

Evolution Investment Bond

Product Guide for Investors



AXA Financial

AXA Financial is a wholly-owned subsidiary of AXA Ireland Limited. AXA Financial was established to distribute investment and pension products in Ireland through a network of independent professional financial advisers.

An important part of AXA Financial's mandate is to facilitate investor access to an independent fund offering which has been exposed to a rigorous and consistent Fund Selection Process. The fund offering forms the basis of the Evolution Buy Out Bond and other investment and pension products that are underwritten by AXA Financial's sister company, AXA Life Europe Limited.

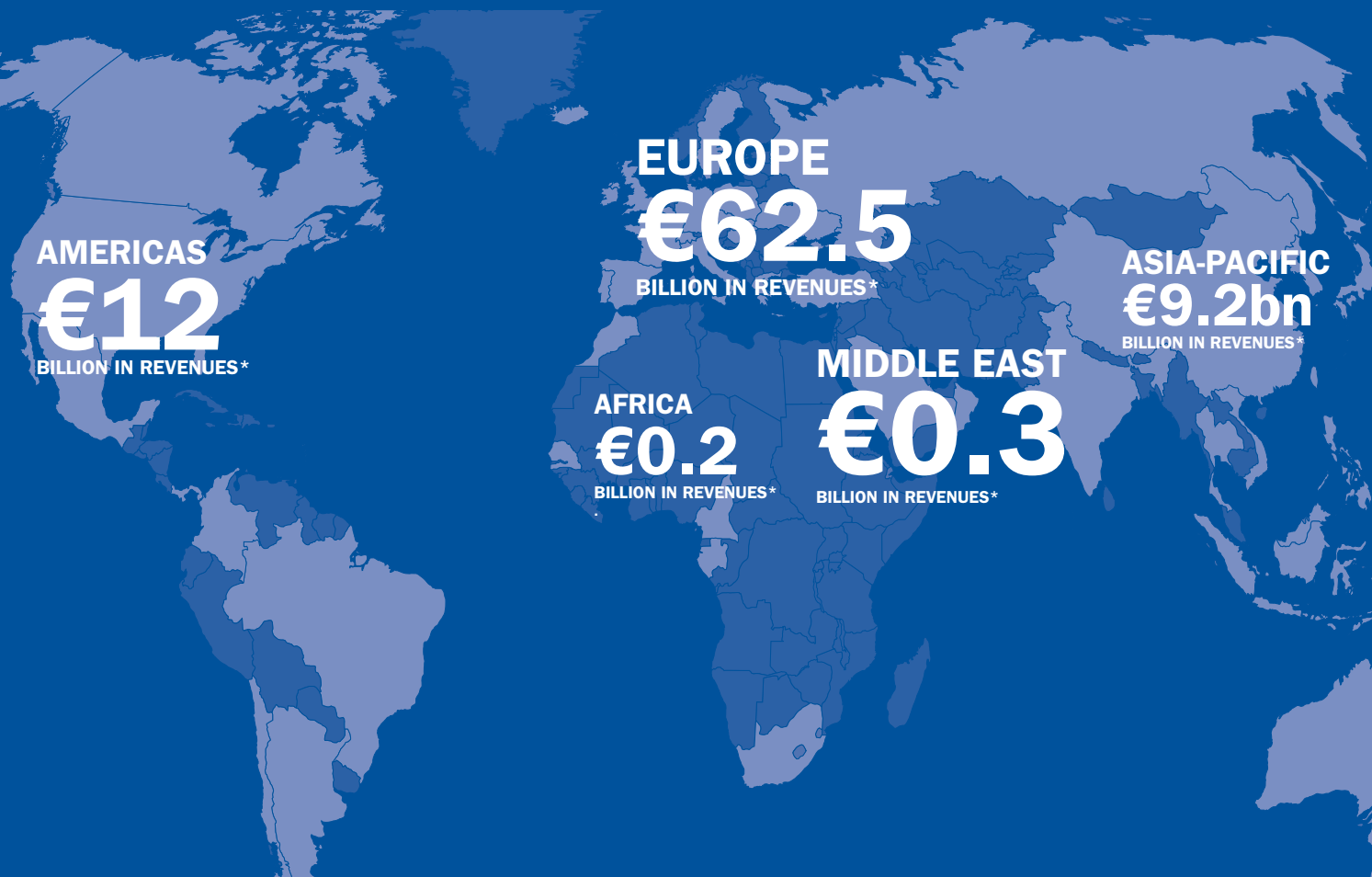
AXA Financial Limited, trading as AXA Financial, is regulated by the Central Bank of Ireland. AXA Life Europe Limited is regulated by the Central Bank of Ireland.

