



How the Fund Works

The Tax Free Cash Fund invests 100% in cash and short-term deposits and aims to give investors a stable and predictable return.

The Tax Free Cash Fund can be used to protect the value of member's funds against market movements. For members who are close to retirement it is particularly useful for that element of the fund that will be taken as a tax-free lump sum.

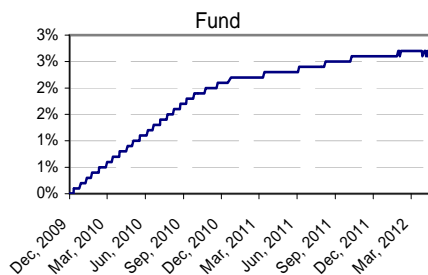
Investment Risk



This is a very low risk fund. While there will be a very low level of volatility in fund returns, there is also only a very low potential for gains. It is suitable for investors who are very close to retirement or have a very low appetite for risk.

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

Performance



Year	Return	Benchmark
2012 YTD	0.0%	0.3%
1 Year	0.3%	1.2%

These returns are based on a standard annual management charge of 0.65%. Management charges may vary.

The return of this fund since launch (14th December 2009) is 1.1% p.a.

Warning: Past Performance is not a reliable guide to future performance.

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

Market Commentary

The outlook for the US economy remains a support for equity markets, particularly US equities which are now outperforming global equity markets since the start of the year, despite the more demanding valuations levels than other regions are trading on. Although economic growth in the first quarter of 2012 and the labour market data for March were weaker than expected, the economic recovery in the US is gaining momentum. This has been acknowledged by the Federal Reserve over the past two meetings and the first signs of a tighter policy stance, provided that the data remains supportive, are likely to take place in June, when "Operation Twist" expires and is unlikely to be extended.

This fund may engage in securities lending to earn returns.



Irish Life