

Target Saver

The flexible way
to invest for longer
term goals...

Bank of Ireland 
Life

Contents

Target Saver at a glance	1
Introduction to Regular Savings	3
Target Saver explained.....	4
Choice of Funds	6
Understanding Risk.....	8
Frequently Asked Questions.....	10

Product Overview

Target Saver

The flexible way to invest for longer term goals

Aim	A regular premium investment solution that provides access to funds that have potential for higher growth
Timeframe	Suitable for those who plan to save for at least 7 years in pursuit of longer term goals such as funding children’s education, supplementing retirement savings, funding a future property purchase or general wealth build-up.
Risk Rating	<p>A wide range of funds are available from Very Low to Very High Risk.</p>  <p>The above risk categories have been determined by Bank of Ireland Life. Separately European Union (EU) law requires that a risk indicator be applied to the fund if certain products are held (excludes pensions), and it may differ from the Bank of Ireland Life risk category. The EU indicator is stated in the Fund Information Sheets and can be found on the following website http://fundcentre.bankofireland.com/#KIDS. Please see page 8 for further details.</p>
Premiums	Minimum of €200 per month and maximum of €5,000 per month. Regular premiums to be paid by direct debit. Additional lump sum payments can be made at any time.
Milestone Feature (optional)	If you choose this feature your money will automatically move from higher risk funds into a low to medium or medium risk fund as your investment savings accumulate. It recognises that you might be prepared to be more aggressive as you save but less so when you have accumulated money. See page 7 for more details.
Target Feature (optional)	You have the option to specify a Target Amount. If this amount is reached (which will depend on a number of factors) we will automatically switch your money out of the markets into a less volatile fund, a Target Fund. Currently the Target Fund is our Cash Fund. See page 7 for more details.
Charges	Annual fund management charges and early encashment charges apply. Full details are outlined on pages 11 and 12.

Warning: The value of your investment may go down as well as up.
Warning: This fund may be affected by changes in currency exchange rates.
Warning: If you invest in this fund you may lose some or all of the money you invest.



Introduction to Regular Savings

An active savings plan is one of the most powerful ways of building your net worth over time.

There are many ways to save. The most obvious example is a deposit account. Your return is not exposed to market risk, and you can typically choose the level of access you require. You can also invest your money in investment funds which are linked to a wide range of investments such as company shares, property and government bonds. These offer potentially higher returns than deposit accounts in the longer run, but involve investment risk.

Where to put your money?

This depends on your goals. You most likely have a range of savings needs. You might want to save for next year's holiday. You might want to build up a 'rainy day' fund giving you the comfort that, if your income was interrupted, you would have money to fall back on. In addition, you might be thinking about college education for a child who is in primary or secondary school, or moving house in the future. For the longer term, you could be thinking of saving for your retirement. The timeframe of your savings goal is an important consideration in where you might put your money.

Short term goals (less than 7 years)

With short term saving goals you need to have certainty on how much you have saved and know that you can access it at the right time. If you are saving for next year's holiday you need certainty on your return - you most likely don't want your holiday to depend on the markets. These short term savings needs may be best met by traditional access or term deposit accounts.

Longer term goals (7 years or more)

Where you have more time and less need for access, you may want to consider a wider range of investments. The short term fluctuations of company shares and similar assets are of less concern. While these assets may be more volatile, they also provide the potential for higher long term returns. They do however carry the risk that you might get back less than you put in.

Whatever your savings goal, you need to be happy with your investment choices. Your financial advisor will explain your investment choices and help you choose a home for your long term savings that is in keeping with your savings goals, your wider asset holdings, and your attitude to risk.

Target Saver is a simple and flexible way to invest regularly for **longer term goals**. It can fit into your broader saving strategy as follows:

Timeframe	Example of Goals	Savings Options
Short term (<7 years)	Saving to pay for holidays, rainy day fund	Deposits
Longer term (7+ years)	Children's education, moving house in the future.	Target Saver Deposits
My Retirement	Provide for retirement	Pensions (may benefit from tax relief on premiums) Target Saver (an option to save for retirement with access in the meantime (no tax relief on premiums))

Target Saver Explained

Target Saver is a flexible way to invest regularly for longer term goals.

