

# Your plan and its investment in the with-profits 90:10 fund

This leaflet explains the performance of the with-profits 90:10 fund over the 12 months to 30 September 2018.

Find out more at [zurich.co.uk/with-profits](http://zurich.co.uk/with-profits).

## How's the fund doing?

In the 12 months up to 30 September 2018, the fund return was below our long term expectations due to lower returns on fixed interest investments.

- For pension plans the fund return before tax was 1.75%.
- For life plans the fund return after tax was 1.65%.

These returns don't take account of plan charges. Details of the charges that apply to your plan can be found in your plan documents.

## What's happened to regular bonuses?

The regular bonus is unchanged from 2017 and depends on which unit series you're invested in – you can find this on your statement. If your statement doesn't already include details of the regular bonus that applies to your plan, you'll find it online at [zurich.co.uk/with-profits](http://zurich.co.uk/with-profits).

Bonuses are paid by increasing the fund's unit price, or for pensions series 1, the underlying guaranteed price.

## What's happened to final bonuses?

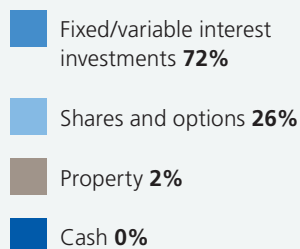
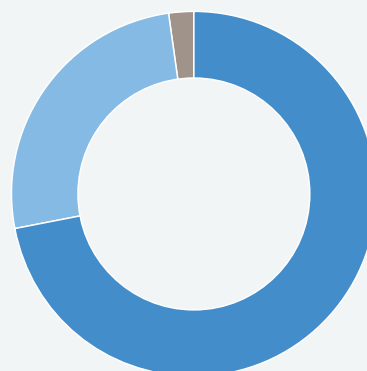
We expect all plans ending in 2018 to get a final bonus. We use these to ensure we pay a fair share of the fund to plan holders as they leave the fund. Where a bonus is paid we expect it to be more than in 2017.

The final bonus rate currently includes an enhancement to allow for distribution of part of the fund's Estate. This is currently 25% of the asset share, increased from 16% in 2017.

**We regularly review bonus rates and may change the percentages at any time.**

**While we are not currently applying a market value reduction on early surrender – we may do in future if investment performance falls significantly below our expectations.**

**Fund investment mix by value at 30 September 2018**



## What are the fund expenses?

Fund expenses vary across different groups of plans and are taken into account when determining bonus rates each year. During 2017, we reviewed our expenses which have increased. The expenses taken from the fund vary with different groups of plans. After the increase the average expenses for 2017 remain on average less than 0.5% of the fund's value.

## Has Zurich changed how the fund is run?

During 2017, we updated the support mechanism which provides financial support to the fund in certain circumstances, so that it uses updated financial reporting metrics. A small number of other changes were made to the Principles and Practices of Financial Management (PPFM) document.

We will inform you of any changes made during 2018. You'll find the current PPFM, and a summary version, on the website.

## How's the fund invested?

We aim to keep around 70% of the fund in fixed interest investments.

We also continue to buy protection for the fund against share price falls by using 'options'.

These options help the fund achieve stable returns. In the long-term we expect the investment returns to be similar to those that could have been achieved if we had invested 25% of the fund in shares without using options.

## Want to find out more about With Profits?

You'll find a lot more information about our with profit plans, including a jargon buster online at [zurich.co.uk/with-profits](http://zurich.co.uk/with-profits).

### How to contact us

If you have any questions about this leaflet, or your plan, you can phone, email or write to us.



Phone: 0345 723 4006 between Monday and Friday 8.00 am – 6.30 pm (excluding Bank Holidays) and Saturday 9.30 am – 12.30 pm.

To protect your personal information, we will only give out information after confirming your identity. We will ask you for your personal details and details about your plan or payments to it.

We may record or monitor calls to improve our service.



Email:  
bonus.helpdesk@uk.zurich.com



Write to:  
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We want everyone to find it easy to deal with us. If you need information on our plans in a different format, just let us know and we'll do our best to provide it.

All our literature is available in large print, Braille and on audio tape or CD.

If you are a textphone user, we can answer any questions you have through a Typetalk Operator. Call us on 18001 0345 723 4006. Or, if you'd prefer, we can introduce you or your adviser to a sign-language interpreter.

This document is on our website and can be read by most text readers.

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