

POLICY DOCUMENT

**PERSONAL PENSION PLAN
WITH PROFITS**

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1 WELCOME

Welcome to the **MAPFRE MSV Life** Personal Pension Plan With Profits. The **Plan** is provided and underwritten by **MAPFRE MSV Life** p.l.c. **We** are the leading provider of life insurance protection, savings, investments and retirement solutions in Malta.

We form part of the MAPFRE Group, a global insurance company and the leading insurance provider in Spain.

Being part of a large international group brings with it many advantages – a robust servicing infrastructure to support **Our Policy Owners**, strong financial credentials, a comprehensive product offering and the ability to offer **You** a commitment to support **You** across the various stages of your life.

2 DEFINITIONS

To help **You** understand the terminology used within the **MAPFRE MSV Life** Personal Pension Plan With Profits **Policy Document**, certain terms which are highlighted in **bold** text are defined with precise meanings—these are referred to as the Definitions. Any term, phrase, or figure that has been assigned a definition will carry that exact meaning each time this is used throughout the **Policy Document**.

Allocation Rate – The percentage of each **Contribution** that is allocated to the **Retirement Account**.

Application Form – The form submitted to the **Company** when applying for insurance. Once accepted, it will form part of the **Policy** terms and conditions.

Beneficiary(ies) – The person(s) who may be designated by the **Policy Owner** to receive a **Death Benefit** payment.

Bonuses – The share of profits from the With Profits Fund allocated to **You**. There are two types:

- **Regular** – An annual distribution of profits arising from the With Profits Fund which, once declared is guaranteed at the **Retirement Date** of your **Plan** or on earlier death.
- **Final** – May be paid upon reaching the **Retirement Date** or when **We** pay a **Death Benefit** under your **Plan**. For the purpose of eligibility or otherwise to any **Final Bonus** that may be declared, each non-contractual **Top Up Contribution** is to be considered on the basis of the term between the **Date of Investment** and the **Retirement Date**.

Claim – The request for a payment of benefits provided under the **Plan**.

Company / We / Us / Our / MMSV / MAPFRE MSV Life – **MAPFRE MSV Life** p.l.c.

Contribution(s) – The regular and/or additional amount(s) paid into your **Plan** before deduction of the **Plan** charges.

Date of Investment – The date when each **Regular Savings Contribution** or **Top Up Contribution** is credited to your **Retirement Account**.

Death Benefit – The amount payable on death of the **Person Covered**.

Endorsement – A document acknowledging a change or alteration to the **Policy** terms and conditions.

Insurance Intermediary – A natural or legal person, authorised by the Malta Financial Services Authority, who, for remuneration, takes up or pursues insurance distribution activities.

Law / Legislation / Rules – The Personal Retirement Scheme Rules (Subsidiary Legislation 123.163), the Insurance Business Act (Cap. 403), the Income Tax Act (Cap.123), the Retirement Pensions Act (Cap. 514) or any other law or laws amending, or substituting them in the future.

Paid Up Status – The status of your **Plan** when **You** pause your **Regular Savings Contribution(s)**.

Payee – The **Policy Owner** or his Estate or those deriving legal title under the **Policy Owner** or in the case of the nomination of a Designated **Beneficiary(ies)**, the Designated **Beneficiary(ies)** to

the extent specified (if any) or the Estate of the Designated **Beneficiary(ies)** or those deriving legal title under the Designated **Beneficiary(ies)**.

Payer – The party to the life insurance contract appointed as having the obligation to make all **Contribution(s)** as they fall due.

Person Covered – The person against whom the **Death Benefit** stated in the **Plan** is insured.

Policy / Plan – MAPFRE MSV Life Personal Pension Plan With Profits.

Policy Document– The document that provides the terms and conditions of the **MAPFRE MSV Life** Personal Pension Plan With Profits, being the contract between **You** and **Us**, the **Company**.

Policy Schedule – The document containing the information that makes the terms and conditions personal to **You**.

Premium Holiday – The facility to pause your **Regular Savings Contribution(s)**.

Programmed Withdrawals – Regular income payments based on Lifetime Drawdown Rates, which are withdrawn from your **Retirement Account** when **You** make a request to **Us** to take the **Retirement Benefits** within the timeframe permitted by **Law**.

Qualifying Individual – An individual contributing or making payments to a **Qualifying Scheme** who satisfies the criteria set out in the **Law**.

Qualifying Scheme – a personal pension plan being a long-term contract of insurance that is approved by the Commissioner for Revenue in accordance with the **Law**.

Regular Savings Contribution(s) – The regular amount(s) paid into your **Plan** before deduction of the **Plan** charges.

