

Summary of the terms of the Scheme

1. **General**

The following is a summary of the Scheme for the transfer by the Transferor of certain life assurance products effected by the Transferor to the Transferee. Any capitalised terms have the meanings given to them in the table of definitions included in Appendix 1 of this summary. Any capitalised term that is not defined in the table of definitions has the same meaning given to it in the Scheme. Certain important definitions have been repeated herein for ease of reference.

2. **Nature/Scope of the Scheme**

The Scheme provides for the transfer of the Transferring Business from the Transferor to the Transferee and other matters in relation to the Transfer which will arise as a consequence of it. The Transfer is to be effected pursuant to Section 13 of the 1909 Act, Section 36 of the 1989 Act and Regulation 41 of the 2015 Regulations.

3. **The Transfer**

On and with effect from the Effective Date, the Transferring Policies and Transferring Liabilities will be transferred from the Transferor to the Transferee and will become part of the Transferee's business. With effect from the Effective Date, the Transferee will assume responsibility for all of the Transferring Liabilities in respect of the Transferring Policies and the Transferor will be released from all such liabilities.

4. **Proceedings**

If on the Effective Date there are any pending court, tribunal or arbitration proceedings (excluding any proceedings (disciplinary or otherwise), investigation or enquiry by any Regulatory Authority or dispute referred to any ombudsman) by or against the Transferor in respect of any Transferring Policy, the same shall be continued by or against the Transferee with effect from the Effective Date.

5. **Rights of Transferring Policyholders**

5.1 Holders of Transferring Policies transferring pursuant to the Scheme will retain the same rights with the Transferee under those Transferring Policies as they previously had with the Transferor, subject to:

- (a) certain modifications to the approach to fund charges and unit pricing under the Transferring Policies that are Linked Policies; and
- (b) certain unit-linked funds underlying Transferring Policies shall be invested in other collective investment schemes and/or investment funds (rather than directly in underlying investments), which shall in respect of two such underlying funds undergo an increase of 0.02% in the overall investment costs, including charges incurred by the Transferring Policyholder.

5.2 The Transferring Policies which are Linked Policies and which immediately prior to the Effective Date were linked to a Transferor Linked Fund (including the relevant property or assets allocated and appropriated as of the Effective Date to each such Transferor Linked Fund) shall, on and from the Effective Date, and in a manner consistent with the terms and conditions of the relevant Transferring Policies, be linked to a corresponding Transferee Linked Fund in accordance with Schedule 2 of the Scheme and shall be of equivalent value.

5.3 The Transferring Policies which are Linked Policies and which immediately prior to the Effective Date were linked to Transferor Real Property Assets shall, on and from the Effective Date, pursuant to and in accordance with the terms and conditions of the relevant Transferring Policies, be linked to comparable Transferee Real Property Assets and shall be of equivalent value (or to the extent the value is not equivalent, any shortfall shall be represented by a cash value as agreed between the parties).

6. Excluded Policies

Certain policies will not be transferred to the Transferee on the Effective Date as these have been excluded from the scope of the Transferring Business. Such policies will not transfer for the following reasons:

- (a) The policies are AIB Distributed Policies issued by the Transferor to AIB Customers prior to 2 April 2012;
- (b) The policies are AIB Distributed Policies with an investment in an Excluded Fund;
- (c) The policies are AIB Distributed Policies issued and/or administered by the Transferor's Corporate and Business Division;
- (d) The policies are AIB Distributed Policies for which AIB no longer acts as the servicing agent under the terms of the ILA Distribution Agreement;
- (e) The policies are investment bonds which are past the end of their investment term;
- (f) The policies are executive pension plans that were issued by the Retail Division of the Transferor after 22 April 2021;
- (g) The policies are AIB Distributed Policies sold in the United Kingdom; or
- (h) The policies are standard PRSA policies of the Transferor which would otherwise have been Transferring Policies ("standard PRSA" having the meaning in Part X of the Pensions Act 1990 (as amended)).

7. Residual Assets and Liabilities

Certain Residual Assets and Residual Liabilities may be transferred on a Subsequent Transfer Date if, *inter alia*:

- (a) the Court has determined for any reason not to sanction the transfer of such assets and/or liabilities or requires further steps to be taken before it will sanction the transfer of such assets and/or liabilities;
- (b) such assets and/or liabilities are not, or are not capable of being, transferred or vested in the Transferee on the Effective Date by the Order for any reason; or
- (c) the Transferor and the Transferee agree in writing that the transfer of such property should be delayed or such property should not be transferred.

8. Administration and Claims Handling

The Transferee will assume overall responsibility for the administration of the Transferring Policies and claims handling relating to the Policies from the Effective Date.

9. **Amendments, Modifications or Additions**

9.1 In respect of the Scheme, on or before the Effective Date, the Transferor and the Transferee may jointly consent for and on behalf of the parties to the Scheme and all other persons concerned to any further condition or provision affecting the Scheme, subject to the Court's approval and the notification to the Central Bank of Ireland any proposed amendment, modification or addition.

