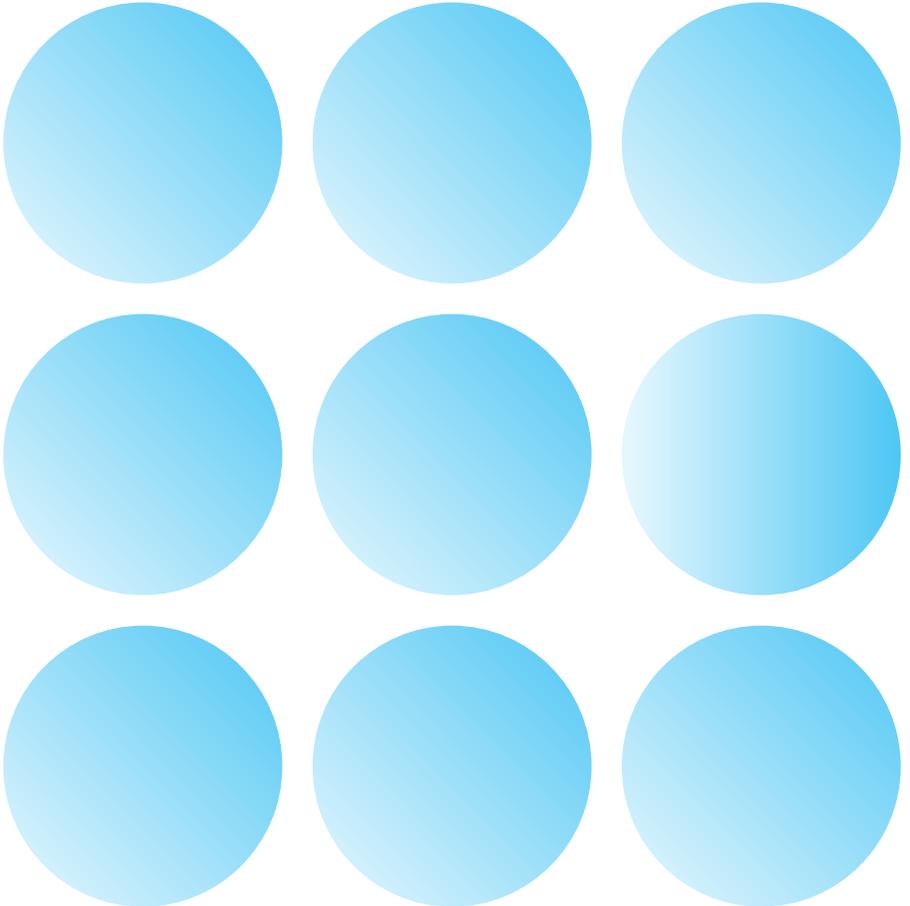


Eagle Star Investment Bond (Protected Funds)

Customer Guide



Introduction

This guide applies to the Eagle Star Investment Bond (Protected Funds). Zurich Life wants to make sure that you purchase a policy that meets exactly with your requirements. This guide is designed to give you all the information required to make an informed purchase decision.

This guide is incomplete unless Part B is completed by your Financial Advisor.

A. Information about the policy

1. Make sure the policy meets your needs!

- i. The primary purpose of this product is investment. It is not designed to provide life cover other than the normal encashment value of the plan on the date of death.
- ii. This policy is a single premium investment policy.
- iii. Although you may encash your policy at any time, you should be aware that an investment policy is a long term financial commitment. You will be exposed to fluctuating capital values in the short-term. This investment is unsuitable if you have a short time horizon or if you are likely to need to use the proceeds of the policy in a financial emergency. You should be satisfied as to the long-term nature of this commitment with regard to your needs, resources and circumstances before entering into such a contract.
- iv. **WARNING: If you propose to take out this policy in complete or partial replacement of an existing policy, please take special care to satisfy yourself that this policy meets your needs. In particular, please make sure that you are aware of the financial consequences of replacing your existing policy. If you are in doubt about this please contact your Insurance Broker/Advisor.**

2. What happens if you want to cash in the policy early or stop paying premiums?

- i. This policy acquires an encashment value immediately.
- ii. Please note that policy values are related to the value of the underlying investments and are therefore not guaranteed. The value of the underlying investments can fall in value as well as rise. In particular, early surrender of the policy may result in a return less than the premium paid.

