

# Eagle Star Savings Plus

Customer Brochure



Best Investment Fund Manager  
Best Balanced Managed Investment Fund  
Moneymate 2008

  
**ZURICH**<sup>®</sup>

Saving for the future is a necessity for most people, and selecting the right savings method for you depends on what use you want to put your money to. Many people like the security that a deposit account can give but feel the interest they receive is insignificant after inflation. Others turn to the stock market for a better return but this does not appeal to everyone because of the volatility associated with equities.

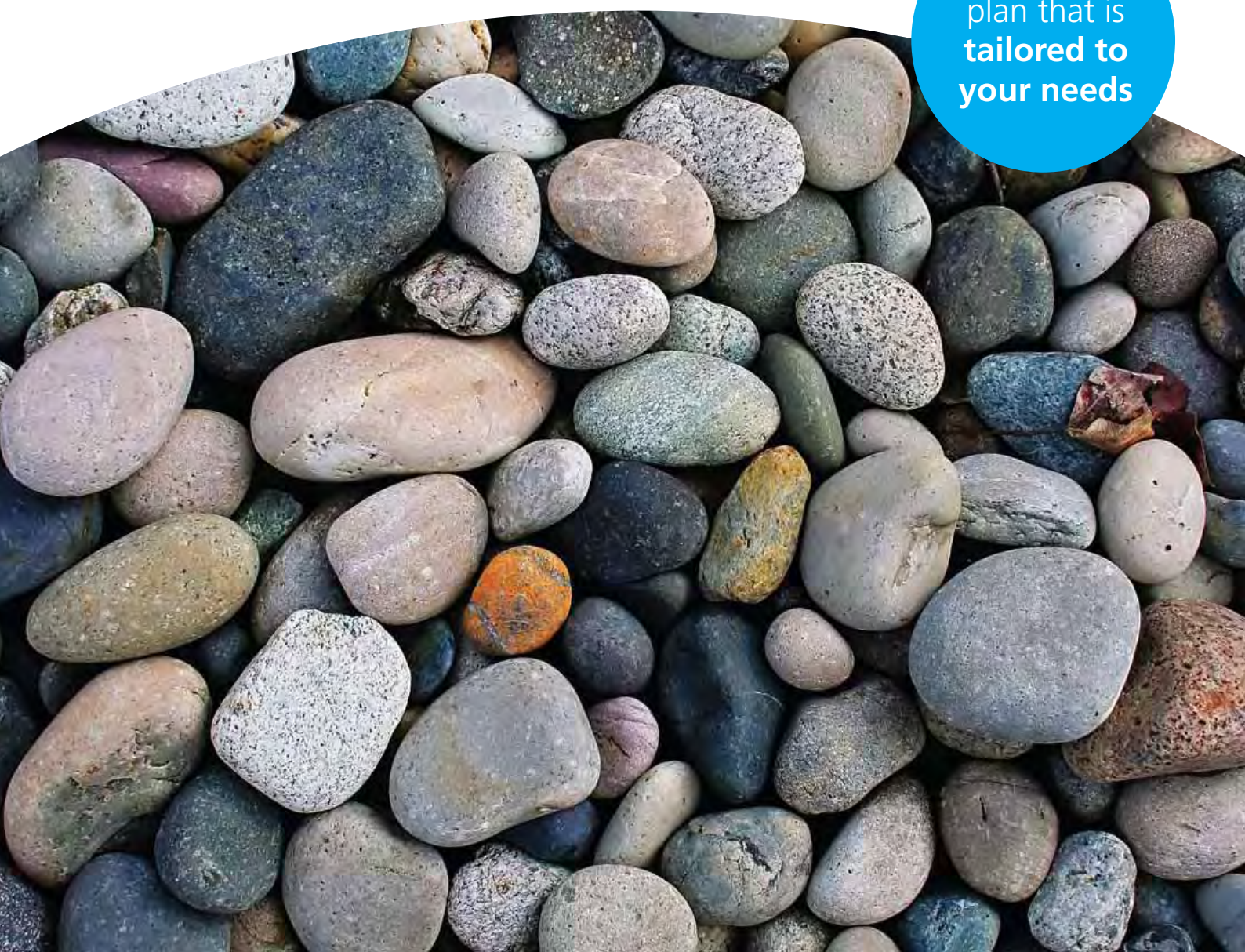
Eagle Star Savings Plus offers you the best of both worlds. You can invest in the stock market but with limited risk through our Protected range of funds. Or, if you prefer, you can invest in our Matrix range of funds where there is a higher element of risk but with the potential for a higher return. The choice is yours. So talk to us today about Eagle Star Savings Plus and find out more about a savings plan that is tailored to your needs.