9.2 Following the Effective Date, the Scheme may only be amended by the Transferee with the consent of the Court.

10. **Costs and Expenses**

The costs and expenses incurred in connection with the preparation and carrying into effect of the Scheme will be borne by the Transferor and the Transferee. No costs or expenses incurred in connection with the preparation and carrying into effect of the Scheme will be borne by policyholders of either the Transferor or the Transferee.

11. **Governing Law**

The Scheme is governed by the laws of Ireland.

Appendix 1 - Definitions

1909 Act	means the Assurance Companies Act 1909;
1989 Act	means the Insurance Act 1989;
2015 Regulations	means the European Union (Insurance and Reinsurance) Regulations 2015;
AIB	Allied Irish Banks, p.l.c.;
AIB Distributed Policies	means all (i) those executive pension plans issued by the retail division of the Transferor pursuant to the ILA Distribution Agreement prior to 22 April 2021; and (ii) all in-force unit-linked life savings and all investment plans, personal pension plans issued by the retail division of the Transferor pursuant to the ILA Distribution Agreement, including any endorsements or amendments thereto and under which any liability or contingent liability remains unsatisfied or outstanding at the Effective Date;
Court	means the High Court of Ireland;
Effective Date	means 00:01 a.m. on [1 November] 2023 or such other date as the Transferor and the Transferee may approve and the Court may allow upon the application of either party, upon which the Scheme shall become effective;
ILA Distribution Agreement	means the distribution agreement between the Transferor and AIB dated 1 February 2012 and subsequently amended;
Scheme	means the Scheme agreed between the Transferor and the Transferee for the purposes of transferring the Transferring Business pursuant to the 1909 Act, the 1989 Act and the 2015 Regulations, in its original form or with or subject to any modification, addition or condition which may be approved or imposed by the Court;
Transfer	means the transfer of the Transferring Business from the Transferor to the Transferee pursuant to the Scheme;
Transferee	means Saol Assurance Designated Activity Company (trading as AIB life);
Transferor	means Irish Life Assurance Public Limited Company;
Transferring Assets	means all investment assets (including the relevant property or assets allocated and appropriated as of the Effective Date to each Transferor Linked Fund, the Real Property Assets, cash and other assets, if any) held by the Transferor in connection with or relating to the Transferring Policies, including all assets representing technical provisions calculated as a whole by the Transferor held by the Transferor in respect of its liabilities under the Transferring Policies, in accordance with the 2015 Regulations and any related EU delegated regulations, but excluding, for the avoidance of doubt, any asset, or the relevant proportion of an asset, that (i) is related to a policy that is not a Transferring Policy; and/or (ii) was previously connected or related to a Transferring Policy but is not transferring because it has been agreed between

	the parties that the cash value of such underlying asset should transfer instead of that underlying asset;
Transferring Business	means the Transferor's right, title, and interest (free from all Encumbrances) in the Transferring Policies; the Records; the Transferring Assets; and the Transferring Liabilities;
Transferring Liabilities	means all risks, obligations, and liabilities of the Transferor arising out of, or relating to, the Transferring Policies (whether present or future, certain or contingent), to the extent such risks, obligations, and liabilities have not been otherwise transferred or novated to the Transferee, including: (i) liabilities for claims, benefits, interest on claims or unearned premiums, amounts payable for returns or refunds of premiums, claim and other loss adjustment expenses, including litigation expenses and attorney's fees, in each case whether incurred before, at or after the Effective Date; (ii) all liabilities arising out of changes to the terms and conditions of the Transferring Policies that are required under Applicable Laws or consented to by the Transferee; (iii) all premium Taxes (including the 1% levy on insurance premiums) due or accrued in respect of premiums paid with respect to the Transferring Policies after the Effective Date; (iv) all assessments and similar charges payable after the Effective Date with respect to the Transferring Policies in connection with participation by the Transferor whether voluntary or involuntary, in any guarantee association established or governed by any jurisdiction; (v) all commissions, expense allowances, other compensation, and other servicing and administration fees and other obligations payable with respect to the Transferring Policies to AIB whether incurred before, at or after the Effective Date; (vi) all escheat and unclaimed property liabilities arising under the Transferring Policies, whether incurred before, at or after the Effective Date, arising or incurred in the ordinary course of the Transferor's business (excluding any fines, interest, penalties or other payments arising as a result of a failure to timely pay escheat or abandoned property liabilities); and (vii) Extra-Contractual Obligations; provided that Transferring Liabilities shall not include, and the Transferee shall not be liable for, any Excluded Liabilities;
Transferring Policies	means all rights relating to (i) all AIB Distributed Policies including any endorsements or amendments thereto, which are, or may be deemed to have been, in existence on the Effective Date and under which any liability or contingent liability remains unsatisfied or outstanding at the Effective Date, and (ii) every application received by the Transferor and outstanding on the Effective Date which, if accepted by the Transferor, would have constituted an AIB Distributed Policy but excluding (for the avoidance of doubt) the Excluded Policies.