

Approved Retirement Fund

Policy Document



Introduction

This document explains in detail the workings of your Zurich Life policy. It is important that you read each section of the document carefully in conjunction with the Policy Certificate to ensure that you understand what benefits are provided, what events may affect these benefits and what your options are under the policy.

The application form that you signed, together with all the declarations and statements you have made, this Policy Document and your Policy Certificate taken together form the contract between you and Zurich Life Assurance plc (referred to throughout the rest of this document as 'Zurich Life').

Zurich Life will pay to you or your legal representative the insurance benefits described on your Policy Certificate when the insured event happens subject to the conditions contained in this policy and provided:

- a. the premium is paid as stated on the Policy Certificate; and
- b. all declarations and statements you have made are true.

So how does your policy work?

Zurich Life will receive a single premium, which will buy units on your behalf. These units will allow your policy to share in the investment performance of your chosen Pension Fund(s).

This policy is divided into sections, which contain the detailed description of how your policy works.

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In this document we have assigned certain meanings to words. Any reference to 'you' or the second person applies to the owner of the policy. Any reference to 'he' or the third person should be interpreted in the feminine where appropriate. Any reference to the 'Unit Fund' refers to a Zurich Life Pension Fund. Any reference to the word "ARF" means Approved Retirement Fund.

At the end of this document there is a glossary of technical terms. Any technical terms that arise in this document are printed in *italics* and explained in the glossary.

If you have any queries you should contact your Financial Advisor or Zurich Life Customer Services Desk by telephone at 01 799 2711 or by email at customerservices@zurich.com

If you prefer you can write to:

Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Section One – Payment of premium

This section describes the conditions in relation to payment of premium.

1. The single premium may be paid from an employer sponsored or AVC pension plan approved by the Revenue Commissioners under Chapter 1, Part 30 of the Taxes Consolidation Act, 1997; from a personal pension plan approved by the Revenue Commissioners under Section 784 of the Taxes Consolidation Act, 1997; from another ARF or from any other source approved by the Revenue Commissioners, for example a PRSA.
2. A receipt for any premiums paid will not be valid unless it is on Zurich Life's printed form.
3. Your single premium is due on the Start Date as specified in the Policy Certificate. Unless this premium is received, Zurich Life will have no liability for any benefits under your policy.

Section Two – Pension funds

This section describes the operation of the pension funds.

Pension funds

1. Zurich Life maintains unit-linked funds that are divided into units of equal value. Each unit of each fund has a Bid Price. The Bid Price is the price at which Zurich Life buys units of the Unit Fund on your behalf and the price at which Zurich Life cancels units of the Unit Fund. Each Unit Fund invests in assets with the aim of increasing the value of the Unit Fund and therefore its Bid Price. Zurich Life takes all decisions relating to the investments of Unit Funds other than *Mirror Funds* and *Protected Funds*. Where Zurich Life makes *Mirror Funds* available to your policy, these Unit Funds are linked to assets managed by external investment specialists. Further detail on the operation of the *Protected Funds* is provided below.

Zurich Life can invest in any assets permitted by insurance law.

The SuperCAPP Fund differs from the other Unit Funds in that the increase in value of its Bid Price reflects dividends declared by the *Head of Actuarial Function*. This mechanism provides a smoothed distribution of *investment earnings*. There are limitations as to the amount that can be invested in the SuperCAPP Fund. These limitations vary from time to time and details are available on request from Zurich Life.

Each Unit Fund will be credited with a proportion of the *investment earnings* of the assets of that fund. For all funds, the proportion will be 100% with the exception of the SuperCAPP Fund, in which case it will be at least 95%. References to a Unit Fund and units are made only for the purpose of calculating the value of your policy. As the assets of each Unit Fund belong to Zurich Life, the units are notional shares in each Unit Fund.

Calculation of Bid Price

2. Zurich Life will calculate the Bid Price of each Unit Fund at least once a month.

The Bid Prices are determined by the *Head of Actuarial Function*, who will take into account the following factors separately for each Unit Fund:

- (i) maintaining fairness between the different unit holders;
- (ii) the value of the assets in the Unit Fund;
- (iii) the total number of units in the Unit Fund;
- (iv) the type of unit being priced; and
- (v) in the case of the SuperCAPP Fund, the interim and annual dividends declared.

With regard to (ii) above, the value of the fund will be one of, or between, the following:

Maximum Value: the estimated cost of acquiring the assets of the fund, less the estimated value of any liabilities.

Minimum Value: the estimated value should the assets of the fund be sold, less the estimated value of any liabilities.

In assessing the value, the *Head of Actuarial Function* will take into account the following:

- (i) the number of units created and cancelled since the Unit Fund was last valued;
- (ii) expected future creations and cancellations of units in that Unit Fund;
- (iii) other cash flows of the Unit Fund; and
- (iv) the cost of buying or selling assets of the Unit Fund.

The objectives of the assessment will be to maintain fairness between policyholders and to meet their *reasonable expectations*. This can lead to sudden changes in price not related to market movements. Zurich Life will not receive any benefit from this process.

Zurich Life *Protected Funds*

3. A *Protected Fund* is a Unit-linked Fund which invests in a combination of an Actively Managed Fund and a cash fund.

Each *Protected Fund* has a protected Bid Price equal to a specified percentage of the highest Bid Price ever calculated for that fund (the “Protected Bid Price”).

How Protection Works

Zurich Life has entered into an agreement with Barclays Bank PLC (“Barclays Bank”) (the “Barclays Agreement”). Pursuant to the Barclays Agreement, Barclays Bank has contracted to: (a) provide protection to Zurich Life in respect of the *Protected Funds* to prevent the Protected Bid Price of a *Protected Fund* falling below its Protected Bid Price; and (b) calculate what proportion of a *Protected Fund* is invested in the appropriate Actively Managed Fund and a cash fund.

