



FOR A **SAFE LANDING**

A Guide to Pension Term Assurance

INTRODUCING ROYAL LONDON

Ever since we started as a Friendly Society over 150 years ago, at Royal London we've believed that our difference is our strength. Today, we're the UK and Ireland's largest mutual life and pensions company. Whoever you are and whatever your aims, we'll look to provide you with great long-term value, first class service and support at all times.

KEY INFORMATION

Pension Term Assurance is a life assurance protection policy. The purpose of the Life Cover is to provide a lump sum if you die during the term of the policy.

Pension Term Assurance is designed solely to provide protection benefits. There is no payment if you survive to the end of the term and no surrender value is payable at any stage.

This brochure should be read in conjunction with the relevant Policy Conditions booklet which contains full details of the Benefits provided and the Terms and Conditions which apply. The Policy Conditions booklet is available on request.

CONTENTS

<u>Pension Term Assurance from Royal London</u>	<u>2</u>
<u>So, what exactly is it?</u>	<u>4</u>
<u>Options available</u>	<u>6</u>
<u>Want to know more?</u>	<u>8</u>



PENSION TERM ASSURANCE FROM ROYAL LONDON

We all know taking out Life Cover is a good idea, but sometimes with all the other demands on your income such as mortgage payments, utility bills, holidays, school fees, the weekly grocery shop... it can be hard to see how to budget for Life Cover.

However, there is a solution available that delivers the peace of mind that comes from knowing that these expenses can be covered should you die. In fact, it can cost up to **40% less** than a regular Term Assurance policy.

Its name... **Pension Term Assurance.**

Quite simply, this is a Term Assurance policy that is structured to use the tax relief that is currently available under Pensions legislation, and you don't even need to have a Pension plan to benefit from this type of policy! You can avail of the benefits of Pension Term Assurance and protect your family and their financial security provided you are:

- **Self-employed**
- or
- **Working in non-pensionable employment**



SO, WHAT EXACTLY IS IT?

Pension Term Assurance from Royal London is a special type of Term Assurance designed to provide Life Cover to those in non-pensionable employment. This includes for example, a self-employed person or someone who is not a member of an employer-sponsored Pension plan.

A major attraction of a Pension Term Assurance Policy is that currently, if eligible, you may **claim full tax relief**, at your marginal tax rate, on all premiums paid into this policy. So, if eligible, this valuable security may cost you as much as **40% less than a regular Term Assurance policy**.

For example, Tom owns his own business and currently pays tax on his earnings at the higher rate of income tax (40%). As he is self-employed, he is entitled to tax relief on his monthly Pension Term Assurance premium (currently €100 per month) of €40. Therefore, Tom's €100 monthly premium actually only costs him €60.

(Tax relief is currently available at your marginal rate of tax. 40% is the rate currently applicable to higher rate taxpayers. Examples are based on current rates of taxation. The gross premium is

payable to Royal London and the tax relief must be claimed from Revenue. Revenue limits, terms and conditions apply. The information herein is based on current Pensions legislation and Revenue practice which may change in the future.)

It's important that you know that the current maximum contributions allowed for tax relief are:

Age	% of net relevant earnings
Under 30	15%
30–39	20%
40–49	25%
50–54	30%
55–59	35%
60 and over	40%

A monetary maximum (currently €115,000) applies to the Net Relevant Earnings (earnings less allowable expenses) allowed for tax relief purposes. The limits apply to the total Pension Term Assurance premium and contributions to other approved pensions.



OPTIONS AVAILABLE

Indexation

You can choose to select **Indexation** on your Pension Term Assurance policy which helps protect against the negative effects of inflation. Quite simply, Indexation ensures that your cover increases by 3% each year (in return for a 4% increase in your premiums each year). This helps to protect the real value of your cover as time passes, assuming an annual inflation rate of less than or equal to 3%.

Conversion Option

Pension Term Assurance is also available with a **Conversion Option** which could be a valuable added benefit, as it allows you to take out a future Royal London policy without any medical evidence requirement.

You pay a slightly higher premium should you wish to include the Conversion Option in your policy, and the option can be used at any time during the policy term up to your 70th birthday. The premium rates current at the time of conversion, appropriate to your age at the time will apply. Full details of both the Conversion Option and Indexation and the Terms and Conditions which apply are contained in the relevant Policy Conditions booklet, which is available on request.



WANT TO KNOW MORE?

If you have a question about Pension Term Assurance you can contact your Financial Broker. They can provide you with any additional information you need. See details below.

For information on other Royal London plans visit our website royallondon.ie

Financial Broker Stamp:



www.royallondon.ie





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Feedback on the content and clarity of this booklet is very welcome. Please email feedback@royallondon.ie

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