PensionSTAR

A strategy that reduces investment risk as you approach retirement

A key factor affecting the return on your retirement savings is the allocation of your funds to equity investments. Over the long term, equities are expected to outperform other asset classes such as bonds or cash. When saving for retirement you may be more comfortable accepting the risk of equity market fluctuations when retirement is many years away, and be more cautious in the years closer to retirement. PensionSTAR is a structured investment strategy designed to manage the transition of an individual's retirement fund to less risky assets as the selected retirement age is approached.

How does PensionSTAR work?

PensionSTAR builds your retirement fund using up to four Zurich Life pension funds, each with an excellent performance track record i.e. the Zurich Life Dynamic, Performance, Balanced and Active Fixed Income Funds.

Fund	Indicative Equity Range (% of the value of the fund)	Potential Return/ Risk Profile
Dynamic	75% - 100%	High
Performance	65% - 90%	High
Balanced	50% - 75%	Medium
Active Fixed Income	0%	Moderate

PensionSTAR combines investments in these funds on an ongoing basis to build your retirement fund, taking account of:

- your selected retirement age;
- your current age;
- whether you intend to invest in an Annuity or an Approved Retirement Fund.

PensionSTAR will operate differently depending on whether you want to fund for an Annuity or an Approved Retirement Fund (ARF) at retirement. PensionSTAR gradually reduces investment risk by redirecting new contributions into lower risk funds as you approach retirement. With more than 25 years to retirement your regular contributions are invested in the Zurich Life Dynamic Fund, with between 25 and 15 years to go your contributions are invested in the Zurich Life Performance Fund, and so on (see tables below).

PensionSTAR (ARF)	
Years to Retirement	Contribution Direction
25 or more	Dynamic Fund
Less than 25, at least 15	Performance Fund
Less than 15	Balanced Fund

Five years before the selected retirement date, monies invested in the Dynamic and Performance Funds will be gradually switched into the Balanced Fund - a proportion of the value of each fund will be switched each month into the Balanced Fund (i.e. 1/60th, 1/59th, 1/58th, etc.).

PensionSTAR (Annuity)	
Years to Retirement	Contribution Direction
25 or more	Dynamic Fund
Less than 25, at least 15	Performance Fund
Less than 15, at least 5	Balanced Fund
Less than 5	Active Fixed Income Fund

Five years before the selected retirement date, monies invested in the Dynamic, Performance, and Balanced Funds will be gradually switched into the Active Fixed Income Fund - a proportion of the value of each fund will be switched each month into the Active Fixed Income Fund

(i.e. 1/60th, 1/59th, 1/58th, etc.).

Funding for an Annuity at retirement

If you intend to fund for an annuity at retirement, when you are within five years of your selected retirement age, your existing retirement fund will gradually transfer to the Zurich Life Active Fixed Income Fund. The value of the fund will change broadly in line with changes in the cost of annuities as interest rates fluctuate, thus helping to protect you against the risk of a sudden rise in the price of annuities close to retirement. At retirement, 100% of your retirement fund is invested in the Zurich Life Active Fixed Income Fund.

Funding for an ARF at retirement

If you intend to fund for an ARF at retirement, when you are within five years of your selected retirement age, PensionSTAR will gradually transfer your existing retirement fund to the Zurich Life Balanced Fund, reducing your exposure to equities as you get older. At retirement, 100% of your retirement fund is invested in the Zurich Life Balanced Fund (indicative equity range: 50% - 75%) which is typical of the type of fund used for an ARF investment.

Whether you are funding for an ARF or an annuity at retirement, the transfer takes place on a monthly basis, ensuring a smooth reduction in the equity content of your retirement fund.

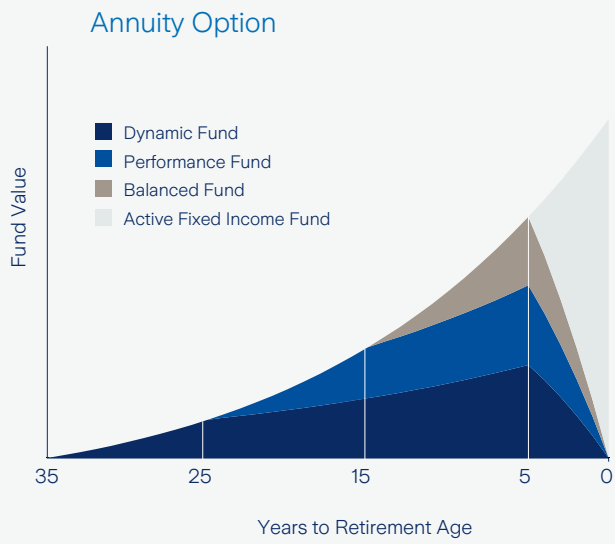
Advantages over other 'individualised' strategies

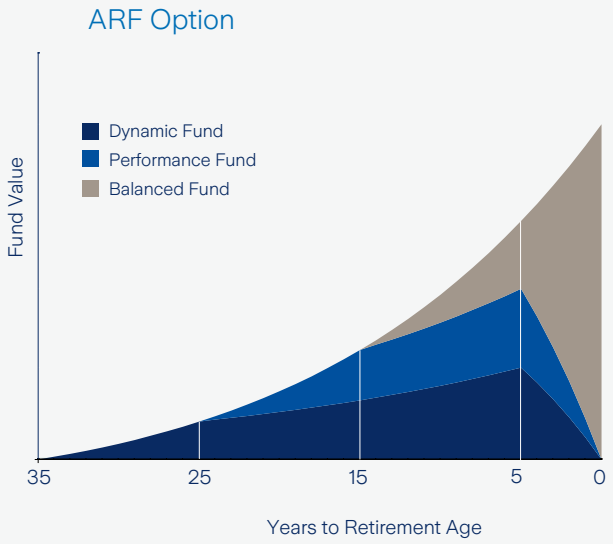
Other providers offer individualised strategies using numerous funds that are each targeted at a group of investors retiring at the same time. This approach assumes that the same fund is appropriate to all in the group. The PensionSTAR approach is different because it only uses a maximum of three well-established funds, adjusts your individual retirement fund as you move closer to retirement and is tailored to what you intend to do with your pension fund at retirement.

With PensionSTAR you know exactly where your retirement fund is invested. Information on the individual performance and the asset distribution of each of the four Zurich Life funds is available on www.zurich.ie

Real returns with protection

The graphs below show how a retirement fund will be initially built up in the Zurich Life Dynamic, Performance and Balanced Funds and then transferred gradually to the Zurich Life Active Fixed Income or Balanced Fund, depending on whether it has been selected to fund for an Annuity or an ARF.





Warning: The value of your investment may go down as well as up.
Warning: This product may be affected by changes in currency exchange rates.

For more information visit www.zurich.ie or talk to your Financial Broker or Advisor.

Zurich Life Assurance plc
Zurich House, Frascati Road, Blackrock, Co. Dublin, A94 X9Y3, Ireland.
Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurich.ie

Zurich Life Assurance plc is regulated by the Central Bank of Ireland.

Intended for distribution within the Republic of Ireland.

GR: 6681 Print Ref: ZL PSA 4323 0222

ZURICH