The protection afforded to the *Protected Funds* is provided by Barclays Bank and not by Zurich Life. Zurich Life (or any company forming part of the Zurich Insurance Group) will not be liable to you for any act or omission of Barclays Bank in its performance of, or failure to perform, its duties under the Barclays Agreement.

This policy does not constitute a contract between you and Barclays Bank and does not give you direct recourse to Barclays Bank or the assets of the *Protected Fund*. Barclays Bank does not guarantee the performance of Zurich Life in relation to this policy.

Where the Bid Price is not protected by Barclays Bank you will not be provided with price protection in respect of your investment (i.e. the value of the Bid Price may fall below the Protected Bid Price).

Barclays Bank PLC. is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register number: 122702).

When the Protection will not Apply

The protection in respect of the *Protected Funds* shall not apply in the following circumstances:

- (i) if the Barclays Agreement is terminated (examples of when termination can occur shall include, but shall not be limited to, where price protection has already been provided by Barclays Bank to Zurich Life in respect of a *Protected Fund* in accordance with the Barclays Agreement; Barclays Bank becomes insolvent, in the event of adverse changes to the tax treatment of the *Protected Fund*, the Actively Managed Fund or a cash fund or in the event of regulatory change); and
- (ii) if Barclays Bank does not meet its obligations to Zurich Life.

IF THE BARCLAYS AGREEMENT IS TERMINATED

Both Zurich Life and Barclays Bank have the right to terminate the Barclays Agreement, in certain circumstances*. In some cases, the termination of the Barclays Agreement may happen at short notice. If the Barclays Agreement is terminated in such circumstances the price protection provided by Barclays Bank to Zurich Life could be removed and the Bid Price of each *Protected Fund* could fall below its Protected Bid Price.

*Details of all the circumstances in which Zurich Life and Barclays Bank have the right to terminate the Barclays Agreement are available upon request from Zurich Life.

You should note Barclays Bank is only obliged to provide price protection to the *Protected Funds* on a once-off basis. Accordingly, where price protection has been provided by Barclays Bank to Zurich Life in respect of a *Protected Fund* in accordance with the Barclays Agreement, the price protection in respect of that *Protected Fund* will then cease (i.e. the value of the Bid Price is no longer protected from falling below the Protected Bid Price). Barclays Bank will also have the right to terminate the Barclays Agreement in this circumstance.

In the event that the Barclays Agreement is terminated (meaning that Barclays Bank does not provide price protection to Zurich Life for a *Protected Fund*):

- (i) the value of your Unit Account will be calculated as described in Section Five – Payment of Benefits, paragraph 1;
- (ii) Zurich Life will invest the *Protected Funds* entirely in a cash fund as soon as possible; and
- (iii) Zurich Life will confirm in writing to you as soon as possible that:
 - the price protection is no longer available to the *Protected Funds*;
 - the *Protected Funds* have been invested entirely in a cash fund; and
 - no price protection will apply to the investment of your assets in a cash fund.

IF BARCLAYS BANK DOES NOT MEET ITS OBLIGATIONS TO ZURICH LIFE

In the event that:

- (i) Barclays Bank does not meet its obligations to Zurich Life; or
- (ii) the return to Zurich Life on foot of the Barclays Agreement and the assets of the *Protected Funds* are insufficient to enable Zurich Life to meet your claim in respect of your policy,

you will not be provided with price protection in respect of your investment (i.e. the value of the Bid Price may fall below the Protected Bid Price). No other assets of Zurich Life shall be used to make up the shortfall (i.e. if the value of the Bid Price falls below the Protected Bid Price, Zurich Life will not use any of its assets to make up any shortfall between the Bid Price and the Protected Bid Price). Zurich Life's obligations in respect of the return on the *Protected Funds*, including the Protected Bid Price, are limited accordingly and the benefits payable in respect of your policy will reflect this.

Can Zurich Life Replace Barclays Bank with another Financial Institution?

Zurich Life reserves the right to replace Barclays Bank with another financial institution at any time.

In the event that Zurich Life intends to replace Barclays Bank with another financial institution Zurich Life will (in advance of the replacement occurring) confirm in writing to you:

- (i) that it intends to replace Barclays Bank with another financial institution;
- (ii) the effect that this replacement will have on the operation of the *Protected Funds*; and
- (iii) the options available to you.

SuperCAPP Fund

4. Notwithstanding paragraph 2 of this section, Zurich Life will calculate the Bid Price of the SuperCAPP Fund at least once a month. These prices are determined by the *Head of Actuarial Function* and will allow

for any interim dividends declared in respect of this fund. Prices for the SuperCAPP Fund are guaranteed to never fall. However, in certain circumstances, the value of your SuperCAPP units may be adjusted by a *Market Level Adjustment*.

These circumstances are described in the following sections of this document:

- Section Five, paragraph 7;
 - Section Six, paragraph 3; and
 - Section Eight, paragraphs 1 and 4.
5. During each calendar year, Zurich Life will declare an annual dividend in respect of the SuperCAPP Fund for the preceding year. Before this declaration has been made, an interim dividend rate will be used in determining Bid Price(s). If the annual dividend differs from the interim dividend that was used, then Zurich Life may adjust this policy to reflect the difference by the following:
- (i) adjusting the number of SuperCAPP units in the Unit Account; or
 - (ii) taking account of the difference in calculating the Bid Price for the fund; or
 - (iii) a combination of (i) and (ii) above.

The annual dividend will represent at least 95% of the distributable earnings of the assets backing the SuperCAPP Fund, as certified by the *Head of Actuarial Function*.