Retirement Account – The accumulated retirement savings in your **Plan**.

Retirement Benefits – The benefits for which **You** become eligible as provided under this **Plan**.

Retirement Date – The selected date, for the purposes of this **Plan** when **You** access your **Retirement Benefits** and on which your quotations are based. The **Retirement Date** is the date when the investment in the With Profits Fund matures. In the absence of a request to **Us** by **You** to take the **Retirement Benefits** on the **Retirement Date**, **We** will transfer the matured With Profits investment value to **Unit Linked Funds** as **We** may determine from time to time.

Switch Fee – A charge to switch between **Unit Linked Funds**, some, or all, of the **Units** in your **Retirement Account**.

Top Up Contribution(s) – Additional ad-hoc **Contribution(s)** paid into your **Plan** before deduction of the **Plan** charges.

Unit – A share in **Unit Linked Funds**.

Unit Linked Funds – Unitised investment fund(s) which contain a variety of different assets. Your money is pooled with the money contributed by other investors and buys **Units** in the selected **Unit Linked Funds**.

With Profits Fund – The **MAPFE MSV Life With Profits Fund**.

You / Policy Owner – The person who owns the **Plan** and controls its use.

3 OUR TERMS OF BUSINESS

3.1 Documentation

Please read this **Policy Document**, the **Policy Schedule**, and any **Endorsements** carefully to ensure that they are in accordance with your requirements. **We** also draw your attention to supporting pre-contractual documentation which **You** have been provided. If any of the documents do not reflect your requirements please contact **Us** to discuss your needs.

A copy of this **Policy Document** translated into the Maltese language can be provided for your convenience on your request. This **Policy Document** shall in no case be interpreted by reference to that translation and should there be a conflict of meaning between the English text and the Maltese translation or any doubt whatsoever, the English text shall take precedence and be applied to the exclusion of the Maltese translation.

3.2 Communication with Us

Any written correspondence that **You** may wish to send to **Us** should be addressed to:

MAPFRE MSV Life p.l.c.

The Mall

Triq il-Mall

Floriana FRN 1470

Malta

You are kindly requested to quote the **Policy** number (printed on the **Policy Schedule**) in all your correspondence with **Us**.

You can also contact **Us**:

by telephone on +356 2590 9000

by email info@msvlife.com

via **Our** website <https://www.mapfre.com.mt/>

3.3 Communication with You

We will communicate with **You** electronically or by post depending on your declared preference and via the contact details **You** provide **Us** with. Should **You** need to change the contact details, please advise **Us** immediately so that **We** can update **Our** records accordingly.

3.4 Complaints procedure

We are committed to providing **You** with a high level of service. **We** give the same importance to all complaints and **We** handle all complaints with the same efficiency. Should **You** have any complaint regarding **Our** level of service or products or **Our** distribution network including any of **Our** authorised Tied Insurance Intermediaries please do not hesitate to contact **Us**. Complaints should be sent in writing, either by email to complaints@msvlife.com or by mail to the address indicated below:

The Chief Executive Officer
MAPFRE MSV Life p.l.c.
The Mall
Triq il-Mall
Floriana FRN 1470
Malta

For further information on how to lodge a complaint **You** are advised to consult the **MAPFRE MSV Life** Complaints Handling Policy, which explains the procedure that **You** would need to follow when lodging your complaints to ensure that your complaint is duly registered and addressed. The Complaints Handling Policy can be accessed via **Our** website portal at <https://www.mapfre.com.mt/complaints/>

We aim to resolve complaints in an efficient and fair manner. However, if **You** are still unsatisfied with the outcome of **Our** procedure then **You** may pursue alternative resolution routes, including by taking your complaint, in writing to the Office of the Arbiter for Financial Services, as per respective contact details provided below:

The Office of the Arbiter for Financial Services,
N/S In Regional Road,
Msida MSD1920
Malta

Official Website: www.financialarbiter.org.mt
Email Address: complaint.info@financialarbiter.org.mt

3.5 The right to change your mind

After your **Application Form** has been accepted and **You** have received the **Policy Document** from **Us** the 30 day “cooling-off period” starts to apply. During this period **You** have the right to cancel the **Policy** and obtain a refund of your **Contribution(s)**. If **You** cancel the **Policy** during this period **You** will not be liable to any charges.

We must receive a written request from **You** to proceed with the cancellation of the **Policy** during the “cooling-off period”.