3. What are the projected benefits under the policy?

The illustration on the next page is prepared for a client paying a premium of €20,000. Zurich Life will provide you with illustrations based on your own exact details when your policy is issued.

Illustrative table of projected benefits and charges

	A	B	C	D	E=A+B-C-D
End of year	Total amount of premiums paid into the policy to date (€)	Projected investment growth to date (€)	Projected expenses and charges to date (€)	Taxation to date (€)	Projected policy value (after payment of tax) (€)
1	20,000	991	1,421	0	19,570
2	20,000	2,012	1,643	103	20,266
3	20,000	3,064	1,865	336	20,863
4	20,000	4,147	2,087	577	21,483
5	20,000	5,262	2,309	827	22,127
10	20,000	11,212	4,425	1,900	24,887
15	20,000	17,867	7,051	3,028	27,787
20	20,000	25,213	9,950	4,274	30,989

The premium payable includes the costs of all charges, expenses and intermediary/sales remuneration.

The effect of deductions is to reduce the projected investment yield by 2% per annum.

Important: These illustrations assume a gross investment return of 5% per annum. This rate is for illustration purposes only and is not guaranteed. Actual investment growth will depend on the performance of the underlying investments and may be more or less than illustrated. The rate of taxation is currently 28%.

4. What intermediary/sales remuneration is payable?

Illustrative table of intermediary/sales remuneration

End of Year	Premium Payable in that Year (€)	Projected Total Intermediary/ Sales Remuneration Payable in That Year (€)
1	20,000	903
2	0	106
3	0	109
4	0	113
5	0	116
10	0	126
15	0	147
20	0	160

Important: These illustrations assume a return of 5% per annum. This rate is for illustration purposes only and is not guaranteed. Actual investment growth will depend on the performance of the underlying investments and may be more or less than illustrated.

5. Are returns guaranteed and can the premium be reviewed?

Please note that the sample illustrations above assume a rate of return on investment. This rate is for illustration purposes only and is not guaranteed. Actual investment growth will depend on the performance of the underlying investments and may be more or less than illustrated.

6. Can the policy be cancelled or amended by the insurer?

- i. The policy can normally only be cancelled or materially amended by Zurich Life as a result of changes required by Government legislation and/or requirements imposed by the Revenue Commissioners.
- ii. Zurich Life has the right to increase the level of the management charge deducted from your policy in certain circumstances. These circumstances are described in the Policy Document, which you will receive when your policy is issued. A copy of the Policy Document is available from Zurich Life on request. Zurich Life will inform you in writing at least three months before any change in this charge is made.

7. Information on taxation issues

Taxation of Investment Funds

Eagle Star Investment Funds are exempt from tax. As such, they are not subject to capital gains tax or income tax. Withholding taxes may, however, be deducted at source from dividends and other income arising from investments in certain countries in which the funds invest. In most cases, part or all of these withholding taxes can be reclaimed, but where they cannot, the income of the funds will be reduced by such taxes.

Taxation of Your Investment Policy

Whenever monies are paid out of your policy (on death, encashment, partial encashment or by assignment), tax is payable on any gains made. A tax on gains will also be payable on every eight-year anniversary of the policy inception; this tax can be offset against any tax that is payable on a subsequent taxable event on this policy. Zurich Life will deduct the tax from your policy and pay it to the Revenue Commissioners. The rate of tax is currently 28%. The Death Benefit may also be taxable as part of your estate in the same manner as the other assets of your estate.

Insurance Levy

The Government has recently announced an insurance levy of 1% to be applied on a range of life assurance policies. Where this is applicable to your policy Zurich Life will alter your premium or benefits accordingly.