Deductions from Unit Funds

6. Zurich Life will deduct from each Unit Fund appropriate amounts in respect of the following:
- (i) all expenses, taxes, duties and other charges incurred in the purchase, sale, management, valuation and maintenance of the assets of the Unit Fund including, in the case of land or buildings, the expenses of management, repair, maintenance, valuation and insurance;
 - (ii) interest on money borrowed for the account of the Unit Fund;
 - (iii) any liabilities, expenses, taxes, duties, levies or other charges that Zurich Life may pay on behalf of the Unit Fund; and
 - (iv) Zurich Life charges that can be deducted from the Unit Fund as described in Section Four – Charges.

Number and nature of the Unit Funds

7. Zurich Life may from time to time create new Unit Funds or change the nature of the existing Unit Funds.

Zurich Life may also close existing Unit Funds, and switch any units in the closing Fund to one that is open. Zurich Life will inform you in writing before doing this.

The Unit Funds that Zurich Life may create or close include Unit Funds where Zurich Life makes all investment decisions, *Mirror Funds* that are linked to assets managed by external investment specialists, such as Threadneedle Investments, and also *Protected Funds*.

If an existing Protected Fund is being closed Zurich Life may switch units in the closing *Protected Fund* to another Unit Fund that is open. However, Zurich Life shall provide you with 30 days notice in advance of doing so.

In certain exceptional circumstances Zurich Life may have to close a *Protected Fund* and/or the underlying Actively Managed Fund (in which the *Protected Funds* invest) and divert investments out at short notice. In such an event Zurich Life shall notify you as soon as practicable after this has occurred.

Section Three – Unit Account

This section describes the operation of your Unit Account.

Your Unit Account

1. Units held in the various funds at a point in time on your behalf are referred to as your Unit Account. Your Unit Account will determine the value of your policy.

Operation of your Unit Account

2. The date on which your single premium buys units at the *Ruling Price* depends on two factors:
 - (i) the date and time of receipt by Zurich Life of a completed application form and your single premium payment; and
 - (ii) the method of payment of your single premium.

In any event, units are bought at the *Ruling Price* on a date not later than three working days after receipt by Zurich Life of both a completed application form and your single premium payment.

The percentage of your single premium that buys units is specified in the Policy Certificate. Your premium is divided by one hundred and multiplied by this percentage to calculate the *Allocated Premium*.

For any given fund, the number of units bought can be calculated as follows:

- (i) Divide your *Allocated Premium* by one hundred and multiply it by the *fund investment percentage* specified by you in your application form for that Unit Fund.
 - (ii) Divide the result in (i) by the *Ruling Price* for that fund.
3. Charges on your policy will be deducted from your Unit Account by cancelling units at the Bid Price or by deducting them directly from the fund(s). If your Unit Account is insufficient to meet the charges, the policy will be cancelled.

Section Four – Charges

This section sets out the different types of charge made by Zurich Life.

Management charge

1. Zurich Life will deduct a management charge expressed as a percentage of your Unit Account. The management charge percentage for your initial unit Fund(s) is specified in the Policy Certificate. Zurich Life will deduct the management charge either directly from the Unit Fund(s) or by cancelling units held in your Unit Account at the Bid Price or by a combination of both. Zurich Life may increase the management charge to allow for the effect of inflation on its expenses, as measured by the *Consumer Price Index* or some other suitable index of expense inflation. Zurich Life may also increase the management charge if there is a significant difference between the costs of maintaining existing policies and the charges that Zurich Life is recovering from these policies.

Zurich Life will inform you in writing before any change in the management charge is made.

Other Funds may be subject to different management charges than those specified on your Policy Certificate, some funds may also be subject to other additional charges such as performance fees. Zurich Life will deduct any extra charges directly from the Unit Funds or from your Unit Account or by a combination of these methods. Details of the management charges applicable to these other funds are available from Zurich Life.

If the assets of a Unit Fund are invested in a *collective investment vehicle*, then these assets will also be subject to the normal charges of the *collective investment vehicle*.

Other charges

2. Zurich Life will deduct the amounts of Government stamp duty and levies, if any, from your Unit Account.
3. Zurich Life will charge for alterations to your policy unless otherwise specified (see Section Eight – Policy alterations).
4. Any Early Encashment Charge for partial or full encashment is a charge made by Zurich Life (see Section Five – Payment of benefits).
5. Any difference between the premium received and the *Allocated Premium* is a charge made by Zurich Life.
6. Any difference between the distributable earnings on the assets backing any SuperCAPP units that are held on your behalf and the monetary amount of the dividend declared on those units is a charge made by Zurich Life.

Section Five – Payment of benefits

This section details the benefits payable and the circumstances that may affect these payments.

Value of your Unit Account

1. The value of your Unit Account is the sum of the number of units of each Unit Fund in your Unit Account multiplied by the respective Bid Price(s) of the units. The value of your Unit Account will be that calculated using the Bid Price(s) of the units next declared after Zurich Life has received satisfactory written notification that a benefit is payable, or on the date that a regular encashment is made.
2. If units held on your behalf include units of the SuperCAPP Fund, then in certain circumstances, the value of your Unit Account may be adjusted by a *Market Level Adjustment*. These circumstances are described in the following sections of this document:
 - Section Five, paragraph 7;
 - Section Six, paragraph 3; and
 - Section Eight, paragraphs 1 and 4.

Amount payable on death

3. Zurich Life will pay the Death Benefit to your legal representative(s) on proof of your death.
4. The Death Benefit payable on your policy will be the value of your Unit Account plus *Special Dividend*, if any. The value of your Unit Account will be based on the Bid Price(s) of the units calculated on the next *fund valuation date* after the *date of notification of death*.
5. Zurich Life will deduct any taxes from the Death Benefit as required of it by the Revenue Commissioners.
6. As an alternative to paragraphs 3 to 5 above, ownership of your policy can be transferred to your spouse on your death, subject to the Revenue Commissioners' approval. Zurich Life will not charge for this change of ownership, but will deduct any taxes as required of it by the Revenue Commissioners.