3.6 Protection and Compensation Fund

In the unfortunate event of insolvency of an insurer authorised under the Insurance Business Act to carry on Business of Insurance in Malta, which insurer is unable to meet its obligations under the contract, the **Policy Owner** may not be entitled to compensation under the Protection and Compensation Fund in terms of the Protection and Compensation Fund Regulations issued under the Insurance Business Act.

3.7 Duty of disclosure

Any misrepresentation of or failure to disclose material facts by **You** or the **Person Covered** shall entitle **Us** to alter or cancel the **Plan** as **We** consider appropriate. A material fact is any information, which could influence **Us** in **Our** assessment of an application for life insurance.

The **Death Benefit** amount under this **Plan** will not be affected by any changes in the health, occupation, residence, travel or recreational pursuits of the **Person Covered**, unless specifically stated by **Us**.

3.8 Evidence of age

We reserve the right to require proof of the date of birth of the **Person Covered** before making any payment. Any documentary evidence of the date of birth of the **Person Covered** provided and verified at **Policy** inception will be reassessed at payment stage so as to reconfirm eligibility to the **Retirement Benefits**.

3.9 Applicable law and place of jurisdiction

This **Plan** and any non-contractual matter arising therefrom shall be governed by and construed in accordance with the laws of Malta.

Any dispute, controversy or **Claim** arising out of or relating to this **Plan**, or the breach, termination or invalidity thereof, or relating to any non-contractual matter arising from this **Plan**, shall be referred to and determined by Maltese Courts or by any other adjudicating body in Malta, as the case may be, which shall have the exclusive jurisdiction on the matter.

3.10 FATCA and CRS provisions

As a Financial Institution **We** are obliged under Regulation 123.127 entitled "Cooperation With Other Jurisdiction on Tax Matters" to collect certain information about your tax arrangements.

If your citizenship or your tax residence are not Maltese, **We** may be legally obliged to pass on your details and other financial information with respect to all policies held with **MAPFRE MSV Life** to the Office of the Commissioner for Revenue and they may exchange this information with tax authorities of other jurisdiction(s) pursuant to intergovernmental agreements to exchange financial account information.

If any of the information about your residence or FATCA/CRS Classification changes in the future, **You** are obliged to advise **Us** of these changes promptly. This may be done by accessing **Our** FATCA/CRS section on **Our** website, completing the appropriate form and returning it to **Us** or by instructing your **Insurance Intermediary** or by contacting **Us** directly.

Each jurisdiction has its own rules for defining tax residence, and jurisdictions have provided information on how to determine whether **You** are tax resident in the jurisdiction on the Organisation for Economic Co-operation and Development (OECD) automatic exchange of information portal or the Office of the Commissioner for Revenue Malta website. Generally, **You** will be resident for tax purposes in a jurisdiction if, under the laws of that jurisdiction (including tax conventions), **You** pay or should be paying therein by reason of your domicile, residence, place of management or incorporation, or any other criterion of a similar nature, and not only from sources in that jurisdiction. For additional information on tax residence, **We** suggest that **You** see the OECD automatic exchange of information portal or the Office of the Commissioner for Revenue Malta website or seek professional tax advice.

3.11 Prevention of money laundering provisions

In terms of the Prevention of Money Laundering & Funding of Terrorism Regulations (PMLFTR) **MAPFRE MSV Life** plc is obliged to carry out Customer Due Diligence on all current and

prospective policy holders and related parties. This entails the collection of personal and other data, including information on the economic activity from which your wealth is generated and the source of funds from which your **Contribution(s)** are or will be paid. All monies used to fund your policies should necessarily be derived from legitimate activities and belong exclusively to **You**.

As part of the Customer Due Diligence exercise, **You** will also be required to declare whether **You** are a Politically Exposed Person (PEP). PEPs are individuals who are or have been entrusted with prominent public functions, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state-owned corporations, and important political party officials. Immediate family members and close associates of such persons are also treated as PEPs.

Additional information and documentation may be required on a case-by-case basis. **You** will be informed and guided accordingly in this regard either directly by **Us** or through your usual intermediary.

It is important that all information **You** provide at on boarding and during any subsequent updates is true, complete and up-to-date. There are significant penalties applied in terms of the Prevention of Money laundering & Funding of Terrorism Regulations (PMLFTR) for any incorrect or misleading information, data or documentation that is provided to **MAPFRE MSV Life plc**.

Furthermore, **You** will be required to immediately inform **Us** if any of the information **You** had provided becomes outdated or is no longer correct. **We** may need to collect supporting documents from **You** in order to update certain details.

3.12 Sanctions

This Clause shall be paramount and shall override any other clauses inconsistent therewith.