AXA Group

AXA Financial and AXA Life Europe Limited are part of the global AXA Group – one of the world's leading providers of financial protection, wealth and investment management. In 2009, the AXA Group was the third largest insurer in the world by revenue* and is currently AA- rated**.

* Fortune Global 500 Index July 2009

** S&P rating (www.axa.com/en/investor/ratings)



*2009 Revenues

Evolution Investment Bond

AXA Financial provides you (in conjunction with your financial adviser) with access to a wide range of international investment funds from leading fund groups. It offers a fund range with unrivalled choice and depth to facilitate the construction of diversified investment portfolios.

The experience of recent times has reminded us of a number of important investment fundamentals, in particular, the link between risk and reward, the fundamental importance of asset allocation and the need to build adequate diversification into investment portfolios.

Each fund on offer (available through Evolution – a single premium whole of life investment bond) is selected using a rigorous and independent Fund Selection Process.

Evolution offers:

- **unique access to an unbiased range of international investment funds - the Tailored Selection - carefully selected by AXA and managed by internationally recognised fund groups**
- **an independent Fund Selection Process that assesses and monitors thousands of international investment funds**
- **access to a comprehensive range of investment funds covering different asset types, sectors and geographical areas**
- **the collective experience of a large selection of internationally recognised fund groups**
- **the ability to construct, manage and change an investment portfolio or strategy under the one tax structure**
- **fund information and prices, valuations, and fund allocations available online 24 hours a day at www.axafinancial.ie**
- **the ability to change a portfolio's fund allocation, online at www.axafinancial.ie**

The Evolution Investment Bond is a single premium whole of life investment bond designed for medium to long term investment. It is underwritten by AXA Life Europe Limited and is distributed by AXA Financial through financial advisers.

The Evolution Investment Bond is unit-linked, which means that your investment is allocated to unit-linked funds which have been established by AXA Life Europe Limited and chosen by you. The aim of each unit-linked fund is to access the performance of its corresponding, underlying investment fund. The underlying investment funds have been selected by AXA Financial and form the Tailored Selection range of funds.

Evolution Investment Bond

What is Evolution?

Evolution is a single premium whole of life investment bond. It is underwritten by AXA Life Europe Limited, a sister AXA company to AXA Financial. It provides access to a variety of investment funds managed by professional fund managers and is designed to produce long term capital growth (5 years plus).

How does Evolution work?

Evolution provides you with a convenient single product structure through which you can choose multiple funds. It 'wraps' your investment into the one product for ease of fund switching and tax efficiency.

Why invest in Evolution?

Evolution provides access to circa 50 investment funds, including a choice of international investment funds and asset classes and a high level of conviction in the future performance of the selected funds. These are available under the one tax structure, to ensure choice and complete flexibility to adapt to your changing needs and objectives.

The conviction is delivered via an independent Fund Selection Process that sources and selects the funds. The Fund Selection Process is an investment driven process that is independent and unbiased. It is explained in detail in the following pages.

AXA Financial promotes independence – all funds and fund groups are treated and assessed in the same rigorous manner.

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The Tailored Selection – AXA Financial’s Range of Funds

AXA Financial’s range of investment funds is known as the Tailored Selection. Fund selection is a core element of AXA Financial’s business and the Fund Selection Process ensures the quality and range of funds available.

The Tailored Selection offers access to:

- circa 50 investment funds
- a large selection of internationally recognised fund groups
- a broad range of sectors
- majority of funds available for the first time in the Irish market

Choice is offered in each asset class, along with a range of investment styles and risk levels that complement each other.

Central to the Tailored Selection is the complete transparency of the fund offering – all funds on offer have been researched in an independent, rigorous and uniform manner.

The funds are available in the Tailored Selection because the team who select the funds has the belief that they represent:

- 1 The best opportunity to consistently outperform their peer group
- 2 A good degree of choice and flexibility

The Tailored Selection
delivers conviction, while
maintaining choice.

Providing Choice, Conviction and Flexibility

Choice

Diversification when investing helps to reduce risk by allocating investments among various financial instruments, industries and other categories. The goal is to maximise return by investing in different areas that would each react differently to the same event.