Amount payable on encashment

7. You are entitled to fully encash your policy at any time. On encashment, Zurich Life will pay the value of your Unit Account plus *Special Dividend*, if any, in certain circumstances, early encashment charges may be made to your Unit Account. If your Policy Certificate states that Early Encashment Charges do not apply, then the Early Encashment Charge is always zero. Otherwise, your Policy Certificate will state the early encashment charge that applies to your unit account, where early encashment occurs within the

stated number of years of your policy's start date.

The value of your Unit Account will be based on the Bid Price of the units calculated on the next *fund valuation date* after Zurich Life has received satisfactory written confirmation of your instructions. The calculation of the value of your Unit Account is explained in paragraph 1 above. A *Market Level Adjustment* may be applied to any units held in the SuperCAPP Fund. However, if the policy has been invested in the SuperCAPP Fund for at least ten years, the effective Bid Price of the SuperCAPP Fund, after application of any *Market Level Adjustment*, is guaranteed to be no less than the Bid Price of the SuperCAPP Fund on the date you invested in the SuperCAPP Fund.

8. Zurich Life will deduct any taxes from the encashment as required of it by the Revenue Commissioners.

Transfer benefit

9. You can elect to encash your Unit Account, in full or in part, and pay the proceeds to an appropriate contract managed by Zurich Life or another *Qualifying Fund Manager*. The Transfer Benefit payable is the amount that is payable under a full encashment and is calculated according to paragraphs 7 and 8 of this section.

Section Six – Regular Encashment

This section describes the operation of the regular encashment facility.

Amount of Regular Encashment

1. If you select the regular encashment facility, units will be cancelled at the Bid Price each time a payment is made to you. This will reduce the number of units remaining below that shown in the Policy Certificate.
2. The amount of the regular encashment can be expressed in money terms or as a percentage of your Unit Account. The minimum regular encashment is €200 regardless of the frequency of the encashment. The maximum amount of regular encashment that can be taken from your Unit Account is 10% per annum of the units held in your Unit Account.
3. Where the amount of the regular encashment is expressed as a percentage of the Unit Account, this value will be the sum of the value of your Unit Account plus *Special Dividend*, if any. The value of your Unit Account will be based on the ruling Bid Price of the units calculated on the date the regular encashment is made. The calculation of the value of your Unit Account is explained in Section Five – Payment of benefits. A *Market Level Adjustment* may be applied to any units held in the SuperCAPP Fund. However, if the policy has been invested in the SuperCAPP Fund for at least ten years, the effective Bid Price of the SuperCAPP Fund, after application of any *Market Level Adjustment*, is guaranteed to be no less than the Bid Price of the SuperCAPP Fund on the date you invested in the SuperCAPP Fund.
4. The regular encashment facility will cease if the residual value of your Unit Account valued at the relevant Bid Price(s) is less than €2,500 or would become less than €2,500 if a regular encashment payment were made.
5. There is no charge for the regular encashment facility.
6. To pay the regular encashment, the number of units in each fund shall be reduced so that the number of units cancelled multiplied by their Bid Price(s), plus any *Special Dividend* and allowing for any *Market Level Adjustment*, equals the regular encashment.

Where the policy is linked to more than one fund, the reduction in units across the funds to pay the regular encashment will be in the proportion that the value of the units attaching to that fund bears to the value of the Unit Account. In calculating the value of units attaching to each fund, any *Special Dividend* or *Market Level Adjustment* applying to SuperCAPP holdings will be taken into account.

7. Zurich Life will deduct any taxes from the regular encashment as required of it by the Revenue Commissioners.

Section Seven – Investment Strategy

This section explains the different pre-defined investment strategies that are available on this policy.

1. If the Policy Certificate or any alteration letter subsequently issued to you state that the investment strategy is a RetireRight strategy, paragraph 4 to 6 below apply to your unit account, and paragraphs 7 and 8 do not apply. This section should be read in conjunction with the applicable table which will be displayed on the Policy Certificate or subsequent alteration letter.
2. If the Policy Certificate or any alteration letter subsequently issued to you state that the investment strategy is a Fund Rebalancing strategy, paragraph 7 and 8 below apply to your unit account, and paragraphs 4 to 6 do not apply. This section should be read in conjunction with the applicable table which will be displayed on the Policy Certificate or subsequent alteration letter.
3. If the Policy Certificate states that an investment strategy is not applicable, paragraphs 4 to 8 below do not apply to your Unit Account.

RetireRight Strategy

4. RetireRight is an investment strategy which allocates the unit account between one or more Zurich Life funds. The Zurich Life funds in which RetireRight invests your unit account, at any point in time, depend on a number of factors:
 - (i) The number of years to your *strategy end date*
 - (ii) The relevant strategy stage
 - (iii) The number of months to the end of the relevant strategy stage
 - (iv) The Zurich Life funds available in the relevant strategy stage
 - (v) The fund allocation of your unit account at the end of the relevant strategy stage

The details of these factors as they apply to you will be outlined in the table in the Policy Certificate or subsequent alteration letter.

RetireRight allocates your unit account between one or more Zurich Life funds.

The allocation between Zurich Life funds can change on a monthly basis depending on the point in time of the strategy. The unit account gradually moves to be 100% invested in accordance with the fund allocation at the end of the *de-risk stage*, as specified in the Policy Certificate or subsequent alteration letter.

After the *strategy end date*, there will be no further changes in the allocation between Zurich Life funds.

