

Section 4

Tax advantages explained

The information in this section provides a general summary of taxation implications based on our understanding of Irish tax legislation at the time of publication. It is important to discuss the tax implications of all financial decisions with a tax specialist.

This means that if you pay income tax in Ireland, the actual cost of your Income Protection cover could be reduced.

4.1 Personal Income Protection tax relief

One of the major benefits of this policy is that the premiums you pay for this cover may qualify you for some income tax relief. The AIB life Personal Income Protection policy is an approved Permanent Health Benefit Scheme within the meaning of Section 125 and Section 471 of the Taxes Consolidation Act 1997. This means that if you pay income tax in Ireland, the actual cost of your Income Protection cover could be reduced.

4.1.1 Can I benefit from tax relief?

If you pay income tax at the higher rate, you may be eligible to claim tax relief of up to 40% on your premiums. We'll give you a tax certificate each year, which you can use to claim tax relief on your premiums directly from Revenue. The relief you can receive is limited to 10% of your total income for a given tax year.

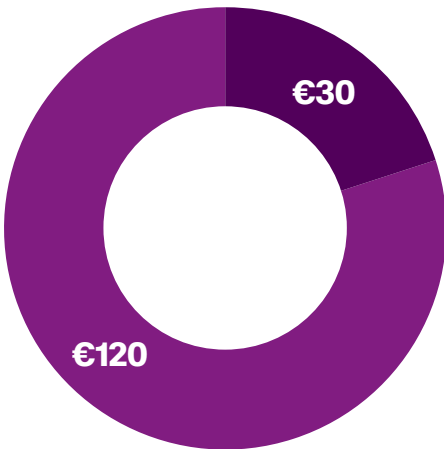
4.2 Income Tax Example

Meet Mary who pays the lower rate of income tax which is currently 20%. If her monthly premium is €150 per month, she would benefit from tax relief of 20% meaning her premium would have an actual cost of €120. If Mary got a new job and began to pay the higher rate of income tax on the same premium, she could get up to 40% income tax relief. This would mean her monthly premium of €150 would have an actual cost of €90.

Mary's AIB life Personal Income Protection Premium	Mary's Potential Income Tax Relief	The Actual Cost of Mary's Premium
€150	20% (based on lower rate of income tax)	€120
€150	40% (based on higher rate of income tax)	€90

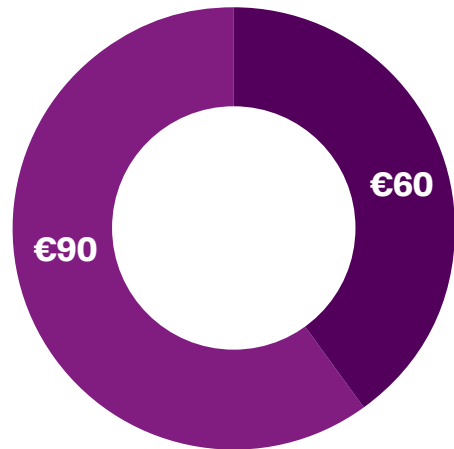
Potential Tax Relief – Lower Rate of tax

- €30 Mary's Tax Relief
- €120 Actual Cost to Mary



Potential Tax Relief – Higher Rate of tax

- €60 Mary's Tax Relief
- €90 Actual Cost to Mary



4.3 Executive Income Protection tax relief

The AIB life Executive Income Protection policy premiums may qualify your employer for some Corporation Tax relief. This means the actual cost to them of paying the Executive Income Protection cover will be reduced.

4.3.1 What tax incentives is the company entitled to?

Under current Irish law, the employer must pay the premiums, and these might be eligible to be offset against Corporation Tax as a business expense.