# Stock market investing made simple

We designed Eagle Star Savings Plus to make investing in equity and bond markets simple for you. When you invest with us, your money is placed in your choice of our **Protected** or **Matrix** range of funds. Through these funds, you can access a broader portfolio of assets than would be practical for an individual saver.

For as little as €50 per month, you can choose from a mix of funds to suit your investment needs and your attitude to risk and return.

The value of your investment is linked to the value of the underlying assets in the funds you select, and it is important to note that this value may decrease as well as increase. Although investment returns are not guaranteed, you can rest assured that your investment is expertly managed by our award-winning investment team.



A savings  
plan that is  
**tailored to**  
**your needs**

# What type of savings do you need?

There is a degree of risk associated with investing in the stock market, but history has shown that over the long term, higher-risk investments such as shares tend to offer higher returns, whereas lower-risk investments, such as deposit accounts, tend to offer lower returns. In order to choose the most appropriate savings vehicle for you, you need to consider the following:

	Short-term savings	Long-term savings
<b>Your need to access savings</b>	Need instant access	Prepared to invest for 5 years or more
<b>Your aim</b>	Protecting the full value of your capital is most important	Real long-term capital growth is most important
<b>Typical savings product for you</b>	Bank or Building Society Deposit Account	Equity-based savings plan, e.g. Eagle Star Savings Plus

If you are looking for a long-term savings product where your money has the potential to earn high returns by investing in equity and bond markets through unit-linked managed funds, then Eagle Star Savings Plus is right for you.

## Irish Asset Class Returns

(01/01/1970 - 31/12/2007)

	% growth per annum
Equities	15.1
Property	15.7
Bonds	10.9
Cash	9.1
Inflation	7.1

Source: Goodbody Stockbrokers

## What about tax?

Whenever monies are paid out of your Eagle Star Savings Plus plan (on death, encashment, partial encashment or by assignment), tax is payable on any investment gains made. A tax on gains will also be payable every 8 years; this tax can be offset on a pro rata basis against any tax that is payable on a subsequent taxable event on this policy. The rate of tax (currently 23%) is equal to the standard rate of income tax plus 3%. If you choose to include life cover on your plan, no tax is currently payable on this benefit.



# What Eagle Star Savings Plus can offer you

## → Excellent fund choice through Protected Funds and Matrix Funds

The Protected Funds and Matrix Funds offer you a select and well-balanced range of high quality funds managed by our award-winning investment team.

## → Change the profile of your investment

You can do this at any time by making a fund switch. This involves moving some or all of your existing investment into another fund or funds. You can make four free switches each year but there is a charge for any further switches.

Switches can be made within the range of funds you select when you start your Eagle Star Savings Plus (i.e. Protected or Matrix Funds). However, you cannot have both a Protected and a Matrix Fund within the one plan. See next page for more details.

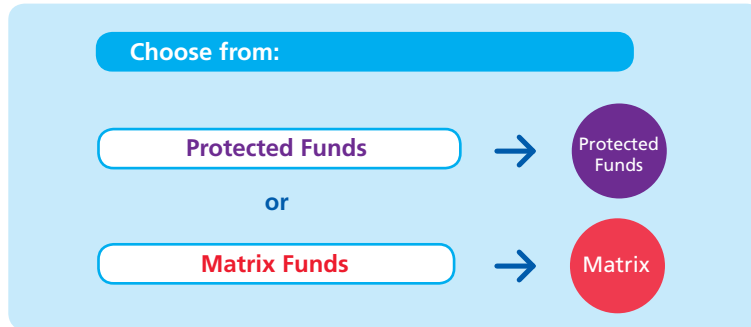
## → Easy access to your money

At any time you can cash in your Eagle Star Savings Plus plan or encash part of your accumulated savings, provided the partial encashment is greater than €1,000. The cash value of your Eagle Star Savings Plus plan in the early years may be less than the amount you invested. If you make a withdrawal from the SuperCAPP Fund, then we have the right to reduce payments to customers in certain circumstances, by what is called a Market Level Adjustment.

