

# IVALIFE Insurance Limited

## KEY INFORMATION DOCUMENT

### PURPOSE

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

### PRODUCT

<b>Product Name:</b>	IVApension (the "Plan") invested in the IVALIFE Adventurous Strategy with LifeSteps Option
<b>Manufacturer:</b>	IVALIFE Insurance Limited ("IVALIFE")
<b>Website:</b>	www.iva.life
<b>For further information call:</b>	+356 2226 9500
<b>Regulator:</b>	Malta Financial Services Authority
<b>Document Publication Date:</b>	1 February 2023

### WHAT IS THIS PRODUCT?

#### TYPE

IVApension is a Unit Linked Regular Premium Personal Pension Plan used for retirement planning purposes. It is an investment product with a periodic premium, payable monthly with a minimum amount of €25, or multiples thereof in the case of quarterly, semi-annually or annual payments. In addition, premium add-ons can be added at any time with a minimum amount of €120. You may be eligible to tax credits of 25% on up to €3,000\* of your savings each year (2023). This part of your savings will automatically go into your Pension Sub-Account, which is recognised as a Qualifying Personal Retirement Scheme\*, and any savings you make over and above will be saved in your Access Sub-Account, or as otherwise directed by you. This will give you greater flexibility to manage and access your money. You may choose to save lower amounts in your Pension Sub-Account, subject to the terms established by IVALIFE from time to time.

You will set the expected Retirement Date for your Plan at inception, subject to a minimum term of 18 years and a maximum being when you are aged 69. You should be at least 18 years old and not older than 51 when you set up the Plan and invested in the **IVALIFE Adventurous Strategy** with LifeSteps Option. You will be able to switch to "Retirement Mode" when you are between the ages of 61 and 69\* and can immediately receive a part of your savings in cash. You will then be able to choose how you prefer to receive your pension income from the remaining savings. The Plan will continue paying you an income until either your savings run out or you pass away (in which case any remaining balance will be paid out to your Beneficiaries). IVALIFE is not entitled to terminate the Plan unilaterally before the Retirement Date without your prior instructions.

*\*Based on current tax legislation. Applicable legislation may change in the future.*

#### OBJECTIVES

The Plan allows you to invest and save money in the investment strategy which suits you best from those made available to you by IVALIFE from time to time, the "Strategy". Each Strategy combines your money with that of others and invests in a mix of funds holding various asset classes including equities, bonds (corporate and sovereign), cash and other. The mix of funds each Strategy is invested in will generate different returns over the years, and will have a bearing on its overall level of risk (refer to the section "What are the risks and what could I get in return?"). The value of the Plan at any time will be based on the Strategy's underlying funds' overall performance at that time. The Plan does not offer any guarantees on the amounts invested and its value may go up as well as down throughout the Plan's term.

With the LifeSteps Option, you will start off investing in the **IVALIFE Adventurous Strategy** and IVALIFE will automatically move your investments to lower risk Strategies as you get closer to retirement. The **IVALIFE Adventurous Strategy** is focussed on achieving capital growth by investing in higher risk equity funds. The vast majority of the assets of this Strategy are invested in various types of equities across numerous countries and industries, with the aim of providing capital growth over the medium to long term by taking advantage of market opportunities. 12 years from your expected Retirement Date, the investment will be moved into the **IVALIFE Balanced Strategy**, which aims to continue providing capital growth through market opportunities whilst maintaining an element of capital preservation by investing in low to medium risk multi-asset funds. At 6 years from retirement, the investment will be switched to the lower risk **IVALIFE Conservative Strategy**, which aims to preserve the value of the capital and any returns by investing in lower risk bond funds, whilst taking advantage of some growth opportunities in the market.

At any time before your Retirement Date, you can make changes to your Policy as your circumstances change, for example, by changing your Strategy, savings amount or taking a break from saving for a period of time.

#### INTENDED RETAIL INVESTOR

The Plan is targeted to investors wishing to make provisions for their retirement in a tax-efficient manner through regular payments for investing over the medium to long term. Those who begin by investing in the **IVALIFE Adventurous Strategy** with the LifeSteps Option will likely have a higher tolerance for losses and risks and are investing for the longer term. They are investors who likely want to benefit from market opportunities whilst protecting any gains from sudden dips as they get closer to retirement. An assessment will be undertaken to determine your understanding of the main product features and risks before you may proceed with your application for this product.