Evolution offers the opportunity to construct an individual and truly diversified portfolio across key sectors, which include:

Absolute Return	Asia Pacific ex Japan Equity	Cash	Corporate Bond
Eurozone Equity	Global Emerging	Index Linked Bond	International Equity
Irish Equity	Japan Equity	Managed	North American Equity
Property	Sovereign Bond	Specialist Equity	UK Equity

Conviction

AXA Financial differs from traditional product providers, who promote in house fund managers and a limited choice of external funds, by offering access to an unbiased range of external funds. The Fund Selection Process applies a rigorous and uniform research approach to each fund selected.

Flexibility

AXA Financial recognises that your needs can change with time, personal experience and necessity, and that your investments should be able to evolve and change with them.

Because the funds and sectors within Evolution are all available through the one tax structure, selections and decisions can be changed at any stage throughout an investment lifecycle.

Through the fund switching facility the construction and make up of a portfolio can be altered to reflect your changing circumstances or personal preference.

With Evolution fund switches are currently free and are all within the one tax structure.

This means the decision to change can be made based on fundamental investment reasons, as opposed to being influenced by the possibility of untimely tax events.

Evolution incorporates a number of additional features, such as Portfolio Rebalancing and Drip-feeding (explained later in this Guide), which can aid a portfolio's construction and goals.

Detailed information on the style, make-up, background and history of all the funds is available through your financial adviser.

There is no guarantee of the value of any investment and the amount that you get back may be less than the amount that you invest

Warning: The value of your investment may go down as well as up.

Warning: This product may be affected by changes in currency exchange rates.

Warning: Past performance is not a reliable guide to future performance.

Fund Selection Process

What is the Fund Selection Process?

The distinctive characteristic of the AXA Financial proposition is the Fund Selection Process upon which our investment fund range - the Tailored Selection - is built. The selection process filters thousands of investment funds into a selection of funds that satisfy a range (the Tailored Selection) of clearly defined investment criteria.

It is an investment driven process that is independent and unbiased. Rather than linking to every investment fund opportunity that is available, or promoting certain fund managers or themes over others, AXA Financial only selects funds which our Investment Team has conviction in. The Team have extensive investment market expertise and a long track record in selecting funds.

The Tailored Selection is suitable for those clients and professional advisers who wish to make their own asset allocation and fund selection decisions, confident in the knowledge that each fund has been scrutinised and selected based on the Investment Team's belief in the fund manager and the fund's investment strategy.

This approach to selecting investment funds aims to make the construction of individual, adaptable and consistent strongly performing investment portfolios as easy as possible.

What is the value of a Fund Selection Process?

Increase in investment fund availability - the number of investment funds and products has increased dramatically over recent years. The Fund Selection Process reduces the fund universe down to a manageable number of funds and provides the appropriate tools to help achieve given investment objectives.

Peace of mind – today's top performing fund may not be a winner tomorrow. The Tailored Selection is designed to present you and your adviser with the most consistent investment opportunities in the market - now and in the future.

Choice - this approach to selecting investment funds offers you and your adviser ample choice within each major asset class. The Team carry out due diligence, research the fund universe and build excellent working relationships with fund managers and fund groups. Your adviser will help you to select the most appropriate funds for you, and with free switching your portfolio can be adapted as your needs change. While the process is investment driven, there is a market awareness to ensure that choice is maintained. This is evident with the choice of sectors, and number of funds within each sector.

The Fund Selection Process covers initial selection, continuous monitoring, and de-selection as necessary.

How the Fund Selection Process Works

Initial Selection

The Fund Selection Process relies on both quantitative and qualitative analysis to research the investment fund universe. The Team has access to a global database of over 30,000 funds from which it selects its fund range.

Due to the size and depth of the fund universe there are a number of stages that are completed to narrow down the choices before a recommendation is made regarding a fund.

Stage 1 – Quantitative Analysis

Extensive quantitative analysis is conducted, although the statistics are used to inform the qualitative side, rather than drive it.

When analysing the fund universe from a quantitative viewpoint, it is essential that a uniform approach is adopted and maintained. To this end, the Team utilises a proprietary investment filter tool that scans the fund universe on a sector basis and applies a range of fixed and variable filters to reduce the number of funds to a manageable level. Once this is completed a range of quantitative measures is applied to the selection which includes historic performance, volatility, consistency, multiple time period analysis and correlation. This allows the Team to examine each fund in a specific and uniform manner.

