WARNING:

Under the Life Assurance (Provision of Information) Regulations, 2001.

If you propose to take out a policy in complete or partial replacement of an existing policy, please be aware of the potential financial loss and/or loss of benefits which may be incurred. Please take special care to read the following. If, after reading the following, you are in any doubt about what to do, please contact,

Leinster Financial Services, 131 Elton Court, Leixlip, Co. Kildare. Phone: 01 624 7890.
Email: info@leinsterfinancial.ie

Replacing a Life Assurance policy (this includes, investment plans, pension plans, etc.) may lead to additional contract charges and/or additional costs for canceling your existing policy.

All life assurance policies carry charges and these charges often vary from company to company so you need to be comfortable with the new charges on a new contract while also taking into account the benefits of the new policy. All charges on a policy are taken from the premium you pay and/or the fund value of your policy and once paid they are not usually recoverable, other than in exceptional circumstances.

In particular if your policy is for investment purposes (including pension/retirement plans), these charges may reduce the investment content of your premium and/or reduce the value of your fund.

Also investment/pension policies generally need to be left for the medium to long term, ie. five years plus. If you replace an investment policy in early years or during a period of poor investment performance you may find that the value of your investment is less than the premiums paid, as investments can fall as well as rise in value.

Where the policy is for protection purposes, you must also be aware of the benefits of your existing policy and make sure that these benefits are not affected by changing to a new policy. In some cases your existing protection policy can be altered to suit your needs, without having to replace it in part or in whole with a new policy.

Exceptions:

Protection Policies

Where there are extra and/or better benefits available on a new policy and not available on your existing plan, you could give consideration to replacing your existing policy **but, take time to think it over and be fully satisfied before you change to a new plan. You should consider the cost of the extra benefits, if there is any extra cost. Also, you should be satisfied that the premium can sustain cover on a similar or better basis than your existing policy. Finally, and most importantly, make sure that you are on cover for the proposed new benefits before cancelling your existing policy in part or in whole.**

In some cases (e.g. most mortgage protection plans) policies cannot be altered, so if there is a change in circumstances, you may have to replace your existing policy. It is usually more cost effective to change the whole policy rather than proposing for an extra policy. **Most importantly, make sure you are on cover for the proposed benefits, before cancelling the existing policy.**

Sometimes similar or better benefits are available at a lower premium than the premium on your existing policy. **However, make sure that the premium can sustain cover on a similar or better basis than your existing policy. Once again, make sure you are on cover for the proposed benefits, before cancelling the existing policy.**

Investment/Pension Products

Where the Product Producer (Insurance Company) has poor investment returns over a prolonged period of time, say 2-3 years, while most or all of the other Product Producers were producing better investment returns or where another company has a suitable/attractive investment not available with your existing provider, then you could consider replacing your existing policy. **This change should only be considered where there are extensive and detailed investment reports produced and discussed with your adviser. You should look for details of any restrictions or extra charges for early encashment/transfer.**

Normally, where a particular investment fund is not satisfactory, you can switch funds within the policy, so there is no need to replace your existing policy for this reason.