We shall not be deemed to provide cover and shall not be liable to pay any **Claim** or provide any benefit hereunder to the extent that the provision of such cover, payment of such **Claim** or provision of such benefit may, in **Our** opinion, expose the **Company** and/or **Our** reinsurer(s) to any sanction whether primary or secondary, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union or any of its members states including the Republic of Malta, and the United Kingdom or the United States of America or any other jurisdiction where **We**, **Our** associated or parent company(ies) or **Our** reinsurer(s) have the respective registered office or permanent place of business.

3.13 Changes to Plan conditions

We reserve the right to change or not to implement any of the **Plan** conditions, if during the term of the **Plan**, this becomes impossible as a result of **Legislation** or otherwise impossible. Should the basis of taxation of ordinary long-term insurance business be altered so as to affect **Us**, **We** shall make such alterations in the provisions of the **Plan** as **We** consider appropriate.

We undertake to inform **You** of such changes and their effect on your **Plan** within a reasonable timeframe.

4 THE MAPFRE MSV LIFE PERSONAL PENSION PLAN WITH PROFITS

4.1 The Plan

The **MAPFRE MSV Life** Personal Pension Plan With Profits is a long-term contract of insurance approved by the Commissioner for Revenue as a **Qualifying Scheme** in accordance with the **Law**.

Under this **Plan**, your With Profits investment will mature on your selected **Retirement Date** when it will be transferred to **Unit Linked Funds** according to your instructions or, in the absence of your instructions, as **We** may determine at that time.

The Certificate for **Qualifying Individuals** is issued by **Us** as required under the Personal Retirement Scheme Rules (Subsidiary Legislation 123.163). It is a declaration that the **Qualifying Individual** has provided **Us** with all details required under the aforementioned **Rules** in his application for tax credits available to him. It also confirms that the **Policy** satisfies all the requirements in order that it is deemed to be a **Qualifying Scheme** as defined in the same **Rules**.

You may be required to present this Certificate to the Commissioner for Revenue if **You** have applied for credits against income tax which may be available on **Contribution(s)** **You** pay into your **Plan**.

The **Plan** is issued on the basis of the information provided in the **Application Form** submitted by **You**, the **Policy Owner**, to **Us**, the **Company**. This, together with the **Policy Schedule** and any **Endorsements** form part of the contract between **You** and **MAPFRE MSV Life**.

We agree to pay the specified benefits to the **Payee** named in the **Policy Schedule** upon satisfactory proof to **Us** of the occurrence of the event or events on which the benefits are to become payable subject to the payment to **Us** of the **Regular Savings Contribution(s)** detailed in the **Policy Schedule** and to the proper observance of the **Policy** terms and conditions.

4.2 Policy Schedule

The **Policy Schedule** makes the terms and conditions personal to **You**. It specifies how **We** have set up your **Plan**. The **Policy Schedule** outlines important information amongst which is the cover provided under your **Plan**, details of the **Policy Owner**, the event insured against and the **Death Benefit**.

The **Policy Schedule** should be read in conjunction with the **Policy Document** and it forms an integral part of your **Plan**. If any of the information contained on your **Policy Schedule** requires changes, **We** will issue another **Policy Schedule** reflecting the changes, or an **Endorsement** as applicable. These will then form part of the contract between **You** and **MAPFRE MSV Life**.

4.3 The MAPFRE MSV Life With Profits Fund

The **With Profits Fund** invests in a wide range of investments including fixed interest securities, cash, property, and shares, both in Malta and abroad. These different types of assets help to provide diversification of returns.

The **With Profits Fund** provides an investment opportunity designed to offer some protection from the volatility of the underlying investments by smoothing policyholder returns over time. Instead of sharing out the overall positive or negative return in a particular year with **You**, the **With Profits Fund Bonus** distribution evens out some of the fluctuations in value.

We manage the portfolio at **Our** discretion within the parameters of the guidelines set by the **Company's** governance structures.

Your **Regular Savings Contribution(s)** are invested in the **With Profits Fund** up to your selected **Retirement Date**.

4.3.1 Valuation of the With Profits Fund

At least once a year the Board of Directors of **MAPFRE MSV Life**, taking into account the advice of **Our** Actuary, will reasonably decide how much of the total profits that may have arisen in the **With Profits Fund** is to be distributed in the form of **Bonuses** and in what proportion.

Any **Regular Bonuses** declared will be added to your **Retirement Account**.

Upon the selected **Retirement Date** or earlier death, **You** may be eligible to receive a **Final Bonus** in accordance with the declared **Final Bonus** rates, if any, applicable. The Board of Directors of **MAPFRE MSV Life** will declare the **Final Bonus** rates at least once a year. A **Final Bonus** may take a zero value but cannot be negative.