8. Additional information in relation to your policy

i. Descriptions of benefits and options

Partial Encashment

You can encash part of your policy at any time provided the partial encashment is at least €1,000. There is a charge for a partial encashment. This charge is currently €20 and was last set on 1st January 2005. It is guaranteed not to increase by more than the increase in the Consumer Price Index since the charge was last set. If you encash part of your policy before your policy is at least five years in force, an early encashment charge also applies. The early encashment charge will be as follows:

Year 1: 5% of the partial encashment amount

Year 2: 4% of the partial encashment amount

Year 3: 3% of the partial encashment amount

Year 4: 2% of the partial encashment amount

Year 5: 1% of the partial encashment amount

Full Encashment

You may choose to make a full encashment of your policy at any time. If you make a full encashment of your policy before it is at least five years in force, an early encashment charge will apply. The early encashment charge will be as follows:

Year 1: 5% of the full encashment amount

Year 2: 4% of the full encashment amount

Year 3: 3% of the full encashment amount

Year 4: 2% of the full encashment amount

Year 5: 1% of the full encashment amount

Death Benefit

The Death Benefit on your policy is the value of your unit account at the date of notification of death. Zurich Life will pay the death benefit on proof that both of the lives insured have died in the case of a joint life policy, or in the case of a single life policy, on proof that the life insured has died.

Regular Income

You can choose a regular income at outset that is a percentage of the value of your Investment Bond (Protected Funds) at the date of payment or a regular income that is fixed in monetary terms. The maximum regular income you may take is 7.5% per annum of the value of your unit holding. You can choose to have your regular income paid monthly, quarterly, half-yearly or yearly in arrears. The minimum amount that Zurich Life

will pay in regular income regardless of the frequency of payment is currently €200. If you select this income option, Zurich Life will encash enough units to pay the income you request, provided there are enough units to pay the requested income each time. Units will be encashed at the ruling bid price. Your regular income facility will cease if the value of your unit account falls below €2,500 or would do so if the regular income were to be paid. Zurich Life will not apply any early encashment charge to regular income taken in this manner. Any income paid to you will be treated as a partial encashment of your Investment Bond (Protected Funds) for taxation purposes and so will be subject to Exit Tax.

Unit Fund Switching

For this product you can only switch within the Protected range of funds or into the Eagle Star Secure fund. This means that you can move your unit holdings within the different Protected unit funds available. You may not move your unit holdings into any Eagle Star funds, other than the Protected range of funds or the Eagle Star Secure fund. The first four switches you make in each policy year are free of charge. A charge will be made for each subsequent switch. This charge is currently €20 and was last set on 1st January 2005. It is guaranteed not to increase by more than the increase in the Consumer Price Index since the charge was last set.

ii. Term of Policy

The policy is an investment plan that is designed to last for the whole of life.

iii. Circumstances under which the policy may be terminated

In the event that you wish to terminate the contract, you should write to your insurance broker/advisor or Zurich Life, quoting your policy number and you will be advised of the options available in accordance with the terms and conditions of the policy.

iv. Protected Funds

Aims

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

Each Protected Fund is divided into units of equal value. Each unit has a Bid Price (i.e. the price at which Zurich Life buys and sells units in the Protected Fund).

Each Protected Fund is a managed fund and has a protected price equal to a specified percentage of the highest Bid Price ever calculated for that fund (the "**Protected Price**").

The Protected Funds aim to achieve long-term investment growth while still seeking to ensure that the unit price of each Protected Fund does not fall below the specified percentage of the highest ever unit price for the Protected Fund. Due to the protection

element that each Protected Fund offers, they are aimed at investors who wish to invest in the stock market, but who also want to limit the effects of stock market falls on their investment.

The Protected Funds seek to protect most of your investment from the falls in the stock market by continuous unit price protection. Over time, a pure equity fund is likely to offer greater potential for higher returns, but with it less stability. For this reason the Protected Funds often appeal to the more cautious investor or to an investor looking to balance their investment portfolio.

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 Bid Price of a Protected Fund falling below its Protected Price; and (b) calculate what proportion of a Protected Fund is invested in the appropriate Eagle Star Actively Managed Fund and a cash fund.

Each time the unit price of a Protected Fund increases to a new high, the Protected Price also increases. If the unit price of a Protected Fund then falls, the Protected Price remains unchanged.

How does the protection work?

The Protected Funds invest in a combination of an Eagle Star Actively Managed Fund and a cash fund. The investment in the appropriate Eagle Star Actively Managed Fund varies between 0% and a specified maximum percentage of the Protected Fund depending on investment conditions and how close that Protected Fund’s unit price is to its Protected Price.

