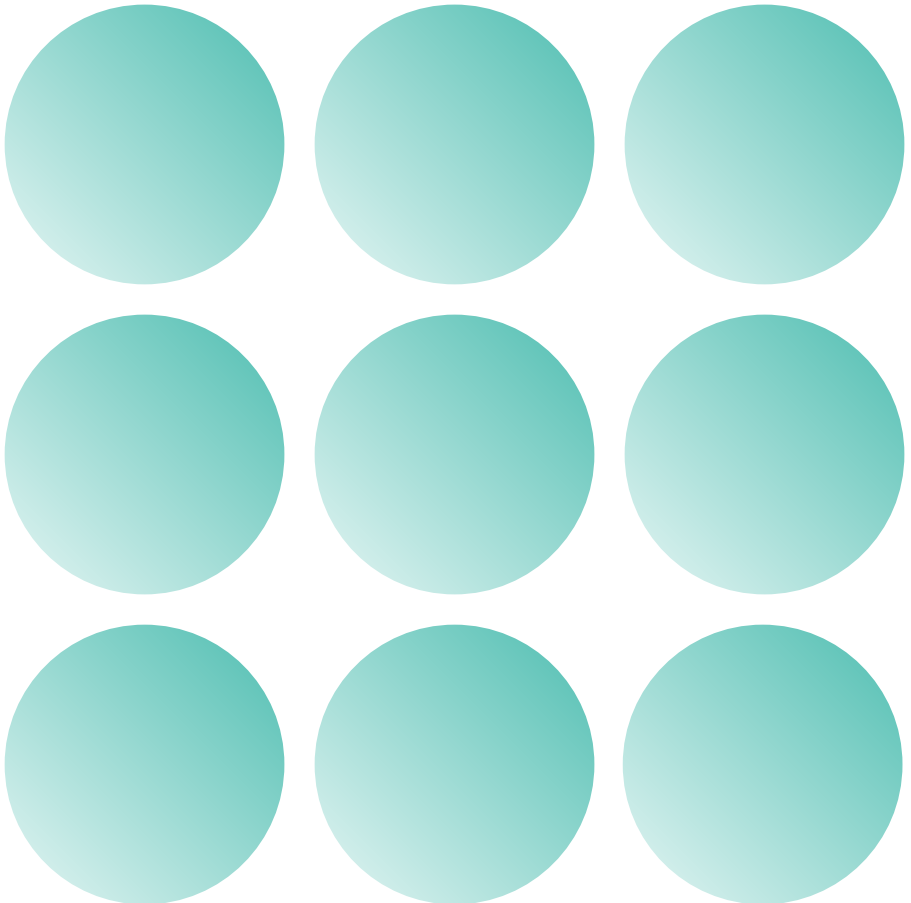


Eagle Star Personal Pension (Protected Funds)

Customer Guide



Introduction

This guide applies to the Eagle Star Personal Pension (Protected Funds) policy. 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 2 is completed by your financial advisor.

Part 1

A. Information about the policy

1. Make sure the policy meets your needs!

- i. The Personal Pension (Protected Funds) policy is a personal pension policy approved under Sections 784 of the Taxes Consolidation Act, 1997. The primary purpose of this policy is to provide an income and/or a lump sum for you when you retire.
- ii. The Personal Pension (Protected Funds) policy is a single premium pension plan.
- iii. A personal pension policy is a long-term financial commitment designed to provide an income and/or lump sum on your retirement.
- iv. Your income at retirement will depend on the total amount invested, less your policy charges, the investment returns earned and the cost of the pension/annuity at retirement. 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.
- v. **WARNING: If you have taken 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 such replacement and of any possible financial loss as a result. If you are in doubt about this, please contact your insurer or insurance intermediary/ financial advisor.**

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

- i. As this is an approved personal pension policy, it cannot be surrendered, encashed or assigned, due to Revenue requirements. You may transfer the value of your policy at any stage to another personal pension plan approved by the Revenue Commissioners.
- 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.