Rates of **Regular Bonus**, not yet declared, and **Final Bonus** may be varied at any time.

4.3.2 Guarantees

The **With Profits Fund** offers certain guarantees. In the event of death or at your selected **Retirement Date**, your allocated **Contribution(s)** and the declared **Bonuses** are guaranteed and cannot be taken away. **You** should also be aware of the possibility of a Market Value Reduction on transfer or early access of your **Retirement Benefits** as explained in the *Section Charges – Market Value Reduction*.

5 CONTRIBUTIONS

5.1 Method of payment

Regular Savings Contribution(s) must be paid by the **Payer** using an acceptable payment method as determined by **Us**. All payments related to this **Plan** whether made to or by **Us** shall be payable in the lawful currency of Malta.

5.2 Regular Savings Contribution(s)

When **You** set up your **Plan**, **You** determine the **Regular Savings Contribution(s)** to be paid into the **Plan** and these are shown in the **Policy Schedule**.

Regular Savings Contribution(s) can be increased or decreased. Any increase in **Regular Savings Contribution(s)** will have a specific **Date of Investment** corresponding to the date that each new increase commences.

For the purposes of calculating the investment term when determining eligibility to receive a **Final Bonus** if any, any increase in **Regular Savings Contribution(s)** would be considered on the basis of the term between its specific **Date of Investment** and the **Retirement Date**.

Any change will be effected from the next **Regular Savings Contribution** due date after **We** have received your instructions.

Regular Savings Contribution(s) can be made up to your **Retirement Date**. No further **Regular Savings Contribution(s)** can be made after your **Retirement Date**.

5.3 Top Up Contribution(s)

You have the option to pay additional **Top Up Contribution(s)** up to one year (1) before your **Retirement Date**. Each additional **Top Up Contribution** has its specific **Date of Investment** and will be credited to your **Retirement Account**, after deducting all applicable **Plan** charges. Each **Top Up Contribution** shall not be less than the minimum amount which **We** stipulate from time to time.

At your **Retirement Date**, for the purposes of calculating the investment term when determining eligibility to receive a **Final Bonus**, if any, all **Top Up Contribution(s)** would be considered on the basis of the term between their specific **Date of Investment** and your **Retirement Date**.

5.4 Allocating your Contributions to your Retirement Account

For each **Contribution** received, **We** will determine the amount to be allocated to your **Retirement Account** by deducting all applicable **Plan** charges. The resulting amount shall be assigned to your **Retirement Account** on the next allocation date.

5.5 Pausing or stopping Regular Savings Contributions

Regular Savings Contribution(s) may be paused or stopped at any time prior to your **Retirement Date**. This period is referred to as **Premium Holiday** and will result in the status of your **Plan** being set to **Paid Up Status**.

Your **Retirement Account** will continue to be invested and to remain subject to all the options, terms, conditions and provisions of the **Plan**.

Any relevant charges will continue to be deducted from your **Retirement Account** even during the **Premium Holiday**.

You may resume your **Regular Savings Contribution(s)** at any time.

5.6 Indexation option

You have the option to automatically increase your **Regular Savings Contribution(s)** by 3.5% each year. This option must be selected prior to the commencement of the **Plan** and shall apply until your **Retirement Date**. The additional **Regular Savings Contribution(s)** arising from this option shall automatically be invested on the same terms and conditions as the original **Regular Savings Contribution**.

Automatic increases in **Regular Savings Contribution(s)** will stop if:

- **Regular Savings Contribution(s)** stop, or
- **You** tell **Us** to stop automatic increases.

6 RETIREMENT AND OTHER BENEFITS

6.1 Taking Retirement Benefits

The manner in which **Retirement Benefits** are payable to **You** is determined by **Law**. Payment of **Retirement Benefits** must commence on a date that is not earlier than the date on which **You** attain the age of sixty-one (61) and not later than the date when **You** attain the age of seventy (70). Your selected **Retirement Date** must fall within this date range.

We expect to receive your specific instructions to start paying **You Retirement Benefits** by your selected **Retirement Date**. Alternatively, **You** may advise **Us** that **You** wish to transfer your **Retirement Account** to another retirement scheme.

6.2 Maturity of your With Profits investment

Your investment in the **With Profits Fund** will mature on the selected **Retirement Date** **You** have selected on application, and which is quoted in your **Policy Schedule** and / or **Endorsement**. The **With Profits Fund** is not available as an investment option following the **Retirement Date**.