Choose your monthly contributions -

Your financial advisor will help determine a monthly premium that best suits you. This can depend on a number of factors including, how much you can contribute and/or your long term savings needs and goals.

Target Saver (the plan) is designed to protect your savings against the effects of inflation. Premium amounts will increase by 3% every year. However, you can choose to keep your monthly premium the same throughout the life of the policy if you want to.

Remember the plan is completely flexible. You can increase or decrease premiums in the future subject to the minimum and maximum limits.

You can also set up your plan so you do not contribute monthly premiums in the months of December and January. If you choose this option your monthly premium will automatically be skipped every December and January.

Your choice of investments -

We have a range of funds to suit different needs and preferences. Some are designed to keep investment risk low, while others aim for higher growth potential, but are subject to more investment risk. It is important to pick funds that suit you and your goals. Investing in funds carries risk (at varying degrees). You could lose some or all of the amount invested. If you chose to invest in a fund that invests in shares or bonds, the assets in that fund may be used for the purpose of securities lending in order to earn an additional return for the fund. While securities lending increases the level of risk within a fund, it provides an opportunity to increase the investment return. The classification of investment risk is indicated on our relevant fund flyer.

Your financial advisor will help you find the fund selection that is right for you based on your goals, your investment objectives, and your attitude to investment risk.

We understand that your needs may change during the term. You can switch funds up to 6 times a year, without incurring a charge.

Target Saver Explained

Milestone feature (Optional) -

This feature facilitates a more aggressive approach at the outset (taking on more risk) with your regular savings, and taking less risk as your money accumulates.

For example, you could choose to invest in funds from our “Medium to High Risk”, “High Risk” or “Very High Risk” categories for regular savings. You could then choose a Milestone Fund from our current “Low to Medium risk” or “Medium Risk” ranges.

Each time the value of your savings reaches a multiple of your Milestone Amount, we will switch your money into the chosen Milestone Fund.

Regular premiums will continue to be invested in your regular premium fund choice.

Target feature (Optional) -

You may have a Target Amount in mind as your ultimate savings goal. If you specify a Target Amount we will automatically switch your money to a less volatile fund, a Target Fund, if and when this amount is reached. Currently, the Target Fund is our Cash Fund. It is important to understand you may not reach your Target Amount. Reaching your Target Amount depends on a number of factors including the number of premiums you have paid, and performance of the funds in which you are invested.

Regular premiums will continue to be invested in your regular premium fund choice.

Warning: The value of your investment may go down as well as up.

Warning: This fund may be affected by changes in currency exchange rates.

Warning: If you invest in this fund you may lose some or all of the money you invest.

Choice of Funds

Target Saver offers you a wide range of investment choices. You can choose one fund or a combination of funds to meet your needs. Each fund operates a different investment strategy.

Some of our funds invest in just one particular asset type. For example, our regional equity funds will only invest in companies of a specified geographic region such as the US or Europe. Other funds may focus on a specific investment theme, such as Alternative Energy.

We offer a range of managed funds which diversify your investment across a wide range of asset classes including company shares, commercial property, government bonds and corporate bonds. Many of these funds require the fund managers to remain within certain limits for each asset class no matter how the market moves. This gives you more certainty over how your money is invested.

We also offer a number of funds where the fund manager has more freedom to move between asset classes, and this can apply different risk management strategies. These funds tend to focus on producing a smoother investment journey for investors.

Your financial advisor will discuss the alternative investment options with you, and help you determine the best approach to suit your needs.

Which fund is right for you?

Your financial advisor will help you to find the right home for your savings. The key considerations include:

- What is your investment timeframe? Target Saver is only appropriate when you plan to save for, at the very least, 7 years
- Is growth important to you?
- Can you afford to take on risk in pursuit of growth?
- What level of investment risk are you comfortable with?