A RetireRight investment strategy consists of two consecutive strategy stages:

- (i) *Growth stage*
- (ii) *De-risk stage*

The Zurich Life funds in which your unit account is invested during the *growth stage* is determined by the strategy choice applicable to the policy and as specified in the Policy Certificate or subsequent alteration letter.

The fund allocation at the end of the *de-risk stage* is determined by the strategy choice applicable to the policy and as specified in the Policy Certificate or subsequent alteration letter.

The term of strategy stage in respect of your policy is determined by the number of years to the *strategy end date* on the policy.

5. The allocation between Zurich Life funds will progress in the following way:

During the term of the *growth stage*, the value of your unit account will be 100% invested in accordance

with the fund allocation determined by the strategy choice applicable to the policy.

During the term of the *de-risk stage*, the value of your unit account will gradually be re-allocated between the relevant Zurich Life funds from the fund allocation at the end of the *growth stage* to the fund allocation at the end of the *de-risk stage*.

At your *strategy end date*, your unit account will be 100% invested in accordance with the fund allocation at the end of the *de-risk stage*. After your *strategy end date* your unit account will continue to remain 100% invested in accordance with the fund allocation at the end of the *de-risk stage*, unless your policy is otherwise altered. Any further premiums after this point will be invested in accordance with this fund allocation, unless the policy is otherwise altered.

In addition, there may be alteration options available on any RetireRight strategy. These are detailed fully in Section Eight, Paragraph 2 RetireRight strategy alterations section.

6. Zurich Life, at its discretion, may choose to change one or more of the Zurich Life funds which are available in a RetireRight strategy. In this situation Zurich Life may switch any units in the existing fund to the fund that it is being replaced by in the RetireRight strategy. Zurich Life will inform you in writing before doing this.

Fund Rebalancing

7. Fund Rebalancing is an investment strategy which periodically rebalances the value of your unit account between Zurich Life funds in accordance with your selected *fund investment percentages*. Your unit account will be rebalanced to the *fund investment percentages*, at the frequency set out in your Policy Certificate or subsequent alteration letter. You may request Zurich Life to modify the frequency or the applicable *fund investment percentages* at any time while the strategy is turned on.

Once we receive your request to turn on Fund Rebalancing, it will occur automatically and will continue until the cessation of the policy, your request to Zurich Life to turn off Fund Rebalancing, or any notification from Zurich Life to you that Fund Rebalancing no longer applies. Fund Rebalancing will not reduce the number of free switches allowed per year.

8. Zurich Life, at its discretion, may change which Zurich Life funds are available for selection as part of the Fund Rebalancing strategy. If this impacts you, Zurich Life will provide details to you of how this will affect your Fund Rebalancing investment strategy.

Section Eight – Policy alterations

This section explains the alterations that you can make to your policy.

Unit Fund Switch

If you request a Unit Fund switch and the Policy Certificate stated that the investment strategy is RetireRight, the fund allocation changes as described in Section seven, paragraphs 4 to 6 will no longer apply.

If you request a Unit Fund switch and Fund Rebalancing applies to your policy (as stated in your policy cert or subsequent alteration letter), fund rebalancing will continue to apply unless otherwise requested.

1. A Unit Fund switch is where you move the value of some or all of your existing units to a different Unit Fund or Funds. The units that you wish to switch will be replaced by units in the other Funds chosen by you. The value of the units in your former choice of Funds (Source Funds) will be equal to the value of the units in your new choice of Funds (Destination Funds), except where a switch takes place out of the SuperCAPP Fund. In this case, a *Special Dividend* and/or a *Market Level Adjustment* may be applied to the Bid Value of the SuperCAPP units. Where none of the Source Funds is a *Two Stage Switch Fund* and none of the Destination Funds is a *Two Stage Switch Fund*, the value of units will be based on the Bid Price(s) of the Unit Fund(s) calculated on the next *fund valuation date* after Zurich Life has received satisfactory written confirmation of your instructions.

Where some or all of the Source and/or Destination Funds are *Two Stage Switch Funds*, the Unit Fund switch will occur in two stages:

- (i) The units in the Source Funds will be transferred to the Temporary Account. The value of units moved will be based on the Bid Price(s) of the Source Fund(s) in respect of the next *fund valuation date* after Zurich Life has received satisfactory written confirmation of your instructions. The first stage of the switch will be completed on the day on which the relevant Bid Price(s) become available.

If any of the Source Funds is a *Two Stage Switch Fund*, there will be a delay between the relevant *fund valuation date(s)* and when a Unit Price in respect of that date is known.

- (ii) Once the first stage of the Unit Fund switch has been completed, the value of units transferred into the Temporary Account will be used to purchase units in the Destination Funds on the next relevant *fund valuation date* after the Unit Fund switch set out in paragraph 1 part (i) above has been completed. The second stage of the switch will be completed on the day when the relevant Unit Price(s) becomes available. If any of the Destination Fund(s) are *Two Stage Switch Funds*, there will be a delay between the relevant *fund valuation date(s)* and when a Unit Price in respect of that date is known.

Your first four Unit Fund switches in any one policy year will be free of charge. A Unit Fund Switch Charge will only be deducted from your Unit Account for the fifth and subsequent Unit Fund switches requested by you since the last Policy Anniversary Date. On 1st January 2010, the Unit Fund Switch Charge was €20. This charge is guaranteed to increase by no more than the increase in the *Consumer Price Index* since the amount of the charge was last set. You may switch into any of the range of Unit Funds then available to your class of policy as determined by the *Head of Actuarial Function*. However, there are limitations as to the amount that can be switched into or out of the SuperCAPP Fund. These limitations vary from time to time and details are available on request from Zurich Life.