Upon maturity of your With Profits investment, your **Retirement Account** value, including any **Final Bonus** that may apply, will be transferred to **Unit Linked Funds** of your choice or in the absence of your instructions to **Unit Linked Funds** as **We** may determine at the time.

You have the option to request a change to your **Retirement Date** within the parameters allowed by **Legislation** provided that **You** notify **Us** of such a change at least 5 years prior to your new chosen **Retirement Date**.

6.3 Retirement cash sum

Once **You** have notified **Us** that **You** wish to start receiving your **Retirement Benefits** under this **Plan**, **You** are entitled to receive a tax-free retirement cash sum of up to 30% of your **Retirement Account** or any other amount which may be permitted by **Legislation** at that time of the request. **You** are only entitled to receive the tax-free retirement cash sum if **You** make a request to **Us** at the same time when **You** notify **Us** that **You** wish to start receiving your **Retirement Benefits** under this **Plan**. Once **You** elect to take the tax-free retirement cash sum, **You** must use the remaining value of the **Retirement Account** to provide a Retirement Pension.

6.4 Retirement pension

Subject to *Section 6.1 – Taking Retirement Benefits*, when taking your **Retirement Benefits** **You** must use your **Retirement Account** less any tax-free retirement cash sum taken, to provide a Retirement Pension as required by **Legislation**. Under current **Legislation**, **You** are required to take an income for life and **You** have the option to purchase a Life Annuity, or to make use of **Programmed Withdrawals**. Different options may be available at the time your Retirement Pension is taken.

If **You** opt to take your Retirement Pension in the form of **Programmed Withdrawals**, your **Retirement Account** will be reduced by the amount of Retirement Pension paid to **You** by deduction of **Units** at the price applicable at the time of each withdrawal. Any charges will continue to apply during the payment of your Retirement Pension. Your Retirement Pension will

continue to be payable while the balance of your **Retirement Account** is greater than €0. The Retirement Pension must be paid out directly to **You**.

If **You** do not make a request to **Us** to take your **Retirement Benefits** by your **Retirement Date**, your Retirement Pension will be deferred until such time that **We** receive instructions from **You**.

If **You** do not make a request to **Us** to take your **Retirement Benefits** within the period allowed by **Legislation**, then the full **Retirement Account** will automatically and irrevocably be converted to **Programmed Withdrawals**. In this case, your Retirement Pension will be deferred until such time that **We** receive instructions from **You** on how **You** want your Retirement Pension to be paid.

Once your With Profits investment matures and is converted to **Unit linked Funds**, the value of your **Plan** will fluctuate in line with market movements of the **Unit Linked Funds**. This continues to apply while **You** are taking **Retirement Benefits** as **Programmed Withdrawals**. In the event that your **Retirement Account** falls in value, this may result in a smaller pension income, or such income could be exhausted completely before **You** die. The amount of income **You** receive will depend on the value of your **Retirement Account**, your age when **Retirement Benefits** commence and the applicable **Programmed Withdrawals** conversion rates at the time and may vary in line with applicable income tax **Laws** and any applicable **Regulations** at the time of conversion.

6.5 Transfer of Retirement Account

Any transfer of your **Retirement Account** to another retirement scheme will be subject to applicable **Legislation** and to **Our** pension transfer procedures at the time.

6.6 Death Benefit

In the event of a **Death Claim**, **We** must receive notice in writing and within a reasonable timeframe from the death of the **Person Covered**.

A **Death Benefit** will become payable on the day after **We** receive written notification of the death of the **Person Covered**. **We** will pay the proceeds to the person(s) legally entitled or **Beneficiary(ies)** within a reasonable time from receipt of all the required claims documentation and the **Claim** has been accepted.

The **Death Benefit** that **We** will pay will be 101% of the **Retirement Account** if death occurs before the **Retirement Account** has been converted into **Programmed Withdrawals**. A **Final Bonus** may apply upon Death before the selected **Retirement Date**.

The **Death Benefit** that **We** will pay will be 100% of the **Retirement Account** if death occurs after the **Retirement Account** has been converted into **Programmed Withdrawals**.

The following are the initial documents **We** require to consider the payment of **Death Benefit**:

- Proof of date of birth, if not already supplied;
- Full death certificate & copy of will (if any) in the event of a **Claim** for **Death Benefit**;
- Claimant's Statement.

When the **Death Benefit Claim** has been accepted and becomes payable, the **Plan** will be terminated, and no further benefits will be payable.

6.7 Permanent disability benefit

The Permanent Disability Benefit will become payable if the **Person Covered** is certified to be permanently disabled, because of an accident or disease, and unable to perform any occupation, prior to the selected **Retirement Date**.