Your financial advisor will help you clarify your goals. You will be brought through a questionnaire which will help you get a sense of your comfort with investment risk.

We classify our funds by risk category. The higher risk categories are more prone to significant shifts in value than the lower risk categories, but have the potential to deliver higher returns. Based on your goals and the results of your questionnaire, your financial advisor will highlight some funds that may be suitable for you and explain the nature of these funds.

Fund flyers outline the features and risks associated with each fund and are available from your financial advisor.

Choice of Funds

Milestone Feature (Optional)

Regular savings allow investors to take a more aggressive approach in the early years of saving. However, once savings start to accumulate, attitudes to market movements can change. It is one thing to see a fund of €1,000 fall by 5% (a €50 drop), it is quite another to see a 5% drop in a fund of €15,000 (a €750 drop). As your savings accumulate you may want to be less aggressive in your approach. **Target Saver's** Milestone Feature is an option that allows you to reduce the level of risk to a low to medium risk or a medium risk fund as your money accumulates. It works as follows:

- 1 You choose fund(s) from our "Medium to High Risk" or "High Risk" or "Very High Risk" fund categories and your premiums will be invested in the fund(s) chosen.
- 2 You then choose your "Milestone Fund" from our "Low to Medium Risk" or "Medium Risk" range of funds and a Milestone Amount.
- 3 If and when your policy value reaches the Milestone Amount or a multiple of the Milestone Amount, your Milestone Amount or multiple will automatically be switched into the Milestone Fund.

It is important to note that the regular premiums that are paid after you reach a Milestone Amount will continue to be invested in your regular premium fund choice, rather than the Milestone Fund.



Choosing a Target Amount

If you have a specific Target Amount in mind, you can specify this in your application form. You can give us advance instruction that if and when you reach your Target Amount, we are to automatically switch your money into a less volatile fund, a Target Fund. Currently the Target Fund is our Cash Fund. It is important to understand that the ability to meet your Target Amount depends on a number of factors including the amounts of premiums paid and the performance of the funds in which your savings are invested.

Regular premiums that are paid after you reach the Target Amount will continue to be invested in your regular premium fund choice, rather than the Target Fund.

If and when you reach your Target Amount, automatic fund switches will no longer take place under your policy. You can however decide to switch funds at any time by sending us a written instruction.

Warning: The value of your investment may go down as well as up.
Warning: This fund may be affected by changes in currency exchange rates.
Warning: If you invest in this fund you may lose some or all of the money you invest.

Understanding Risk

Bank of Ireland Life's Risk Ratings

To help you understand the risk involved in investing in our funds we have devised a seven point rating scale varying from (1) very low risk to (7) very high risk. As you move from 1 to 7, the potential for better returns increases but so too does the risk of losing your money.

How do we determine which risk category applies to our funds?

We assess each fund at the outset and we review the fund from time to time to ensure it remains within the relevant risk category. While it does not often arise, it is possible that the risk category of a fund could change over time.

To determine the appropriate risk category, we take various factors into account which include:

Past performance

We start by looking at the past performance of a fund and how the fund prices have varied over time (typically over a 5 year period). This measures the fund's volatility.

Where prices have not varied to a great extent over the period the fund has low volatility. Highly volatile funds experience lots of price changes, both up and down, over time.

If past performance was the only factor taken into account, the lower the volatility, the lower the fund would be on the 7 point scale.

Future looking

While past performance is our starting point, if we believe the past may not be reflective of the future, we adjust the volatility to take into account what we expect to happen in the future.

Key Risks

We also consider what are the key risks associated with investing in the fund which depends on its investment strategy. Examples of such risks include currency risk (e.g. if other than euro assets are held), single manager risk (e.g. if we rely on one investment manager to make the investment choices), single asset class risk (e.g. if only one asset class is held), concentration risk (e.g. if only a few assets are held) and geographic risk (e.g. if the fund focuses on a particular geographic region). For further information on these risks, please see our "Investing & Risk" document.