## → Savings flexibility

You can vary the amounts of your regular premiums and make lump sum injections into your plan.

# Investment choices for your Eagle Star Savings Plus plan



## Protected Funds

To invest in the stock market, but also limit the risks you take, you should consider our Protected Funds. These funds invest in an Eagle Star Actively Managed Fund and an Eagle Star Cash Fund. The risk is limited because the Protected Funds have a protected price below which the unit price of the fund cannot fall.

## Matrix Funds

For funds with different levels of risk and potential returns, choose our Matrix range of funds. These include funds ranging from balanced managed funds through to concentrated equity funds consisting of 25 selected equities (see page 8).

## Switching and mixing

Switches can be made within the range of funds you select. You can also choose a number of funds. However, you cannot have both a Protected and a Matrix Fund within the one plan.

If you select Protected Funds, you can switch into any of the Protected Funds or into the Eagle Star Secure Fund, but not to other funds provided by us.

# The Protected Funds



Eagle Star Protected Funds are aimed at investors who wish to invest in the stock market, but who also want to limit the risks they take.

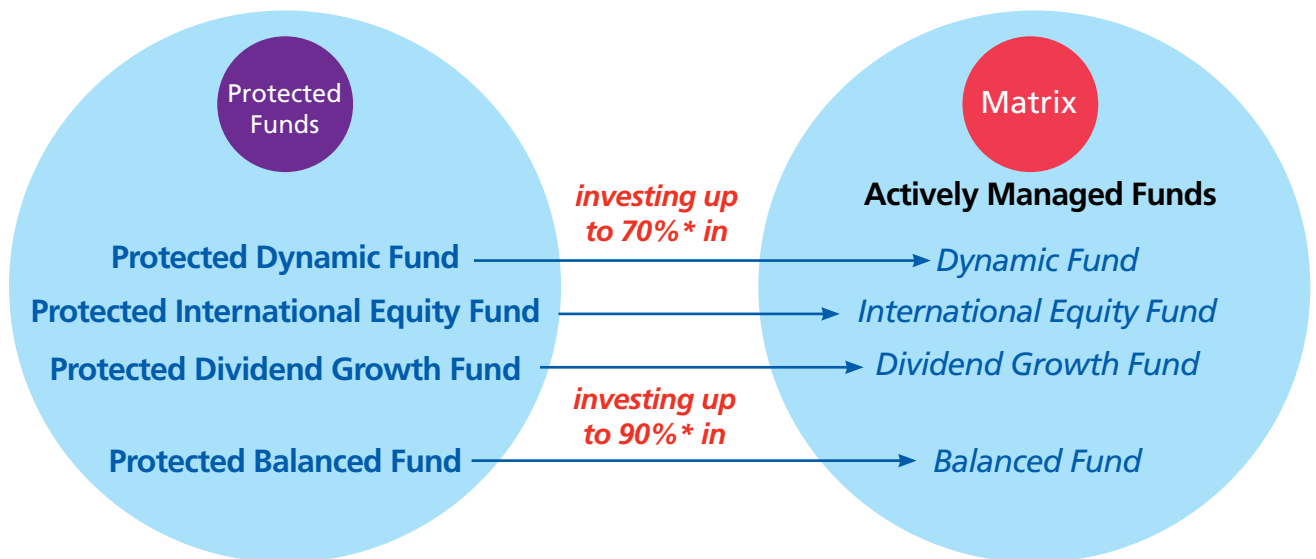
The risk is limited because the Protected Funds have a Protected Price below which the unit price of the fund cannot fall. For each Protected Fund, the Protected Price is 80% of the highest ever unit price of that fund. In this way, your investment is protected from some of the risks of stock market investments.

The protection is provided by Barclays Bank plc\* and not by Eagle Star.

Eagle Star Protected Funds each invest in an Eagle Star Actively Managed Fund from the Eagle Star Matrix range of funds (thus providing you with the potential for real investment returns), and an Eagle Star Cash Fund.