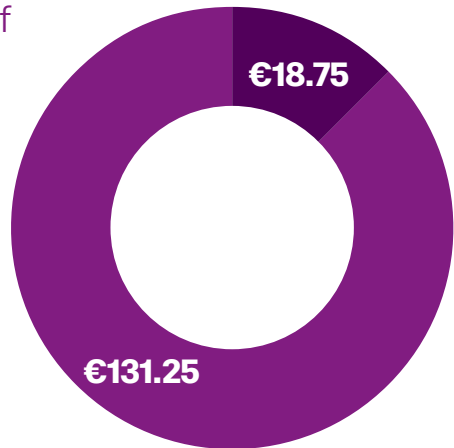
4.4 Corporation Tax example

Company A wishes to take out AIB life Executive Income Protection on an employee. The premium they'll need to pay for this employee is €150 per month. The Corporation Tax rate is currently 12.5%, meaning that a payment of €150 would have an actual cost of €131.25 after Corporation Tax relief.

Company A's AIB life Executive Income Protection Premium	Company A's Potential Corporation Tax Relief	The Actual Cost of Company A's premium
€150	12.5%	€131.25

Company A Potential Tax Relief

- **€18.75** Company A's Tax Relief
- **€131.25** Actual Cost to Company A



4.4.1 What tax incentives is the employee entitled to?

As you, the employee, aren't responsible for paying the premiums for Executive Income Protection, you won't be able to get of any tax incentives.

4.4.2 What if the employee leaves their job?

With AIB life Executive Income Protection policy, the premiums paid by the employer must stop once you, the employee, leave your job. The cover can continue provided you choose to convert your policy. This was covered in more detail in Section 3.

Section 5

Making a claim

5.1 What do I need to know?

If you, or somebody acting on your behalf, or your family, or your employer needs to make a claim, we're here to make the process as easy as possible. The person making the claim should contact the AIB Advisor or call us at **01 912 4455**. After that, we'll send a claim form and explain the next steps.

We may ask for:

- birth certificates
- signed consent allowing us to request medical information
- proof of your earnings
- a claim form completed by your doctor
- certificates, tests, information or evidence which we reasonably need to prove your claim

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

5.2 When should you tell us?

If you become ill or injured and you wish to make a claim, you should contact us as soon as you know that you won't be able to return to work after your deferred period. For Executive Income Protection your employer can make the claim.

You, or your employer, don't have to wait for the deferred period to pass before you start the claims process. If we receive the completed claim forms late but it has not been over 180 days since the deferred period ended, we'll start paying any valid claim from the date that we receive the forms.



Section 6

Questions and answers

6.1 Does my job impact how much the premiums are?

Yes. Your job is one of the factors that we consider when deciding the cost of the premium. This is because certain jobs are more dangerous and physical than others, making injury or illness more likely. Your AIB Advisor will tell you what the options are based on your current job. We don't provide cover for all occupations.

6.2 Are there any age or benefit term restrictions?

You or your employer can apply for Income Protection if you're between 18 and 59 years old. With this policy, you can be covered for between five and 50 years but you cannot be covered past your 70th birthday.

6.3 How are my earnings calculated?

If you are employed, we consider your gross earnings for PAYE assessment in the previous 12 months. This is your annual income before tax, including any overtime and regular bonuses. These will be your earnings as detailed on your "Employment Details Summary" or equivalent Revenue document or previous 12 months' payslips.

If you are self-employed, we look at your net relevant earnings, after tax, for the previous 12 months. Net relevant earnings is your share of the net profit, as assessed for income tax purposes. If you are self-employed for less than 12 months, we will calculate yearly earnings based on your average net relevant earnings after tax during the period of self-employment.

6.4 What if I become unemployed?

If you become unemployed, your Income Protection cover will end. However, if you become unwell and have a valid claim within 30 days of becoming unemployed, we'll consider paying an Income Protection claim. If you become unemployed during the deferred period, we'll pay a valid claim, starting at the end of the deferred period. The assessment will be against your own occupation immediately prior to becoming unemployed. The deferred period will start on the date you first attended a doctor for the illness or injury.