#### INSURANCE BENEFITS

- Death / Invalidity Benefit** - An automatic sum insured of €1,000 is offered free of charge and is paid in addition to the Policy Account value in the case of a Death Claim or Invalidity Claim before the Retirement Date.
- Retirement Benefit** - A lump sum payment of up to 30% of the Pension Sub-Account and 100% of the Access Sub-Account at retirement, with the remaining value being paid out to you gradually as a pension income.
- Transfer Benefit** - The Pension Sub-Account may be transferred to another recognised Qualifying Scheme at any time before retirement, subject to rules and charges applicable at the time of request.



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IVALIFE Insurance Limited ("the Company") is authorised and regulated by the Malta Financial Services Authority to carry on long term insurance business under the Insurance Business Act (Chapter. 403 of the Laws of Malta).

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- d. **Surrender in part or in full** – Option to withdraw part or all your money from the Access Sub-Account subject to rules and charges applicable at the time of request.
- e. **Beneficiaries** – You may choose to whom policy proceeds are payable in the event of the death of the life insured.

## WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?

### RISK INDICATOR

1	2	3	4	5	6	7
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← Lower Risk / Potentially Lower Reward Higher Risk / Potentially Higher Reward →



The risk indicator assumes that you keep the product until the Retirement Date. The actual risk may vary significantly if you cash in (or transfer) at an early stage and you may get back less. Please refer to the section “How long should I hold it and can I take my money out early?” for details of early transfer or surrender charges.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level and poor market conditions will likely impact our capacity to pay you. The actual performance will be in line with the performance of the underlying investments of the Strategy linked to your Plan, which may change from time to time. This product does not include any protection from future market performance so you could lose some or all of your investment. If IVALIFE is not able to pay what is owed to you, you could lose your entire investment.

### PERFORMANCE SCENARIOS

INVESTMENT [€ 1,000 YEARLY] INSURANCE PREMIUM [€ 0]	ADVENTUROUS		ADVENTUROUS TO BALANCED			ADVENTUROUS TO BALANCED TO CONSERVATIVE	
	1 YEAR	6 YEARS	7 YEARS	9 YEARS	12 YEARS	13 YEARS	18 YEARS (RHP*)

#### SURVIVAL SCENARIOS

<b>Stress Scenario</b>	What you might get back after costs Average return each year	€121.55 -87.84%	€2,739.64 -22.07%	€3,587.27 -16.79%	€5,182.95 -11.30%	€7,346.78 -7.83%	€8,031.37 -7.16%	€11,189.44 -5.27%
<b>Unfavourable Scenario</b>	What you might get back after costs Average return each year	€400.67 -59.93%	€3,880.95 -12.34%	€4,775.06 -9.58%	€6,506.64 -6.57%	€8,968.40 -4.57%	€9,718.52 -4.25%	€13,298.96 -3.29%
<b>Moderate Scenario</b>	What you might get back after costs Average return each year	€851.91 -14.81%	€7,450.80 6.22%	€8,619.07 5.20%	€11,025.02 4.03%	€14,814.43 3.20%	€15,945.10 2.88%	€21,839.24 2.00%
<b>Favourable Scenario</b>	What you might get back after costs Average return each year	€1,337.99 33.80%	€10,737.05 16.90%	€12,213.69 13.96%	€15,347.74 10.53%	€20,538.14 8.03%	€22,365.67 7.50%	€32,706.73 5.98%
<b>Accumulated Investment Amount</b>		€1,000.00	€6,000.00	€7,000.00	€9,000.00	€12,000.00	€13,000.00	€18,000.00

#### DEATH / INVALIDITY SCENARIO

<b>Insured Event</b>	What your beneficiaries might get back after costs	€2,064.89	€8,550.80	€9,719.07	€12,125.02	€15,914.43	€17,045.10	€22,839.24
<b>Accumulated Insurance Premium</b>		€1,000.00	€6,000.00	€7,000.00	€9,000.00	€12,000.00	€13,000.00	€18,000.00

\*RHP is the Recommended Holding Period

This table shows the money you could get back over the next 18 years, under different scenarios, assuming that you invest €1,000 yearly. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment.

The stress scenario shows what you might get back in extreme market circumstances and does not take into account the situation where we are not able to pay you. The Pension Sub-Account cannot be cashed in before the Retirement Date, although you may transfer it to another Qualifying Scheme; however, you may cash in any part of the Access Sub-Account at any time, subject to applicable terms and charges.

The Death / Invalidity Scenario is based on the Moderate Scenario. The figures shown include all the costs of the product itself. The figures do not take into account your personal tax situation, which may also affect how much you get back.