If a Unit Fund switch is made out of a *Protected Fund* the protection as described in Section Two, paragraph 3, will no longer apply.

RetireRight strategy alterations

- 2. If your Policy Certificate or subsequent alteration letter states that the investment strategy is a RetireRight strategy, it is possible to alter your policy in the following ways:

Turn off RetireRight investment strategy

If your policy is altered by turning off an available RetireRight strategy, the fund allocation changes applicable to that strategy (as described in Section Seven, paragraph 4, 5 and 6) will no longer apply. Unless otherwise instructed, future single premium top ups will be invested in line with the fund choice that is applicable at the time the RetireRight strategy is turned off.

Turn on RetireRight investment strategy

If your policy is altered by turning on an available RetireRight strategy, a unit fund switch (as described in Section Eight, paragraph 1) into the applicable funds in the strategy will take place. The fund allocation changes (as described in Section Seven, paragraph 4, 5 and 6) will then apply based on the table shown in the alteration letter issued at the time of this alteration.

RetireRight *strategy end date* alteration

If your *strategy end date* is altered, a unit fund switch (as described in Section Eight, paragraph 1) may take place. The applicable fund allocation changes (as described in Section Seven, paragraphs 4, 5 and 6) will then apply based on your new *strategy end date*, as shown in the table in the alteration letter issued at the time of this alteration.

There is no charge for any RetireRight investment strategy alteration. All alterations above will take place when Zurich Life receives satisfactory notification of your instructions.

Fund Rebalancing strategy alterations

If your Policy Certificate or subsequent alteration letter states that the investment strategy is a Fund Rebalancing strategy, it is possible to alter your policy in the following ways:

Turn off Fund Rebalancing investment strategy

If you request us to switch off the Fund Rebalancing strategy, or we notify you that Fund Rebalancing no longer applies, your funds will remain invested in their current funds but will no longer rebalance. The Fund Rebalancing described in Section 7 paragraphs 7 and 8 will no longer apply.

Unless otherwise requested, future single premium top ups will be invested in line with your selected *fund investment percentage*. If you request a single premium top-up with a *fund investment percentage* that is different to your current selected *fund investment percentage*, we will turn off your Fund Rebalancing strategy and notify you that we have done so.

Turn on Fund Rebalancing investment strategy

If you request us to turn on the Fund Rebalancing strategy, your funds will be rebalanced to the *fund investment percentages* you have requested, at a frequency of your choosing. A rebalance will occur after we receive your instruction, and the next rebalance will occur one frequency period from the effective date of the first rebalance date. The Fund Rebalancing described in Section 7 paragraphs 7 and 8 will now apply.

Fund Rebalancing frequency alteration

If your rebalancing frequency is altered, your next rebalance will occur one new frequency period from your last rebalance date. If this rebalance date is prior to the date that we have received your instruction, the rebalance will occur at the next scheduled rebalance date.

Fund Rebalancing investment percentages alteration

If your rebalancing *fund investment percentages* are altered, a switch will be executed to ensure you are invested in the funds of your choosing. Your policy will then rebalance thereafter to your newly specified *fund investment percentages*, at your specified frequency. The next rebalance will occur one frequency period from the effective date of the switch.

Fund Rebalancing fund alteration

If your rebalancing funds are altered, a switch will be executed to ensure you are invested in the funds of your choosing. Your policy will then rebalance thereafter to your specified *fund investment percentages*, at your specified frequency. The next rebalance will occur one frequency period from the effective date of the switch.

There is no charge for any Fund Rebalancing investment strategy alteration. All alterations above will take place when Zurich Life receives satisfactory notification of your instructions.

Partial encashment

3. Zurich Life will allow you to encash part of your policy at any time provided the partial encashment is greater than €1,000 and the value of your Unit Account after the partial encashment is greater than €2,500.

The amount of the partial encashment, before the addition of any *Special Dividend*, plus the partial encashment charge will be deducted from your Unit Account. On 1st January 2002, the partial encashment charge was €20. This charge is guaranteed to increase by no more than the increase in the *Consumer Price Index* since the amount of the charge was last set.

Units will be cancelled using the Bid Price of the units calculated on the next *fund valuation date* after Zurich Life has received satisfactory written confirmation of your instructions. This will reduce the number of units remaining below the level shown in the Policy Certificate. A *Market Level Adjustment* may be applied to any units held in the SuperCAPP Fund. However, if the policy has been invested in the SuperCAPP Fund for at least ten years, the effective Bid Price of the SuperCAPP Fund, after application of any *Market Level Adjustment*, is guaranteed to be no less than the Bid Price of the SuperCAPP Fund on the date you invested in the SuperCAPP Fund.

Zurich Life will deduct any taxes from the partial encashment as required of it by the Revenue Commissioners.

Discretionary alterations

4. Any alteration not specifically allowed by this document will be at the discretion of Zurich Life and may incur a charge deducted from the Unit Account which will be notified to you.

Section Nine – General conditions

This section sets out general conditions and rights that apply to your policy.

Rights of cancellation

1. You may cancel your policy by returning your Policy Document, Policy Certificate and a signed cancellation request to Zurich Life within 30 days of receipt of your policy documentation. On receipt of the above, Zurich Life will refund the premium paid on your policy, and Zurich Life's liability for any benefits will cease. There may be an adjustment made to the refund to cover any losses incurred on your premium as a result of a fall in the Unit Account between the Start Date of your policy and the date Zurich Life receives satisfactory written confirmation of your instruction to cancel the policy.

Notice to Zurich Life

2. You may notify Zurich Life of any fact relating to your policy either in writing, by fax, electronically or, subject to satisfactory identification, by telephone. For certain facts given by telephone Zurich Life may require confirmation in writing.
3. Zurich Life will not be bound by any changes in the terms of your policy unless there is written confirmation from Zurich Life.