If key risks are identified they will also be taken into account in determining the appropriate risk category.

Understanding Risk

European Risk Ratings

European Union (EU) law also requires us to indicate a level of risk for each fund using a prescribed approach, which also involves a risk rating scale of 1-7. This is to help investors compare and contrast similar products and funds offered by different providers.

The prescribed approach looks at performance in the previous 5 years (market risk) and takes into account the ability of the product provider to pay investors (credit risk).

These two factors are combined to produce a measure of volatility which then determines the risk category the fund falls into

EU risk indicators may differ from the Bank of Ireland Life's risk categories – why?

As can be seen above, Bank of Ireland Life's approach to determining the level of risk and the EU approach differ in certain respects. In determining volatility and the appropriate risk rating, different factors are taken into account. The EU volatility ranges are also wider than Bank of Ireland Life's ranges. As a result of these differences, a fund could be deemed to have a different rating on each scale.

EU indicators are included in Key Information Documents (KIDs) and fund information sheets which can be found on our website at <http://fundcentre.bankofireland.com/#KIDS>. A KID is available for all products and a fund information sheet for each fund. The relevant KIDs and fund information sheets will be provided to you prior to investing.

What is a Key Information Document (KID)?

A Key Information Document (KID) is a short document which will provide you with key features, risks and costs associated with the relevant product.

A KID is prepared for the Target Saver product and a fund information sheet with similar information is available for each fund within the Target Saver range. The fund information sheet includes information on the investment objectives; the type of investor the fund is suitable for, costs and the EU risk indicator.

Frequently Asked Questions

Who can invest in Target Saver? Target Saver is open to persons resident in the Republic of Ireland, aged 18-70 (next birthday)

Is Target Saver suitable for me? Target Saver may be suitable for you if you:

- can contribute at least €200 per month
- do not need to make regular withdrawals
- are prepared to take investment risk
- have access to other savings (e.g. deposit account) for day to day expenses

How much can I invest? The minimum monthly premium is €200 and the maximum is €5,000. In addition to paying monthly premiums, you can add to your investment at any time by making lump sum payments.

How can I find out how much my investment is worth? You will receive a statement showing the value of your Target Saver plan on an annual basis.

At any other time you can check the value of your investment by:

- Talking to your Advisor available in your local Bank of Ireland branch
- Calling our Customer Service Department on 1890 309 309.

To improve our service to you calls may be recorded

What if I want to withdraw my money? Certain funds available under your plan may provide for a limited form of access and, if applicable, details will be set out in the fund flyer. If you are invested in funds where no such restrictions apply, you can encash all or part of your investment at any time.

During each of the first five policy years, customers can withdraw up to 10% of the value of the plan at the time of encashment without early encashment charges being applied. This feature can only be exercised once during each policy year and applies to the first part encashment only in a given policy year. For subsequent part encashments or encashments above this amount, an early encashment charge will apply to the full withdrawal. Details of the early encashment charges are set out on the next page.

Each part or full encashment will also incur a transaction fee, currently €37.24 (September 2019).

Please contact our Customer Service Department on 1890 309 309 for further details. Calls may be recorded for service, training, verification and analysis purposes. Call charges may vary depending on your service provider.

Frequently Asked Questions

What happens if I die? If you die your Target Saver plan will pay 100.1% of the encashment value of your plan using the next unit price available after Bank of Ireland Life receives notification of the death at its offices at 5-9 South Frederick Street, Dublin 2.

If the policy is a joint life policy, the death benefit amount is payable on receipt of written notification of the death of the last to die of the lives insured.

On payment of the death benefit, an exit tax will be payable on any growth in your investment. You are advised to seek independent tax advice on any additional tax that may be payable on the proceeds.

Annual fund management charge

There is no up-front charge. The annual fund management charge can vary depending on your choice of funds. The standard annual fund management charge on Bank of Ireland Life funds is 1.5%.

