



Focus on the **SuperCAPP Fund**

The **SuperCAPP Fund** is a unitised with-profits fund that aims to deliver a regular return to policyholders consistent with prevailing medium-term interest rates while maintaining the potential for higher growth than a bank deposit account.

The SuperCAPP Fund has produced consistent returns for investors. The table below shows the fund's annual dividend or each year since 2003:

SuperCAPP Fund Gross Dividends 2003 – 2011 (%)*

Year	2003	2004	2005	2006
Dividend	5.25	4.00	4.00	4.00

Year	2007	2008	2009	2010	2011 [†]
Dividend	4.00	4.00	4.00	4.00	3.25

* Source: Zurich Life. Dividends shown are those declared on investment accounts and do not represent the returns on premiums paid. The dividends shown are gross dividends before annual management charge has been deducted.

† The dividend shown above for 2011 is an interim dividend; the annual dividend for 2011 will be declared in 2012 and may be different to the interim dividend. Any encashments during 2011 will be based on the interim dividend.

Special Dividends

In addition to Annual Dividends, policies maturing after a period of at least five years in force, or becoming a claim through death, may qualify for a Special Dividend, which is added to the unit account. The circumstances in which these maturing policies qualify for a Special Dividend may vary from time to time. The current Special Dividend rates are available on request.

[See overleaf for more information...](#)

Investment Aim

The investment aim for the SuperCAPP Fund is to achieve investment returns that support the distribution of Annual Dividends consistent with prevailing medium-term interest rates, while maintaining the potential to pay Special Dividends that are reasonably stable from year to year.

To achieve this investment aim, the fund invests in a variety of assets. The fund currently comprises a core portfolio of government bonds complemented by equity investments that are held to generate returns in excess of annual dividend distributions. The fund's asset mix is managed to ensure that exposures to bond and equity markets remain consistent with the stated investment aim.

The fund's exposure to changes in interest rates is normally controlled by holding instruments which compensate the fund if there is a rise in interest rates. The fund's exposure to equity volatility is normally controlled to avoid excessive changes in dividends from year to year. This is achieved by limiting the maximum losses and gains for the majority of the equity portfolio. The aim of Zurich Life's active management of the equity portfolio is to earn returns in excess of Annual Dividends while limiting the fund's exposure to extreme losses.

Market Level Adjustment

Zurich Life continues to manage the SuperCAPP Fund prudently. In certain circumstances, such as a period of sustained market underperformance, a Market Level Adjustment (MLA) may be applied to a with-profits fund, reducing the encashment values of policies invested in the fund. An MLA has not been applied to the SuperCAPP Fund since it was established in 1978.



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

**For more information on the Zurich Life SuperCAPP Fund,
please contact your Financial Advisor
or visit the Funds section at www.zurichlife.ie**