Barclays Bank is currently responsible for calculating what proportion of each Protected Fund is invested in the Eagle Star Actively Managed Fund and/or a cash fund. The balance of investments in the Eagle Star Actively Managed Fund and/or a cash fund can change daily and is set by a formula determined by Barclays Bank. This formula aims to ensure that the unit price of each Protected Fund does not fall below its Protected Price.

If the unit prices of the Eagle Star Actively Managed Funds are rising, then the allocation to those funds (i.e. the equity/managed funds) is increased so that you can benefit from future rises. However, if the unit prices of the Eagle Star Actively Managed Funds (i.e. the equity/managed funds) are falling, then the allocation to the Eagle Star Actively Managed Funds is reduced so that you are protected from future falls. **You should, however, note that, in extreme circumstances, it is possible for the Protected Funds to be fully invested in cash. Further details of this possibility are set out in the section entitled ‘Risk Factors’ below.**

Who provides the protection?

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

Group) will not be liable to you for any act or omission of Barclays Bank in its performance, 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 Price).

Barclays Bank is authorised and regulated by the U.K. Financial Services Authority.

When the protection will not apply

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

- (a) 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, where Barclays Bank becomes insolvent, in the event of adverse changes to the tax treatment of the Protected Fund, the Eagle Star Actively Managed Fund or a cash fund or in the event of regulatory change); and
- (b) 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 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 based on Section Four - Payment of Benefits, paragraph 1 of the Investment Bond (Protected Funds) Policy Document (a copy of which is available on request);
- (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 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 Price, Zurich Life will not use any of its assets to make up any shortfall between the Bid Price and the Protected Price). Zurich Life's obligations in respect of the return on the Protected Funds, including the Protected 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:

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

What is the cost of protection?

Protection carries a cost. If the unit price of a Protected Fund rises and you cash in, you may not get back as much as you would have received if you had invested directly in the underlying Eagle Star Actively Managed Fund. If a Protected Fund becomes predominantly invested in a cash fund, then it may not move back into the Eagle Star Actively Managed Fund or may do so slowly. This means that you would not benefit fully from any subsequent good performance of the Eagle Star Actively Managed Fund at that time.

Risk factors

The price of units in a Protected Fund can fall to a specified percentage of the highest ever unit price of that Protected Fund because of a fall in the underlying Eagle Star Actively Managed Fund or due to currency movements. You may get back less than you invest.

In certain circumstances the Protected Price will not be maintained. This could, for example, happen if: (a) the Barclays Agreement is terminated; (b) Barclays Bank does not meet its obligations to Zurich Life; or (c) the price protection has already been exercised in respect of the Protected Funds. Further details of these circumstances are set out in the paragraph entitled '**When the protection will not apply**'. This could mean that you lose some or all of your investment.

Barclays Bank could fail to calculate, or delay in calculating or paying, amounts due by Barclays Bank to Zurich Life in accordance with the Barclays Agreement. This could result in a delay in your monies being returned to you.

A large fall in the stock market may mean that a large part of the Protected Fund would be invested in a cash fund. If the stock market then recovers, you may not fully benefit as you would have if you had directly invested in the stock market.

v. Satisfaction Period

On receipt of your policy documentation, you will have an opportunity to cancel the policy if you feel it will not meet your needs. To do this, you must return your Policy Document, Policy Certificate and a signed cancellation request to Zurich Life within 30 days. On receipt of the above, Zurich Life will refund all the premiums paid on your policy and Zurich Life's liability for any benefits will cease. Zurich Life may adjust any single premium refunded for any negative fluctuations in investment markets during this period.

vi. Law Applicable to Policy

The information or any part of it contained in this notice does not form part of a contract of insurance between you and Zurich Life Assurance plc. The terms and conditions of your contract with Zurich Life are governed by the law of Ireland and will be contained in your Policy Document and accompanying Policy Certificate. Your Policy Document is evidence of a legal contract.

vii. Zurich Life's Complaints Procedure

Zurich Life has an unrivalled reputation for excellence in the insurance industry. Whether you are a policy owner, beneficiary or an insured person, and are not satisfied in any way with this policy, you should contact Zurich Life Customer Services. If Zurich Life is unable to satisfy your complaint, you may have recourse to the Financial Services Ombudsman's Bureau. Details of the services provided by the Financial Services Ombudsman can be given by Zurich Life upon request.