Stage 2 - Qualitative Analysis

Once the number of funds within a sector is reduced using the quantitative measures, the Team uses its knowledge and experience of the funds and fund groups together with fund manager propositions and in-depth interviews to progress to final fund selection.

Moving these investment funds to a recommendation stage is a combination of the Team's knowledge and experience of the funds and the fund groups, together with questionnaires that cover a broad range of issues relating to the fund's investment process and, finally, in-depth interviews.

The Team reviews each fund's investment objectives and confirms how the relevant fund manager/team seeks to achieve these objectives within given risk parameters. Information is also gathered on the idea generation process, e.g., how are ideas generated, evaluated, and implemented as holdings within the fund?

The Team will devote a greater part of their efforts to this

analysis and set face to face discussions with the senior business managers and other key personnel, as well as the fund manager. The Team believes that, irrespective of the type of fund being evaluated, it is vital to understand fully the context within which an individual fund manager or team operates. It seeks to satisfy itself that a given manager has a clearly defined investment brief, a reference benchmark against which performance can be judged, the necessary technical and human resources to deliver consistently good results and a robust methodology including effective risk control procedures.

This analysis is driven with the aim of providing the Team with conviction in the fund manager's ability to deliver consistent fund performance.

Stage 3 – Recommendation and Review

To ensure consistency and neutrality, a final step is initiated before a fund is formally approved for inclusion in the Tailored Selection. The Team will make a recommendation to the Investment Committee (a team appointed by AXA who have a combination of funds and investment market expertise), who have responsibility for independently reviewing the investment analysis. It considers elements such as choice, fees, the Team's conviction and the market conditions before endorsing the selections. For example, a particular sector needs to contain funds that have different styles and approaches.

The fund will be included in the Tailored Selection if the Investment Committee approves the decision making process.

Continuous Monitoring

The funds on the Tailored Selection are under continuous monitoring and review to ensure that the reasons why they were selected are maintained. All the initial selection stages and processes are employed with the objective of ensuring that the funds continue to be managed in a manner that is consistent with initial expectations.

Each fund manager must complete a quarterly review questionnaire, the results of which will drive formal annual and ad hoc interviews.

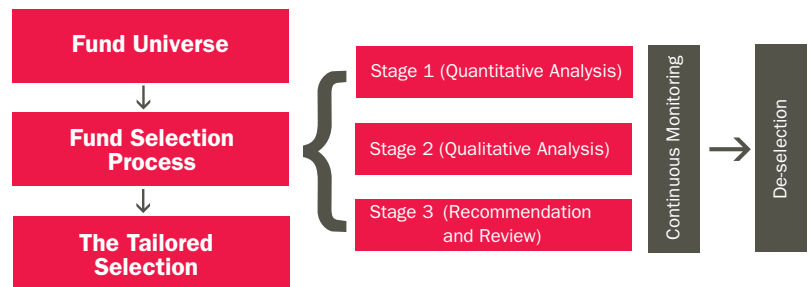
Quantitative analysis focuses on the sources of investment performance and gaining an understanding of the risk that has been assumed to achieve this. The Team, whilst looking at the longer term, investigates whether this is consistent with the fund's objective.


Qualitative analysis involves the review of the completed questionnaires along with yearly and ad hoc fund manager interviews.

The analysis conducted at the monitoring stage aims to identify any risk associated with the way the fund manager manages assets. The Team also ensures that there are no concerns arising from the fund manager/team or fund group.

De-Selection

A fund that wins a place on the Tailored Selection is not necessarily there to stay. The Team will review a fund if it no longer meets expectations, for example if any of the following events occur: unexpected underperformance, style drift or continuing negative stock selection over a market cycle. All de-selection decisions are supported by the research steps outlined previously.



A woman with short brown hair, wearing a brown jacket and a thick brown knit scarf, is smiling and looking upwards and to the left. She is in a forest of tall, thin trees. A large red diagonal graphic element cuts across the image from the bottom left towards the top right. A red rectangular box with a pointed bottom-right corner is positioned in the upper right area, containing white text.

Central to the Tailored Selection is the complete transparency of the fund offering – all funds on offer have been researched in an independent, rigorous and uniform manner.