Disability is considered permanent if there is no prospect of recovery within twenty-four (24) months from the date of accident or date of diagnosis. **We** must be notified of any incident that may give rise to a **Claim** within two (2) years of any accident or diagnosis of illness.

The Permanent Disability Benefit that is payable will be 100% of the **Retirement Account**.

We reserve the right at any time to confirm the validity of the disability based on independent medical investigations as deemed appropriate by the **Company's** Medical Officer.

The Permanent Disability Benefit will not be affected by any future change in the health, occupation, residence, travel or recreational pursuits of the **Person Covered**, unless specifically stated in the **Policy Document**.

6.8 Funeral expenses benefit

We will pay for the cost of funeral expenses incurred on the death of the **Person Covered** before admitting liability under the **Plan**.

Payment of this benefit:

- Is a partial pre-payment of the **Death Benefit** and is not paid in addition to the **Death Benefit**;
- Can only be made after presentation of the appropriate receipts; and
- Is subject to a maximum sum of €2,500.

6.9 Disappearance of the Person Covered

The death of the **Person Covered**, accidental or otherwise, shall not be presumed by disappearance unless a Death certificate which is registered in terms of the Laws of Malta is provided to the **Company**.

6.10 Designation of Beneficiaries

You may designate **Beneficiary(ies)** to receive the **Death Benefit** described above.

6.11 Suicide

In the case of suicide, or death as result of a suicide attempt, of the **Person Covered**, whether sane or insane, within 1 year from the commencement of this **Plan**, the **Death Benefit** payable will be restricted to the **Retirement Account**.

7 PLAN CHARGES

We will apply certain fees and charges to cover the cost of setting up, managing and administering your **Plan** including the costs of investing your **Contribution(s)**.

Our fees and charges are deducted directly from your **Contribution(s)** or from your **Retirement Account** as applicable.

Plan charges may be reviewed and may change from time to time. **We** will inform **You** within a reasonable timeframe of any changes.

We reserve the right to change the terms and conditions applicable to **Top Up Contribution(s)** without prior notice.

7.1 Policy Fee

A **Policy Fee** of €2.50 will be charged on a monthly basis prior to the selected **Retirement Date**.

7.2 Allocation Rate for Top Up Contribution(s)

'One-off' single **Top Up Contribution(s)** will be allocated on the following basis:

Top Up Contribution Amount	Allocation Rate
€150.00 - €114,499.99	98%
€115,000.00 - €229,999.99	98.5%
€230,000.00 +	99%

7.3 Annual Management Charge

From the selected **Retirement Date**, **We** will deduct an **Annual Management Charge** of 0.7% per annum calculated daily by cancelling **Units** in your **Retirement Account** on a monthly basis.

7.4 Switch Fee

From your selected **Retirement Date**, **We** offer up to two free switches (or groups of switches requested simultaneously) per calendar year. A **Switch Fee** of €25 is applicable from the third switch onwards per calendar year.

7.5 Unit Linked Funds charges

The above fees and charges are in addition to any fund management charges made by the external asset / investment managers of the **Unit Linked Funds** that **We** offer after your selected **Retirement Date**.

The asset / investment managers of the Investment Options that **We** offer take a fund management charge for the management and administration of the **Unit Linked Funds**. Fund management charges vary depending on the **Unit Linked Funds** selected and are taken from the fund each day before the **Unit** price of the **Unit Linked Fund** is calculated. Fund management charges are not controlled or deducted by **Us**.

Details of the fund management charges of every **Unit Linked Fund** can be found in the “**MAPFRE MSV Life Funds Chartbook**” available on **Our Website** at <https://www.mapfre.com.mt/funds-chartbook/>

7.6 Transfer charge

Once the **Policy** is active, **You** will not be able to surrender it or any part of it, and the value of the Plan will be inaccessible until **You** qualify for benefit payments as per *Section 6 – Retirement Benefits*.

You have the option to transfer your **Plan** to another retirement scheme or to make a request for early access to **Retirement Benefits** subject to applicable Legislation at the time. In such cases, transfer/early access charges apply for the first 10 years from the commencement date shown on the **Policy Schedule** and if applicable, from the investment date of each **Regular Savings Contribution** increase. The applicable charges are shown in the table below.

Year	Transfer / Early Access Charge
1	50%
2	50%
3	30%
4	20%
5 – 10	10%
11 onwards	0%

Other providers’ terms and fees may apply if the **Policy** is approved for transfer or conversion to another scheme. Therefore, **We** advise that **You** consult directly with the relevant provider about these fees and terms before finalising any **Policy** transfer or conversion. The funds associated with your **Plan** may need to be adjusted upon transfer or conversion.