Notice from Zurich Life

4. Zurich Life will assume that any correspondence sent has been received by you, at the time it would have arrived at the address last notified to Zurich Life. You should notify Zurich Life immediately if you change your address. Where legislation permits it and you agree to it, Zurich Life may send correspondence to you electronically.

Currency

5. All monies payable by or to Zurich Life will be payable in the currency of Ireland. All amounts payable by Zurich Life under this policy shall be payable at Zurich Life's Head Office.

Laws and interpretation

6. Your policy shall be subject to the Laws of Ireland.

Subsequent legislation

7. If at any future time, as a result of current or subsequent legislation, any of the following occur:
 - (i) the investment rights of Zurich Life are restricted or removed;
 - (ii) it becomes impossible or impractical to carry out any or all of the procedures laid down in your policy; and/or
 - (iii) a premium or additional tax, stamp duty or levy is imposed;

Zurich Life will have the right to make such adjustment in the basis of calculating the benefits under the policy as the *Head of Actuarial Function* will determine, as in accordance with your *reasonable expectations*.

Revenue Commissioners

8. This policy is a contract approved by the Revenue Commissioners under Section 784A of the Taxes Consolidation Act, 1997 as amended by the Finance Act, 1999, the Finance Act, 2000 and the Finance Act, 2021. No alterations to the terms of this policy will be permitted unless approved beforehand by the Revenue Commissioners.

Payment of benefit

9. If a benefit on this policy is not paid within 30 days of Zurich Life's receiving satisfactory written notification that a benefit is payable, or within 30 days of a regular encashment's being due, the amount payable will be increased in respect of the period between the date of notification, or regular encashment due date, and the date of payment.
10. No benefit will be paid under your policy if you or anyone acting on your behalf use any fraudulent means in order to obtain any benefit under your policy. In such an event, Zurich Life reserves the right to cancel your policy and take any actions as it shall deem proper.
11. In the event that you move to another country during the life of the policy, Zurich Life will make payments under the policy to you, save for special circumstances where Zurich Life can make payment to another party. These payments will be made by electronic funds transfer and to an account in your name or the name of a beneficiary located in the same jurisdiction as you or, as applicable, the beneficiary's tax residency. An exception to these restrictions may be granted the sole discretion of Zurich Life and after evaluation of the facts and circumstances. Under no circumstances will Zurich Life execute any policy related cash payments to US residents.

Cessation of benefits

12. On payment of your benefit under Section Five – Payment of benefits, all rights to further benefit cease.

Information

13. You, or your agents, shall furnish Zurich Life with all such data, information and evidence as Zurich Life may reasonably require relating to this policy. Zurich Life shall be entitled to act upon the data, information and evidence so furnished. Zurich Life shall not be liable for any loss or consequential loss occurring as a result of any error, omission or inaccuracy made by you, or your agents, in any data, information or evidence so furnished.

Investment

14. Zurich Life (or its agents) shall not be liable for any loss or consequential loss or any depreciation in, or default upon, any of the investments of the Unit Funds provided Zurich Life, or its agents, acted in good faith in the placing of those investments.

Residency

15. This policy has been designed for customers resident in Ireland. Should you move to another country during the life of the policy, mandatory laws and regulations of the jurisdiction where you move to may impact Zurich Life's ability to continue to service your policy in accordance with these terms and conditions. Please note in such circumstances Zurich Life may be required to amend your terms and conditions and Zurich Life may not be able to accept contributions or process transaction requests (such as switch instructions). Should any such change be required Zurich Life will provide you with reasonable advance notice. If you are not happy with the changes you do have the right to request a full encashment of your policy. The charges specified in Section Four – Charges, will be deducted from your policy in the event of such a request.
16. As Zurich Life is not in the position to provide any tax advice to customers, if you decide to live outside of Ireland after this policy has been issued we recommend that you obtain independent advice in relation to this policy on the tax consequences of changing your country of residency. Zurich Life rejects any responsibility or liability whatsoever for any adverse tax consequences that may arise in respect of your policy and/or any payments made under your policy as a result of you changing the country of residency.

Termination right

17. If you move to another country during the lifecycle of your policy, you must notify us of such planned change prior to such change but no later than within 30 days of such change. Please note that you may no longer be eligible to make payments into your policy. The local laws and regulations of the

jurisdiction to which you move may affect our ability to continue to service your policy in accordance with these terms and conditions. Therefore, Zurich Life reserves the right to take any action it deems necessary in the circumstances.

Sanctions

18. All financial transactions are subject to compliance with applicable trade or economic sanctions laws and regulations. We will not provide you with any services or benefits including but not limited to acceptance of premium payments, claims payments or other reimbursements, if in doing so we violate applicable trade sanctions laws and regulations. We may terminate the policy if we consider you a sanctioned person, or you conduct an activity which is sanctioned, according to applicable trade or economic sanctions laws and regulations.

General adaptation right

19. Your insurance contract has been concluded based on the legal and regulatory requirements in force and applicable at the time of conclusion.

Should the legal or regulatory requirements change, in particular if you change your country of residency, and if as a consequence Zurich Life is unable to perform our duties under the contract without potential adverse effect on us, Zurich Life is entitled to modify the contractual terms and conditions as we deem appropriate and at our discretion, or to take any other action we deem appropriate. Zurich Life is entitled to not make such changes if the changes in regulation would preclude Zurich Life to make such changes. Zurich Life will inform you about the changes in the contractual terms and conditions and the changes in regulation beforehand. The changes will become effective 30 days after the information has been sent to you.