Product Features

The Evolution Bond offers Portfolio Rebalancing and Drip-feeding features that may be used to complement a client's portfolio investment strategy. These features are explained below:

Portfolio Rebalancing

How Portfolio Rebalancing works

If you invest in a mix of funds you can opt to add Portfolio Rebalancing to your Evolution Bond. Portfolio Rebalancing is automatic fund switching at the interval chosen to reset the portfolio's fund allocation % to their initial values.

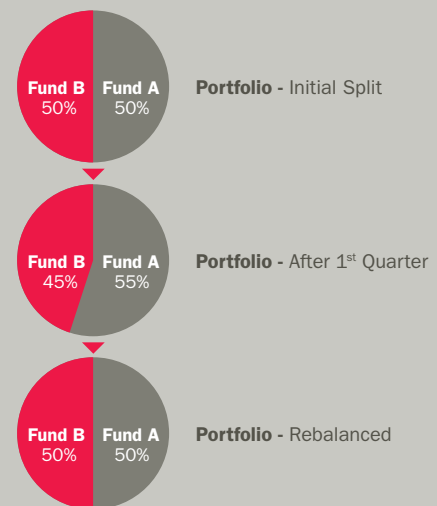
Benefit of Applying Portfolio Rebalancing

Portfolio Rebalancing works by realigning the fund portfolio to the chosen investment allocation at a selected frequency and helps to maintain the investor's risk profile over time.

Example

An investor opts at the outset to invest 50% in Fund A and 50% in Fund B and selects to add rebalancing to their portfolio, on a quarterly basis.

At the end of the first quarter, the portfolio is 55% invested in Fund A and 45% in Fund B, based on unit values at that time i.e. it has drifted away from its initial fund allocation. Portfolio Rebalancing will automatically switch sufficient units out of Fund A and back into Fund B to reset the investor's portfolio at that time to 50% Fund A and 50% Fund B.



Drip-feeding

How Drip-feeding works

With Drip-feeding you can select to have your investment automatically switched from one fund, e.g. Euro Money Fund, to another selected fund or funds in monthly, quarterly, half-yearly or annual instalments, over a chosen period of 1 to 10 years.

Benefit of Applying Drip-feeding

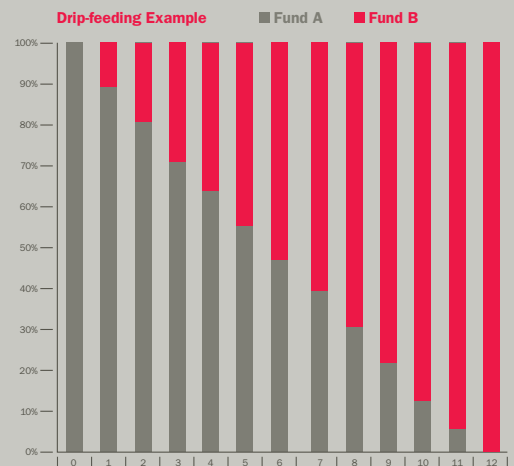
Drip-feeding can reduce the risk of investing a lump sum during uncertain market conditions by spreading the timing of investments. It allows an investor to phase an investment into their fund choice at regular intervals.

Example

An investor opts at the outset to invest 100% of their €100,000 investment in Fund A.

They choose to drip-feed this investment into Fund B, in 12 monthly instalments.

At the end of this 12 month period, the investor will be 100% invested in Fund B.



Frequently Asked Questions

Evolution is underwritten by AXA Life Europe Limited. The underlying funds are accessed through AXA Life Europe Limited's unit-linked funds.

The Policy administration and client servicing will be performed by AXA Life Europe Limited at its offices in Dublin. This includes the receipt and acceptance of applications, issuance of Policies, receipt and payment of premiums and claims and Policy updates.

Below you will find answers to questions you may have about Evolution. Your financial adviser will be able to assist you with any additional questions you have.

How can I invest in Evolution?

Evolution is available exclusively via the professional financial adviser market. Please contact your financial adviser directly if you wish to make an investment.

How can I keep track of my investment?

You can access up to date valuations online at any time by registering for AXA Financial's extranet service at www.axafinancial.ie.

You will receive a yearly statement following each Policy anniversary. If you request more than one paper statement of valuation in a Policy year, we reserve the right to apply an administration charge. We will advise you of any charge in advance.

How do I switch funds within Evolution?