Exceptions are:

Fund Management Charge of 1.60% p.a.		
• iFunds 3	• Elements	• High Yield Fund
Fund Management Charge of 1.65% p.a.		
• iFunds 4	• iFunds 5	• iFunds 3 Alpha
Fund Management Charge of 1.70% p.a.		
• iFunds Equities		
Fund Management Charge of 1.75% p.a.		
• Alternative Energy	• Davy High Yield Fund	• Spotlight
• Davy Defensive High Yield Fund	• Discovery	• Trilogy II
	• Innovator	• Water Fund
		• iFunds 4 Alpha
Fund Management Charge of 1.85% p.a.		
• BNY Mellon Absolute Return Bond Fund		
• BNY Mellon Global Real Return Fund		
• Insight Broad Opportunities Fund		

What are the charges on my investment?

Early encashment charges

Part or full encashments in the first five years of a policy (outside of the limits specified in the 'What if I want to withdraw my money?' section earlier) will incur the following charges.

Year of Encashment	% Charge
Year 1, 2 or 3	5%
Year 4	3%
Year 5	2%
Year 6+	0%

Each part encashment will also incur a transaction fee, currently €37.24 (July 2019).

Frequently Asked Questions

What is my tax liability?

Under current legislation, for investors resident in the Republic of Ireland, any growth in value is subject to tax:

- on a periodic basis, every eight years
- when you encash your investment
- if you transfer ownership of all or part of your investment or
- on death.

The current rate of tax payable for personal investors is 41% (as at September 2019) and applies to all gains only.

For full encashments, the taxable amount is the value of the encashment less the total amounts invested at the time of encashment.

For partial encashments a proportionate amount of tax is payable. Any tax already deducted on a periodic basis will be taken into account when calculating your final tax liability.

All exit tax due is deducted from the value of the investment and remitted by us to the Revenue Commissioners on your behalf. **Target Saver** personal investors normally have no further liability to income tax or capital gains tax on returns.

If you become non-resident after you invest, the value of your investment can be paid to you without deduction of exit tax, provided the revenue non-resident requirements are met. You may have a tax liability in the country in which you live. We recommend that you obtain independent tax advice.

1% Government Levy on premiums

This levy was introduced as part of the Finance Act 2009. This levy will be collected by Bank of Ireland Life and passed directly to the Revenue Commissioners. This 1% levy will apply to all amounts invested.

Next Steps

To find out more about **Target Saver** please call into your local Bank of Ireland branch and talk to your Advisor.

Alternatively, phone

1890 309 309†

† Calls may be recorded for service, verification, analysis and training purposes.

Warning: The value of your investment may go down as well as up.
Warning: This fund may be affected by changes in currency exchange rates.
Warning: If you invest in this fund you may lose some or all of the money you invest.

Terms and conditions apply. While great care has been taken in its preparation, this document is of a general nature and should not be relied on in relation to specific issues without taking appropriate financial, insurance, investment or other professional advice. The details shown in this document are for information purposes only and do not constitute an offer or recommendation to buy or sell any investment or subscribe to any investment management or advisory service. The details shown above in relation to this product are as at the date of this document unless otherwise stated and may change over time. If there is any conflict between the information set out in this document and the policy conditions, the policy conditions will prevail.

Life assurance and pension products are provided by New Ireland Assurance Company plc trading as Bank of Ireland Life. New Ireland Assurance Company plc trading as Bank of Ireland Life is regulated by the Central Bank of Ireland. Member of Bank of Ireland Group.

Advice on Bank of Ireland Life products is provided by Bank of Ireland. Bank of Ireland trading as Bank of Ireland Insurance & Investments, Insurance & Investments, Bank of Ireland Private is regulated by the Central Bank of Ireland. Bank of Ireland is a tied agent of New Ireland Assurance Company plc for life assurance and pensions business. Member of Bank of Ireland Group.

September 2019