If you become unemployed while an Income Protection claim is being paid, and our Chief Medical Officer agrees, we'll continue paying for as long as you are unable to work.

6.5 If I get injured or fall ill, when will the benefit payments start?

The deferred period starts on the day of your injury or the day you are unable to work as a result of an illness. If, by the end of the deferred period, you are unable to return to work and losing earnings as a result, the monthly payments will start.

6.6 When will my benefit payments stop?

Your claim for Income Protection will end under any of the following circumstances that occur first:

- You return to your occupation or take up a new occupation and no longer have a loss of earnings
- Our Chief Medical Officer determines that you are able to return to work
- You become unemployed
- You reach the retirement age on your policy
- You die during the benefit term

6.7 When should I let you know if I return to work?

You or your employer must tell us of any plans to return to work immediately so that we can stop paying the claim.

6.8 Why might the policy end?

The policy will end when you reach your planned retirement age.

The cover can also end if you, or your employer for Executive Income Protection, don't keep up with the premium payments.

We may end the cover, deny a claim or reduce the cover if the information provided during the application isn't fully accurate or truthful, as outlined in the policy conditions. You may also find it difficult to get insurance elsewhere.

6.9 Can the policy be cancelled?

The policy can be cancelled if you, or your employer for Executive Income Protection, feel it is no longer suitable. It is important to discuss this decision with your AIB Advisor.

After taking out the policy there is a 30 day cooling-off period during which the policy can be cancelled. This can be done by sending a signed and dated instruction to hello@help.aiblfe.ie or AIB life, Customer Service Team, PO Box 8172, Blackrock, Co. Dublin, Ireland within 30 days of the date of receipt of the Welcome Pack. We will refund any premiums paid.

6.10 What if I can return to work but only part-time or in a position with lower pay?

If we have been paying an Income Protection benefit and you return to work, either part-time or in a position with lower pay, we'll continue to pay a partial benefit. This depends on us being satisfied that you are not able to return to work in full capacity.

6.11 Are there exclusions?

Yes. There are a number of situations where we won't pay out a claim to you. We may refuse to pay your claim if your illness or injury was caused:

- Directly or indirectly from your own deliberate act
- Directly or indirectly by war, revolution or taking part in a riot or a similar event
- By taking part in a criminal act
- Directly or indirectly by the inappropriate use of alcohol or drugs
- By taking part in hazardous activities (for example: abseiling, boxing, horse racing, parachuting and rock climbing)

Furthermore, we'll refuse to pay your claim if you failed to follow reasonable medical advice.

A claim will only be paid if the life covered was working and earning an income before the illness started or the injury took place.

For the claim to be valid you must live in Ireland or the United Kingdom for tax purposes. If you live in one of the below accepted countries, we'll pay a claim for a maximum of 13 weeks and then may request you return to Ireland for the cover to continue.

Accepted countries are:

- Australia → Liechtenstein → Switzerland
- Canada → New Zealand → USA
- EU member states → Norway
- Iceland → South Africa

European Communities
(Distance Marketing of Consumer Financial Services)
Regulations, 2004

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


Section 7


Contacting us

We're always on hand to help.

But who you contact will depend on what you're trying to do.


If you want to speak to an AIB Advisor:


 Book a callback:
→ aib.ie/make-a-plan

 Or call:
→ **+353 (0)1 771 5867**
Mon – Fri, 09:00 - 17:00


 Visit a branch:
→ aib.ie/branchlocator

For all other queries speak to AIB life:

 Email:
→ hello@help.aiblife.ie

 Or call:
→ **+353 (0)1 912 4455**
Mon – Fri, 08:00 - 18:00

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

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

- **Update details:**
Visit **AIB life Policies** tab and choose **Make Changes**
- **View advice documents:**
Visit **AIB Advice** tab and choose **Advice Documents**
- **View policy documents:**
Visit **AIB life Policies** tab, choose **Policy Details** and scroll down to **Documents**

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



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