- iii. A charge applies if you retire or transfer your pension fund to another pension provider within the first five years. For further details on this charge, please see Section 8.

3. What are the projected benefits under the policy?

The following illustrations are prepared for a male client aged 40 exactly whose current earnings are €30,000 p.a. with a selected retirement age of 60 and who is paying a single 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 = A+B-C
End of Year	Total amount of premiums paid into the policy to date	Projected investment growth to date	Projected expenses & charges to date	Projected policy value
	€	€	€	€
1	20,000	991	1,421	19,570
2	20,000	2,012	1,643	20,369
3	20,000	3,064	1,865	21,199
4	20,000	4,147	2,087	22,060
5	20,000	5,262	2,309	22,954
10	20,000	11,363	4,484	26,878
15	20,000	18,435	7,275	31,159
19	20,000	24,895	9,825	35,070
Maturity	20,000	26,633	10,511	36,122

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.

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

The projected maturity values above are after an investment term of 20 years. The premium payable includes the costs of all charges, expenses and intermediary/sales remuneration.

Projected Pension Details

Estimated fund at retirement:	€36,122	66.67% of final salary
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Option One (no tax-free lump sum)

Member's pension per month:	€128.64	2.85% of final salary
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Option Two (with tax-free lump sum)

Tax-free lump sum:	€9,031	16.67% of final salary
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Member's pension per month:	€96.48	2.14% of final salary
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Option Three (with tax-free lump sum & ARF)

Tax-free lump sum:	€9,031	16.67% of final salary
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Fund available for AMRF/ARF:	€27,091	50.00% of final salary
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Where the final salary is €54,183 and is calculated using 3% salary escalation.

Important notes

- The figures for the illustrative retirement fund and pension benefits are based on the following:
 - a. the continuation of current expense charges.
 - b. in relation to the pension figure(s), the assumed annuity rate assumes 2% escalation, a 5-year guarantee and is payable monthly in advance. The actual annuity rate will depend on the selection of dependant's pension, guaranteed period and the escalation rate, as well as interest rates prevailing when the annuity is purchased.

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	134
15	0	156
19	0	175
Maturity	0	181

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 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.

You may need to review your pension contributions to meet your desired retirement benefits should investment performance be less than assumed.

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

Premiums

Under current legislation, you can claim tax relief on any premiums paid into a personal pension policy as an expense in the year of payment, subject to the maximum percentage of 'Net Relevant Earnings' listed below. These contributions are referred to as Section 784 premiums. Zurich Life will issue you with a Retirement Annuity Certificate, which you should include with your tax returns in order to obtain this relief.

Age attained in tax year	Maximum % of net relevant earnings
Under 30	15%
30 - 39	20%
40 - 49	25%
50 - 54	30%
55 - 59	35%
60 and over	40%

Note that a monetary maximum (currently €150,000) applies to the Net Relevant Earnings allowable for tax relief purposes.

Benefits

Taxation of Retirement Benefits

Under current legislation, at retirement you may decide to take up to 25% of the maturity value as a tax-free lump sum with the balance of the maturity value used to purchase an annuity, an Approved Retirement Fund (ARF)/Approved Minimum Retirement Fund (AMRF) or a taxable lump sum subject to certain restrictions. Income paid from an annuity contract or an ARF/AMRF is taxable as income.

Taxation of Death Benefit

Lump sum death benefits, if any, will be payable to your personal representatives and will form part of your estate for taxation purposes. Any spouse's pension that becomes payable does not form part of the estate for tax purposes, but will be taxable as income.

Maximum Pension Fund and Tax-free Lump Sum

There is a limit on the size of retirement funds and on the size of tax-free lump sum that can be taken at retirement. The maximum pension fund is currently €5.42 million. If your pension fund exceeds this at retirement, you will have to pay tax at 41% on the excess, in addition to the tax you would normally pay on your purchased retirement benefits. The maximum tax-free lump sum that can be taken at retirement is €1.35 million.