You can switch funds by:

- Visiting www.axafinancial.ie and logging in to your account and requesting the changes directly
- Completing an Investment Switch Request form and sending it to AXA Life Europe Limited (contact details on the back page) with instructions to make the changes on your behalf

AXA Life Europe Limited reserves the right to insist upon an original signature in respect of any instructions received from you or your financial adviser relating to your Policy.

How much does it cost to switch funds?

Funds can currently be switched free of charge.

What is meant by 'single tax structure'?

Evolution is structured as a life assurance contract, underwritten by AXA Life Europe Limited, which can be written on a single life or joint life basis. Fund switches within a life assurance contract are not chargeable events for tax purposes.

Evolution provides you with a convenient single product structure through which you choose multiple funds. It 'wraps' your investment into the one product for ease of fund switching and tax efficiency.

What is the minimum I can invest?

The minimum investment into Evolution is €50,000. There is no maximum investment.

What is the minimum age for an investor?

You must be aged 18 or over to invest in Evolution. Evolution is also open to Corporate and Trustee investors, Self Administered Pension Schemes and Qualified Fund Managers of Approved Retirement Funds.

How can I transfer money into my investment?

You can choose to invest by electronic transfer or cheque.

When will my investment commence?

Your Policy will commence once cleared funds have been received by AXA Life Europe Limited and all necessary documentation has been received and accepted.

Can I make additional investments?

You can make further investments at any time, subject to a minimum of €10,000. Each additional investment attracts its own set of charges.

How is Evolution taxed?

Exit tax is deducted when the following occurs:

- The partial or full surrender of a Policy including surrenders arising in the event of death
- The assignment in whole or in part of a Policy (but not on assignments between spouses or to a financial institution as security for a loan)
- The ending of an 8-year period beginning with the inception of a Policy and each subsequent 8-year period beginning when the previous one ends

The current rate of Exit Tax and will be deducted in accordance with the relevant legislation. Where benefits are payable in respect of death, it is only the investment gain included in those benefits that is subject to exit tax.

Revenue registered charities are not subject to exit tax deductions from the Policy, where they have completed an appropriate declaration. Policies issued to the trustees of Revenue approved occupational pension schemes or Qualified Fund Managers of Approved Retirement Funds are not subject to exit tax deductions.

How can I access my investment if I need to?

You can make partial withdrawals by completing a Request for Payment / Surrender form and sending it to AXA Life Europe Limited (contact details on back page), provided that following the withdrawal the minimum residual value is €20,000. The minimum partial surrender amount is €1,000. Partial and full surrenders will be subject to an exit tax deduction and surrender charge where relevant.

What happens if I change my mind?

You can change your mind within 30 days. If you decide to invest in Evolution we will send you a Your Right to Change Your Mind form. You will then have 30 days to cancel your policy. On cancellation all benefits will cease and AXA Life Europe Limited will refund your payment, subject to the deduction of any losses that may have been incurred as a result of fluctuations in the value of assets relating to your policy during the period it was in force.

What happens in the event of death?

On the death of the last Life Assured and subject to the terms of the Policy Conditions, AXA Life Europe Limited shall pay an amount equal to the Surrender Value.

Charges

The charges applicable will be reflected in your personal illustration, which will be provided to you by your financial adviser. A general explanation of the charges that apply is given below. If required, your financial adviser can explain in more detail the specific charges detailed shown on your personal illustration.

Product charges

The product charges cover the cost of setting up your Policy, its ongoing administration and the investment management services provided by the fund managers selected by you to manage your investments. The charges also include the cost of any commission that is paid to your financial adviser for the investment advice that has been provided to you. Your

personal illustration shows the amount of commission payable, if applicable. AXA Life Europe Limited reserves the right to vary the charges on the product at any point, and this applies to all charges.

Surrender charge

For IWM2 the surrender charge ensures the costs of paying initial commission (if applicable) to your financial adviser have been recovered. Depending on the charging structure you select, a surrender charge may apply to your Policy.

For IWM3, please see the table below.

Payment charge

If you choose to make your investment using electronic transfer or cheque your bank may

charge you for this service. AXA Life Europe Limited makes all payments using the Electronic Money Transfer System (EMTS). If you request that AXA Life Europe Limited make payments by any other method, AXA Life Europe Limited reserves the right to apply a charge to cover any ensuing costs incurred by it. AXA Life Europe Limited will advise you of this charge in advance.