\* We reserve the right to replace Barclays Bank plc with another provider at any stage.

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

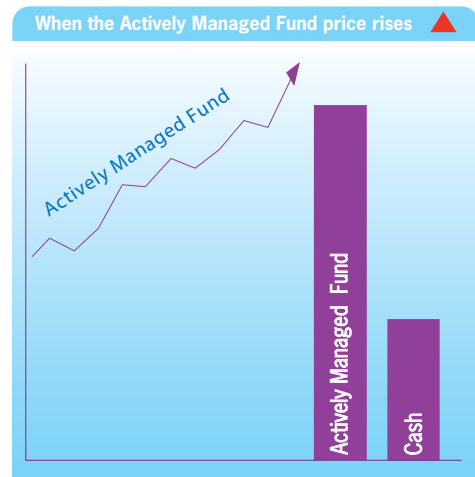


Each Protected Fund has a maximum percentage which can be invested in the appropriate Eagle Star Actively Managed Fund. The amount invested in the Eagle Star Actively Managed Fund is determined by Barclay's Bank plc. For the Protected Dynamic Fund, the Protected Dividend Growth Fund and the Protected International Equity Fund, the maximum percentage which can be invested is 70%\*. The Protected Balanced Fund has a maximum percentage which can be invested of 90%\*. Other Protected Funds in the future may have a different maximum percentage investment.

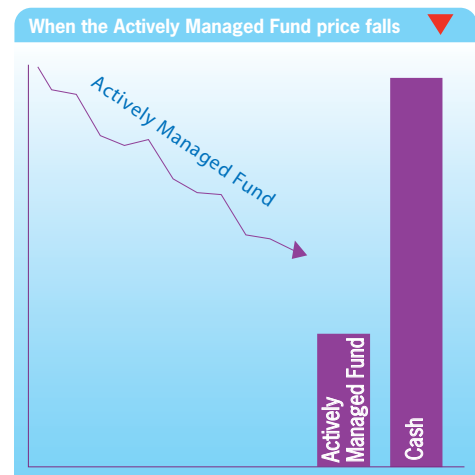
\* This is the target maximum exposure to the Actively Managed Fund. It is possible for the Protected Fund to have a higher exposure to the Actively Managed Fund at certain times.

## How the funds work

If the unit price of the Actively Managed Fund is rising then the allocation to the Actively Managed Fund increases so that you can benefit from future rises.



If the unit price of the Actively Managed Fund is falling, then the allocation to the Actively Managed Fund reduces so that you are protected from future falls. You should note that, in extreme circumstances, it is possible for the Protected Fund to be fully invested in cash.



# How Matrix Funds can work for you



To choose your funds, simply choose the combination of Matrix Funds that best suit your attitude to return and risk, and how much control you wish to have over your investment.

To choose the funds to suit your needs, ask yourself the following:

What control do I want when investing?	Control Fund Choice		
<b>Some control</b> <i>I want to choose particular sectors/regions to invest in.</i>	→ 5★5 Asia Pacific	Eurozone Equity	
	5★5 Europe	European Select*	
	5★5 Americas	American Select*	
	TopTech 100	Australasia Property	
	Active Fixed Income	European (Ex-UK) Property	
	Long Bond	Global Commodities	
	Irish Equity	UK Index**	
	India Equity	Japan Index**	
	Dividend Growth	Europe ex-UK Index**	
	Diversified Assets	Earth Resources	
	<b>Total investment manager control</b> <i>I want experts to make the choice of investment decisions for me.</i>	→ 5★5 Global	Global Select*
		Dynamic	Performance
		International Equity	Balanced
		SuperCAPP	Cautiously Managed
Secure			

\* Managed by Threadneedle Investments.

\*\* Managed by Barclays Global Investors.

What return do I expect, and what risk am I prepared to take for that return?	Return/Risk Fund Choice	
Low return/risk	→ Secure	
Moderate return/risk	→ SuperCAPP	Active Fixed Income
	Cautiously Managed	
Medium return/risk	→ Balanced	Long Bond
	Diversified Assets	
High return/risk	→ Dynamic	European Select*
	Performance	American Select*
	International Equity	UK Index**
	Global Select*	Japan Index**
	Eurozone Equity	Europe ex-UK Index**
	Dividend Growth	Earth Resources
	Higher return/risk	→ 5★5 Global
5★5 Asia Pacific		5★5 Americas
TopTech 100		Global Commodities
Irish Equity		Europe (Ex-UK) Property
Australasia		India Equity

\* Managed by Threadneedle Investments.