Data Protection

20. This notice provides a summary of what Zurich Life may do with your personal information. Further details are available on Zurich Life application forms and in our Privacy Statement.

The information that you provide, or others provide about you, ('personal data') may be used by us to assess the suitability of our products for you, provide quotes, set up and administer your policy (including claims) and for fraud prevention purposes. We process your personal data to fulfil our contract with you, to comply with the law and for our legitimate business interests, where those interests are not overridden by your data rights.

Your personal data may be shared within the Zurich Insurance Group and with trusted third parties located inside and outside the European Economic Area, including the Trustees, business partners, suppliers and service providers. We may also share your personal data with any intermediary acting for you, with other insurers and with certain regulatory bodies. We will only share your personal data in accordance with the law.

Your personal data is at all times treated as confidential and appropriate technical and organisational measures are taken to ensure it is secure.

We will only keep your personal data for as long as it is necessary for us to do so.

Our application forms and Privacy Statement include more detailed information on:

- Your data rights
- Our processing activities
- Who we share personal data with
- The legal bases for our processing
- How long we keep personal data
- Contact details for our Data Protection Officer and the Data Protection Commission

Our application forms are available from your broker or from our customer service team at customerservices@zurich.com. Our Privacy Statement is available on www.zurich.ie/privacy-statement.

If you have any queries relating to your personal data, our Data Protection Officer is contactable by phone, email, or post via:

- Zurich Life Customer Services on [01 799 2711](tel:017992711)
- dataprotectionofficer@zurich.ie
- Data Protection Officer, Zurich Life, Zurich House, Frascati Road, Blackrock, FREEPOST, Co. Dublin.

Appendix – Glossary of technical terms

An explanation of technical terms found in this document follows. These terms have been printed in *italics* during the course of this document.

Allocated Premium

This is the premium you pay, multiplied by the Allocation Percentage for your premium divided by 100.

Collective Investment Vehicle

This covers a variety of legal entities that pool investors' money in a common fund of investments and that operate on the principle of risk-spreading. The investors can redeem units from the common fund on request. Examples include unit trusts, investment trusts, UCITs and SICAVs.

Consumer Price Index

This is the official index of price inflation published by the Central Statistics Office of Ireland. It is an index of the relative prices of a standard 'basket of goods' over a period. If the index ceases to be published or suitable, Zurich Life will use an alternative equivalent index.

Date of Notification of Death

This is the date on which Zurich Life receives written confirmation of your death.

De-Risk Stage

For a RetireRight investment strategy, the *de-risk stage* choice determines the fund allocation at the end of the *de-risk stage*; as shown in the Policy certificate or alteration letter. Full details of how the investment strategy operates are given in Section Seven.

Fund Investment Percentage

This is the percentage of your *Allocated Premium* that will be invested in a particular Unit Fund. You specify this in your application form.

Fund Valuation Date

This is any day on which the Bid Prices are calculated.

Growth Stage

For a RetireRight investment strategy, the *growth stage* choice determines the unit funds in which the Unit Account will be invested during the *growth stage* of the investment strategy, as shown in the table in the Policy Certificate or alteration letter. Full details of how the investment strategy operates are given in Section Seven.

Head of Actuarial Function

Every life assurance company is required by Irish Law to have an *Head of Actuarial Function*. The *Head of Actuarial Function* has statutory and professional duties in respect of Zurich Life and its policyholders. Reference to the *Head of Actuarial Function* includes suitable persons acting on the instructions of the *Head of Actuarial Function*.

Investment Earnings

These are all income and capital gains from an asset.

Market Level Adjustment

This is a reduction in the value of SuperCAPP units to ensure equity between policyholders, taking into account the investment performance of the assets backing the SuperCAPP Fund. It may be applied, as directed by the *Head of Actuarial Function*, in certain circumstances.

Mirror Funds

These are Unit Funds established by Zurich Life to allow you to invest in funds managed by external investment specialists.

Protected Funds

A Zurich Life *Protected Fund* is a particular type of Unit Fund available to you, which is explained in Section Two – Pension funds.

Qualifying Fund Manager

This is a body that is authorised to manage ARFs. Examples include life assurance companies, banks and building societies.

Reasonable Expectations

This is a term used by the actuarial profession implying fair treatment of policyholders from an informed actuarial point of view.

Ruling Price

The price established on the date in question or, in the event that the date in question is not a *fund valuation date*, the price established at the previous *fund valuation date*.

Special Dividend

In determining the value of certain benefits, Zurich Life may add a *Special Dividend*. The *Special Dividend* rate is reviewed from time to time and is expressed as a percentage of the *SuperCAPP Unit Account*, or such other method as the *Head of Actuarial Function* may determine to be equitable.

Strategy End Date

For a RetireRight investment strategy, a *strategy end date* for the strategy can be selected. The default *strategy end date* will be determined by the month in which the client turns age 90. The *strategy end date* is the date that the fund allocation changes which apply to the strategy, as described in Section Seven, will be completed. At the *strategy end date*, the Unit Account will be 100% invested in line with the fund allocation at the end of the *de-risk stage* of the applicable strategy. Full details of how the investment strategy operates are given in Section Seven.

SuperCAPP Unit Account

This is the value of the part of the Unit Account that is attributable to units held in the SuperCAPP Fund.

Two Stage Switch Fund

Some of the Unit Funds available to your policy are *Two Stage Switch Funds*. For these Unit Funds, a Unit Fund switch will occur in two stages as explained in Section Seven – Policy Alterations. Information on whether a Unit Fund is a *Two Stage Switch Fund* is available from Zurich Life.

If you have any queries outstanding regarding the above terms or other terms in this document, please contact Zurich Life Customer Services Desk by telephone at 01 799 2711 or by email: customerservices@zurich.com

Zurich Life Assurance plc

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