Separate Transfer Charges apply to **Top Up Contribution(s)** if the **Plan** is transferred / accessed within 3 years from the commencement date of each **Top Up Contribution(s)**, as per the following scale:

Date of Top Up Contribution	Transfer / Early Access Charge
Less than 1 year	3%
1 to 2 years	2%
2 to 3 years	1%
More than 3 years	0%

7.7 Market Value Reduction

We retain the right to apply a Market Value Reduction (MVR) which will increase the charges applied if **You** transfer out your **Plan** or access **Retirement Benefits** before your selected **Retirement Date**. An MVR may be applied in the event of a major disruption to markets or systems, or in extreme market conditions. **We** will not apply an MVR on maturity of your With Profits investment, or in the case of a payment of the **Death Benefit**.

The MVR is designed to protect investors who remain invested in the **With Profits Fund**. Its application means that remaining investors get a fair share of the profits of the **With Profits Fund** in which their **Contribution(s)** are invested.

We will give **You** written notice when the MVR is to be applied on transfer or early access, in which case **You** will have the option not to proceed with the transfer.

8 INVESTMENT OPTIONS

8.1 Investment Options following your Retirement Date

We undertake to establish and maintain a wide range of Investment Options for **You** to choose to invest in. All **Our** Investment Options consist of **Unit Linked Funds** that are managed by external asset / investment managers both in terms of future performance and continued availability. This means that **We** are not responsible for the performance of these **Unit Linked Funds** and their continued availability.

Furthermore, **We** may restrict the number and type of **Unit Linked Funds** available for linking during the **Programmed Withdrawals** phase after **Retirement Benefits** are taken.

We may from time to time stipulate a maximum number of funds that can be selected and/or a minimum percentage to be allocated to any one fund.

It is your responsibility to choose among the Investment Options offered, and to make decisions on the investments that are most appropriate to meet your personal goals. The investment choices that **You** make have a large impact on the performance of your retirement savings.

The “**MAPFRE MSV Life Funds Chartbook**” provides full details of the **Unit Linked Funds** that **We** make available, including their objectives, risk profile and the investments they hold. **We** may change the range of **Unit Linked Funds** available from time to time without obtaining your agreement. The “**MAPFRE MSV Life Funds Chartbook**” is available on **Our** Website at: <https://www.mapfre.com.mt/funds-chartbook/>

8.2 Minimum allocation to any one Unit Linked Fund

The minimum allocation to any one **Unit Linked Fund** is 10%. This means that **You** can invest in up to ten (10) **Unit Linked Funds** at any one time. **We** may determine different minimum allocation requirements from time to time.

8.3 The value of your Retirement Account following your Retirement Date

The value of your **Retirement Account** is based on the total number of **Units** held in each **Unit Linked Fund** multiplied by the **Unit** prices on any given date. Each **Unit** will have the same share of the **Unit Linked Fund** as any other **Unit**. If **Unit** prices rise or fall, so will the value of your **Retirement Account**.

The allocation of the **Units** to the **Retirement Account** is only notional and is solely used for the purpose of calculating the value of your **Retirement Account**. **We** shall, at all times, retain ownership and control of the **Units** to which the value of the **Retirement Account** is linked.

Every six months, or otherwise upon receiving a written request, **We** will send **You** a Statement of Account showing the value of your **Retirement Account**.

8.4 Switching of Unit Linked Funds

You have the option to inform **Us**, in writing, to switch between **Unit Linked Funds**. This entails the cancellation of some or all of the **Units** allocated to **Unit Linked Funds** and the replacement of these **Units** with other **Units** in other **Unit Linked Funds** of your choice. The value used to allocate

replacement **Units** may be reduced to meet the cost of any switch charge that may apply (please refer to *Section – 7.4 Switch Fee*).

We reserve the right to refuse to effect a switch if such a request:

- would result in **Units** being held in more than the maximum number of **Unit Linked Funds** allowed;
- breaches the switching options, which may be amended from time to time;
- is to be made into **Unit Linked Funds** which are no longer available for linking at the time of request.

We reserve the right to defer switching between **Unit Linked Funds**:

- where circumstances preclude calculation of fair and accurate **Unit** prices for the **Unit Linked Fund** involved;
- for a period not exceeding twelve (12) months if the **Units** to be switched include **Units** which relate to **Unit Linked Funds** which hold directly or indirectly assets in the form of property, land or any other assets that are not immediately realisable, and up to one month in the case of other **Unit Linked Funds**. The **Unit** prices applicable to the deferred transactions shall be those applicable at the expiry of the period of deferment.