\*\* Managed by Barclays Global Investors.

Remember that return and risk are related; normally, the higher the potential return, the higher the potential risk. The funds that are common to your risk/return and control choices can be selected for your Eagle Star Savings Plus plan. You will find more detail on the Matrix range of funds at [www.zurich.ie](http://www.zurich.ie)

# Outstanding fund performance

Eagle Star Savings Plus offers you investment funds with proven performance. Our investment performance and service excellence was recognised at the 2008 MoneyMate and Investor Magazine Awards when the company was named:

- Best Investment Fund Manager
- Best Insurance Provider
- Best Balanced Managed Pension Fund
- Best Balanced Managed Investment Fund

The logo for MoneyMate, featuring the word "MoneyMate" in a dark blue, serif font. The "M" and "M" are significantly larger than the other letters. There are two horizontal yellow lines, one under the "y" and one under the second "M". A registered trademark symbol (®) is located at the top right of the "e".

**Warning: The value of your investment may go down as well as up. Past performance is not a reliable guide to future performance. This product may be affected by changes in currency exchange rates.**

## Save and Protect

For a fixed premium of €5 per month per life, you have the option to include a specified level of life cover on your savings plan. You may select this option on your own life, on that of the second life insured on your policy, or on both lives.

This convenient and cost-effective life cover is designed to give you the comfort of knowing that in the event of the death of a life insured, a guaranteed minimum amount will be paid under the policy. This payment is in addition to the value of your savings fund.

You may only select this option if the relevant life insured is aged less than 50 when taking out the policy and the savings premium is at least €200 per month. Cover ceases for either life once that life insured reaches age 60. The additional fixed premium of €5 per month also ceases at this time.

Only one policy with this life cover benefit is allowed per life insured.

The level of life cover provided depends on the age of the life/lives insured and whether the life insured smokes at the start of the policy.

Age Next at Entry	Non-smoker	Smoker
Up to 40	€40,000	€20,000
41 to 45	€30,000	€15,000
46 to 50	€20,000	€10,000



## Yes we make a charge...

- 95% of your money is invested from day one.
- A policy fee of €3 will be deducted from the fund each month, and this will usually be increased in line with the consumer price index each year.

### Protected Funds:

- The annual management charge is 1.75% of the value of your policy.

### Matrix Funds:

- The annual management charge is 1.25%\* of the value of your policy.

\* An additional management charge of 0.5% per annum applies if you choose to invest in a fund managed by Threadneedle Investments.

### And if you ...

- make a partial encashment, the charge is currently €20.
- switch a fund, the first four switches in any year are free. Subsequent switches currently cost €20.
- choose the SuperCAPP Fund, there is a charge of 5% of this fund's investment earnings when a dividend is declared.

# How to get the value of your Eagle Star Savings Plus plan

When applying for an Eagle Star Savings Plus plan, you can request access to our online Client Centre. Once you have received your log-on details, you can look up your plan's current value and other details.

In addition, you can keep track of the performance of your chosen fund(s) by using the Fund Growth Calculator at [www.zurich.ie](http://www.zurich.ie), or referring to the national newspapers.

## **In summary:**

If you want a flexible savings product that offers you the opportunity to harness the potential growth of the stock market, **Eagle Star Savings Plus** is the right product for you.







## About us

Eagle Star Life Assurance Company of Ireland Limited 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, the 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 2008 MoneyMate & Investor Magazine Awards 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 €8 billion, of which pension assets amount to €4.6 billion (as at 31st December 2007).

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' for 2007, 2006, 2005, 2004 and 2003, and we are twelve 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.zurich.ie](http://www.zurich.ie)

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







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Eagle Star Life Assurance Company of Ireland Limited is regulated by the Financial Regulator.

Intended for distribution within the Republic of Ireland.

The tax and legislative information contained herein is based on Eagle Star's understanding of current practice as at June 2008 and may change in the future.