Pension Funds

The Eagle Star pension funds are tax exempt. As such, they are not subject to Capital Gains Tax and Income Tax. This ensures the maximum possible growth for your pension contributions. However, withholding taxes may 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.

8. Additional information in relation to your policy

i. Descriptions of benefits and options

Retirement Benefit

You may retire at any time after age 60, provided rules imposed by the Revenue Commissioners at the time are complied with.

You may retire before age 60 on the grounds of ill-health if Zurich Life's Chief Medical Officer is satisfied that you have become permanently incapable of carrying on your own occupation or any other occupation of a similar nature to which you are trained or fitted, provided rules imposed by the Revenue Commissioners at the time are complied with.

If you retire before your policy 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 unit account	Year 4: 2% of the unit account
Year 2: 4% of the unit account	Year 5: 1% of the unit account
Year 3: 3% of the unit account	

Under current legislation, you may choose to use your pension fund's maturity value to purchase a retirement benefit in one or more of the following forms:

- a tax-free lump sum retirement benefit of up to 25% of your pension fund's maturity value;
- an Approved Retirement Fund (ARF) and/or an Approved Minimum Retirement Fund (AMRF);
- a pension annuity, with or without annual increases in payment and with or without guaranteed payment periods; and
- a contingent pension annuity payable to your spouse or other dependants on your death.

Transfer Benefit

Subject to Revenue requirements you can transfer your pension fund to another pension provider. If you transfer your pension fund to another pension provider before your policy 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 unit account Year 4: 2% of the unit account
Year 2: 4% of the unit account Year 5: 1% of the unit account
Year 3: 3% of the unit account

Death Benefit

Zurich Life will pay the death benefit to your estate on proof of your death before your normal retirement date (subject to Revenue limits). The full value of any units held by your plan is payable on the date of notification of death.

Late Retirement

You may choose to retire after your selected retirement age, provided certain rules issued by the Revenue Commissioners are complied with, but the policy benefits must be taken by age 75. In such circumstances, you will have the same options available to you as described in the section 'Retirement Benefit' above.

Other Policy Options

Unit Fund Switching

For this product, you can only switch within the Protected range of funds. This means that you can move your unit holdings within the different Protected funds available. You may not move your unit holdings into any Eagle Star funds other than the Protected range of funds. 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.

Open Market Option

At the date of retirement, you may elect to use your retirement benefit to purchase an ARF/AMRF or pension annuity from another approved provider. In this instance, Zurich Life would make available to the other provider the value of your retirement benefit less any lump sum or ARF/AMRF benefit already taken. Zurich Life's liability under the policy will cease at this date.

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 Three - Unit Account, paragraphs 4 and 5 of the Personal Pension (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.

ii. Term of policy

Your policy will normally cease at your chosen retirement date, but you may choose to extend the term, subject to any Revenue rules at that time.

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 and any Revenue rules at that time.

iv. 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, 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 fluctuation in investment markets during this period.

v. 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 are contained in your Policy Document and accompanying Policy Certificate. Your Policy Document is evidence of a legal contract.

vi. Zurich Life's complaints procedure

Zurich Life has an unrivalled reputation for excellence in the insurance industry. If 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 on the service fee

You should consult Part 2 of this guide for information on the service fee (if any) that your insurance advisor charges.

C. Information about the insurer/insurance intermediary/sales employee

You should consult Part 2 of this guide for information about both Zurich Life and your financial advisor.

Part 2

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 products described in this guide.

A. 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

B. Information about the financial advisor

The name and status of the financial advisor and the nature of the relationship with Zurich Life is 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

☐

Insurance Agent*

☐

Tied Agent*

☐

Employee

☐

* If agent, please state with what other insurance companies you have an agency.

C. Information on the service fee charged by your financial advisor

None

☐

OR

As per written details supplied by your financial advisor

☐

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).