Currency conversion

All monetary amounts in this product guide are quoted in euros. A number of the available funds are denominated in currencies other than euro. This means that euro investments will incur foreign exchange transaction costs.

AXA Financial offers three charging structures with Evolution. These are detailed below:

	Charging Structure IWM1	Charging Structure IWM2	Charging Structure IWM3
Investment allocation	100% less adviser initial remuneration (taxes, levies or stamp duties will be applied as required)	100% (taxes, levies or stamp duties will be applied as required)	102% less adviser initial remuneration less (taxes, levies or stamp duties will be applied as required)
Establishment charge	Nil	An establishment charge equal to the initial commission paid, multiplied by 1.2 and divided by 20, is payable each quarter in arrears for five years	Nil
Fund based recurring adviser remuneration	Met by encashment of units proportionately across all funds held by the Bond at that time		
Early encashment charge	Nil	On encashment (or in the event of a death claim) within 5 years of an investment in the Bond, the outstanding Establishment Charge related to that investment is met by an equivalent reduction in the encashment value	On full or partial surrender (or in the event of a death claim) within 6 years of investment in the Evolution Investment Bond, a charge of between 2% and 5%, depending upon year of exit*, of the value of the Policy will be deducted before payment of the surrender proceeds
Additional single premiums	The same charging structure will apply to Additional Single Premiums as to the initial premium		
Fund Annual Management Charge (AMC)	Individual AMC will vary from fund to fund. Detailed information on the individual fund charges can be found in the Fund List document, available from AXA Financial. A client portfolio AMC will depend on the funds chosen		

*Year of Exit (from payment of Initial or Additional Premium)

% of Unit Value

1	5%
2	5%
3	5%
4	4%
5	3%
6	2%

Important Information

The information contained in this document is based on our current interpretation of the law and Revenue Commissioners practice in Ireland as at the date of this document, which may change in the future.

Neither AXA Financial nor AXA Life Europe Limited will be responsible for the advice of any financial adviser appointed by you to provide advice to you in relation to your investment in the Evolution Investment Bond or for the performance of any of the unit-linked funds in the Evolution Investment Bond.

This Product Guide should be read in conjunction with the Key Features document and Fund List.

As the assets of your Evolution Investment Bond are held in AXA Life Europe Limited's name, you may not have any rights to compensation should the underlying investment fund or its fund group fail. AXA Financial will not be liable for any damages or losses that you may suffer arising from the failure of an underlying investment fund or its fund manager.

Whilst the aim of each of the unit-linked funds is to mirror the performance of its corresponding underlying investment fund, the performance and unit price of a unit-linked fund may not completely match the underlying fund as AXA Life Europe Limited may not be wholly invested in that underlying investment fund. In particular, a unit-linked fund may hold a greater amount of cash for certain periods of time.

The unit-linked funds available under the Evolution Investment Bond may change at AXA Financial's and AXA Life Europe Limited's discretion.

Neither AXA Financial nor AXA Life Europe Limited gives investment, legal or tax advice and you are strongly recommended to obtain your own professional advice before investing in the Evolution Investment Bond

Online Access to Fund Information 24 Hours a Day

AXA Financial provides you with easy access to investment information and a range of innovative features online through our website www.axafinancial.ie 24 hours a day:

- Daily Values
- Fund centre – provides access to fund fact sheets and fund charts
- Fund switching facility
- Policy information – view current holdings

More Information to Help You

AXA Financial does not give investment, legal or tax advice and you are strongly recommended to obtain your own independent professional advice on all aspects of your retirement benefit options and investing in a personal retirement plan.

This Guide provides you with details of the Evolution Personal Retirement Plan and how it works. Your financial adviser will be able to assist you with any additional questions you have from AXA Life Europe Limited.

Complaints

AXA Life Europe Limited is committed to the provision of the highest possible standards of customer service. However, if for any reason, you are dissatisfied with the service you receive from AXA Life Europe Limited then please contact the Operations Manager of AXA Life Europe Limited at the address shown on the back page.

If your complaint is not resolved to your satisfaction, you may be able to then refer your complaint to:

Financial Services Ombudsman's Bureau
3rd Floor, Lincoln House,
Lincoln Place,
Dublin 2.

Lo-call: 1890 88 20 90
Fax: 01 662 0890

Email: enquiries@financialombudsman.ie
Web: www.financialombudsman.ie

Making a complaint will not prejudice your right to take legal proceedings.

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