## WHAT HAPPENS IF IVALIFE IS UNABLE TO PAY OUT?

You may suffer a financial loss if IVALIFE cannot meet its obligations under the contract or if any of the underlying funds in which your IVALIFE Strategy is invested defaults. Any such losses are not covered by an investor compensation or guarantee scheme and would be borne by you.

## WHAT ARE THE COSTS?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs. The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest €1,000 yearly based on the assumption that the following are invested in the Moderate Scenario. The figures are estimates and may change in the future.

## COSTS OVER TIME

The person selling you or advising on this product may charge you other costs. If so, this person will provide you with information about these costs and show you the impact that all costs will have on your investment over time.

INVESTMENT [€ 1,000 YEARLY] SCENARIOS	IF YOU CASH IN AFTER 1 YEAR	IF YOU CASH IN AFTER 9 YEARS	IF YOU CASH IN AFTER 18 YEARS
<b>Total Costs</b>	<b>€223.63</b>	<b>€666.28</b>	<b>€2,404.04</b>
Impact on Return (RIY) per year	22.36%	1.17%	1.05%

## COMPOSITION OF COSTS

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period.
- the meaning of the different cost categories.

**This table shows the impact on return per year**

<b>One-off Costs</b>	<b>Entry Costs</b>	0.00%	The impact of the costs you pay when entering your investment. The impact of the costs is already included in the price. This is the most you will pay, and you could pay less.
	<b>Exit Costs</b>	0.00%	The impact of the costs of exiting your investment when it matures.
<b>Ongoing Costs</b>	<b>Portfolio Transaction Costs</b>	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	<b>Other Ongoing Costs</b>	1.05%	The impact of the costs that we take each year for managing your investments.
<b>Incidental Costs</b>	<b>Performance Fees</b>	0.00%	The impact of the performance fee.
	<b>Carried Interests</b>	0.00%	The impact of carried interests.

## HOW LONG SHOULD I HOLD IT AND CAN I TAKE MY MONEY OUT EARLY?

### Recommended Holding Period: 18 years

In order to achieve the objectives of this product, we recommend holding the investment until the recommended time horizon. The Plan has a minimum term of 18 years if you select the **IVALIFE Adventurous Strategy** with the LifeSteps Option. You have 30 days from when the contract is issued to cancel the contract and obtain a refund of your premium or the value of your investment, if this is less. This is known as the cooling off period.

The product provides the option to transfer the Pension Sub-Account to another recognised Qualifying Scheme before the Retirement Date, however it is not possible to cash in this part of your policy since the applicable Regulations do not allow this. The Access Sub-Account, or parts of it, may be cashed in at any time provided the Policy Owner is still alive and subject to the Plan terms and charges. The transfer or surrender values are obtained by applying the following charges to the amounts being transferred or cashed in from the respective sub-account: 20% charge in the first 3 years and 10% charge in years 4 and 5. The minimum charge applicable for each request to surrender the Access Sub-Account in full or in part and/or transfer the Pension Sub-Account at any time, including from the 6th year of the Policy onwards, is of €100. These costs are included in the "Composition of costs" table in the section entitled "What are the costs?".

## HOW CAN I COMPLAIN?

We are committed to providing a high level of service at all times but if you are not satisfied with the way you have been served, you have a right to complain. Should you have any cause of complaints about our services, please write to us for the attention of the Complaints Officer. Complaints should be sent in writing at IVALIFE Insurance Limited, Gaba Building, Level 2, Naxxar Road, Iklın IKL 9026 or by email at [complaints@iva.life](mailto:complaints@iva.life). A copy of our complaints handling procedure can be provided upon request and is also available online and can be accessed on our website on [www.iva.life](http://www.iva.life).

If you remain dissatisfied, you can complain to the Office of the Arbiter for Financial Services, 1st Floor, St. Calcedonius Square, Floriana FRN1530, Malta or through their website which can be accessed at [www.financialarbiter.org.mt](http://www.financialarbiter.org.mt). Making a complaint will not prejudice your right to take legal proceedings.

## OTHER RELEVANT INFORMATION

Further information about this product can be found in our Policy Booklet, the Key Features Document of the IVApension Personal Pension Plan and the Fact Sheets for the IVALIFE Adventurous, Balanced and Conservative Strategies respectively, which will be provided to you at pre-contractual stage and are available on our website at [www.iva.life](http://www.iva.life).