Zurich Life Customer Services

Tel: (01) 799 2711

Fax: (01) 799 2890

Email: customerservices@zurich.ie

Useful Contacts

The Financial Regulator

P.O. Box 9138, College Green, Dublin 2

Tel: (01) 224 4000

The Irish Insurance Federation

39 Molesworth Street, Dublin 2

Tel: (01) 676 1820

Financial Services Ombudsman's Bureau

3rd Floor, Lincoln House

Lincoln Place, Dublin 2

Tel: 1890 88 20 90

B. Information about the Insurer/Financial Advisor/ Sales Employee and service fee

This part of the guide provides information about Zurich Life, your Insurance Intermediary/ Financial Advisor and any service fee that he/she may charge you in respect of the product described in this guide.

1. Information about Zurich Life

Zurich Life Assurance plc is registered in Ireland under number 58098 and licensed by the Department of Enterprise, Trade and Employment to transact life business in Ireland. Zurich Life is registered for Value Added Tax (VAT) under registration number 1410723M.

Zurich Life's head office is situated in Ireland at the address given below:

Zurich House, Frascati Road, Blackrock, Co. Dublin.

Tel: (01) 283 1301

Fax: (01) 283 1578

Website: www.zurichlife.ie

For further information on your policy, please contact:

Customer Services

Tel: (01) 799 2711

Fax: (01) 799 2890

Email: customerservices@zurich.ie

2. Information about the Financial Advisor

The name and status of the Financial Advisor and the nature of the relationship with Zurich Life are as follows:

Financial Advisor Details

Name:
Correspondence Address:
Legal Form (Self-employed/Company/Partnership etc.):
Name of Sales Employee (where applicable):
Telephone:
Fax:
Email:

Financial Advisor's Agency Agreement with Zurich Life

Broker <input type="radio"/>	Insurance Agent* <input type="radio"/>	Tied Agent* <input type="radio"/>	Employee <input type="radio"/>
* If agent, please state with what other insurance companies you have an agency.			

3. Information on the service fee charged by your Financial Advisor

None <input type="radio"/>	OR
As per written details supplied by your Financial Advisor <input type="radio"/>	

About Us

Zurich Life Assurance plc is a member of Zurich Financial Services group, an insurance-based financial services provider with a global network of subsidiaries and offices in North America and Europe as well as in Asia-Pacific, Latin America and other markets. Founded in 1872, Zurich Financial Services group is headquartered in Zurich, Switzerland. It employs approximately 60,000 people serving customers in more than 170 countries.

As one of Ireland's most successful life insurance companies, we offer a full range of Eagle Star Pension, Investment and Protection products. We gained recognition for our excellent investment performance at the most recent MoneyMate & Investor Magazine Awards (2008) when the company was named 'Best Investment Fund Manager' and was awarded 'Best Balanced Managed Pension Fund' and 'Best Balanced Managed Investment Fund'.

Our investment team, based in Blackrock, Co. Dublin, is responsible for funds under management of approximately €9.8 billion, of which pension assets amount to €5.7 billion (as at 31st March 2010).

We are committed to the provision of excellent customer service. We have won a number of industry service awards, including the Professional Insurance Brokers Association 'Broker Service Award of Excellence' 2009, for the seventh year in a row, and we are fourteen times winner of the Irish Brokers Association 'Service Excellence Award'. We are a market leader in providing policyholder information online through our innovative website, www.zurichlife.ie

We have a strong commitment to good corporate citizenship and are a founder member of Business in the Community Ireland (BITC).

Zurich Life Assurance plc

Zurich House, Frascati Road, Blackrock, Co. Dublin, Ireland.

Telephone: 01 283 1301 Fax: 01 283 1578 Website: www.zurichlife.ie

Zurich Life Assurance plc is regulated by the Financial Regulator.

Intended for distribution within the Republic of Ireland.

The information contained herein is based on Zurich Life's understanding of current practice as at May 2010 and may change in the future.

Barclays Bank PLC is authorised and regulated by the Financial Services Authority (FSA).

