

Maximum Investment Plan

Key Features Document

Important Information

Bank of Valletta p.l.c. is an enrolled tied insurance intermediary of MAPFRE MSV Life p.l.c. MAPFRE MSV Life p.l.c. is authorised by the Malta Financial Services Authority to carry on long term business of insurance under the Insurance Business Act 1998.

1. Investment should be based on the full details contained in the relative policy documentation. Past Performance is not necessarily a guide to future performance and the value of your investment may fall as well as rise.
2. In terms of current requirements, the policy owner has the right to cancel his/her policy within 30 days from receipt of the Life Insurance Contracts Statutory Notice. Premiums will be refunded in full. (Terms & Conditions may apply)
3. In the unfortunate event of insolvency of any company licensed to carry on Insurance Business in Malta you may be entitled to limited compensation under the Protection and Compensation Fund Regulations, 2003.
4. Bank of Valletta p.l.c., (the “Bank” or “BOV”) is committed to providing you with sufficient information that helps you to make informed decisions in relation to the acquisition of BOV products and services as well as third party products. We strongly recommend that you read the applicable Key Features Document (“KFD”) carefully, and that you keep a copy of it for your reference.
5. The information provided in the KFD is not designed to offer financial advice and does not take into account your financial situation or investment requirements. Nothing in the KFD should be construed as a solicitation or offer, or recommendation, to acquire or dispose of any investment, product or service or to engage in any other transaction, or to provide any investment advice or service. Nothing contained in this KFD constitutes investment, legal, tax or other advice and should be read in conjunction with the relative policy document when making an investment or other decision. You should obtain relevant and specific professional advice before making any investment decision. Information contained in this KFD is subject to change from time to time and is up to date as at the stated Issue Date. BOV has no obligation to update, modify or amend the KFD or otherwise notify you of any change or revision.
6. The KFD is designed for use in Malta and is not directed to, nor intended for distribution or use by, any person or entity outside the Maltese territory. Any use of this KFD outside Malta is entirely at your own risk. If you choose to use this KFD, it is your responsibility to comply with the laws of Malta in every respect. This KFD shall be governed by the laws of Malta. For guidance relating to your specific situation, please contact your legal adviser.
7. MAPFRE MSV Life Products described in the relevant KFD are governed by their Terms and Conditions applicable once you sign the relevant application form.
8. The KFD contained herein is intended merely as guidance and does not constitute a contractual document. The Terms and Conditions ultimately regulating the relationship between MAPFRE MSV Life p.l.c. (the “Company”) and the Policyholder are those as shall be specified in the Policy Document.
9. MAPFRE MSV Life retains the right to refuse applications and to return premiums paid to the applicant/s.
10. Should you have any cause for complaints about the product please write to MAPFRE MSV Life, for the attention of The Chief Executive Officer. Any complaints regarding the Bank’s activities as an enrolled tied insurance intermediary or in relation to the Bank’s service, should ideally be first discussed with the manager of your BOV branch.
If the response is not satisfactory, one may contact the Bank’s Customer Service Centre on 2131 2020 or write to:
The Manager, Customer Issues, Bank of Valletta p.l.c, 45, Triq ir-Repubblika, Il-Belt Valletta VLT 1113, Malta;
or complete the Bank’s complaint form available in electronic format on the Bank’s website – www.bov.com via ‘Get in Touch’.
In the event that you are still not satisfied with the Bank’s reply or no agreement was reached with the Bank, you may refer the matter in writing, to:
The Office of the Arbiter for Financial Services, First Floor, Pjazza San Kalcidonju, Floriana FRN1530, Malta.
Further information may be obtained through the official website: www.financialarbiter.org.mt;
Freephone (local calls): 8007 2366 and Telephone: 2124 9245.
11. In this KFD “MAPFRE MSV Life”, “we”, “us”, “our” or “company” means MAPFRE MSV Life p.l.c.

12. Disclosures

- i. BOV holds more than 10% shareholding in MAPFRE MSV Life p.l.c.;
- ii. BOV, as an enrolled tied insurance intermediary of MAPFRE MSV Life p.l.c., is remunerated by MAPFRE MSV Life p.l.c. through a commission. Such remuneration is paid by MAPFRE MSV Life p.l.c. directly to BOV, at no additional cost to the applicant.
- iii. Unit Linked Investments are restricted to a range of external investment funds managed by Fidelity Investments, Blackrock, Invesco and BOV Asset Management. Under the Euro version of the Plan you can also choose the Mapfre MSV Life With-Profits Fund. With-Profits Fund is not available through the Unit Linked Pension Plan.

This Key Features Document contains a summary of the main features of your Plan. Please read it carefully so that you understand what you are buying and the risks involved.

Plan description

- A unit-linked 10-year regular premium renewable endowment.
- The value of the Plan is linked to the value of underlying investment funds that you choose and you may link your investment under the Plan to one or more funds that may be made available.
- From each premium that you pay, we will deduct the fixed policy charges and the balance will be credited to your Policy Account. The variable charge for the Death Benefit is paid for by the cancellation of units from your Policy Account on a monthly basis.
- You can choose the Sum Insured you want so that the Plan can take the form of either a savings plan (if the Sum Insured is negligible) or a protection plan (if the Sum Insured is significant).
- You can choose to invest from amongst a range of external investment funds managed by Fidelity Investments, BlackRock, Invesco or BOV Asset Management.

Its aims

- To give you the potential for medium to long-term capital growth.
- To give you access to your money by making one-off withdrawals.
- To allow you to choose from a range of investment funds to match your investment objectives.
- To pay a Death Benefit to you, your estate or a designated beneficiary upon the death of the Person Covered.

Your commitment

- To pay premiums regularly for the term of the Plan.
- The Plan has a fixed term of 10 years. You may renew your Plan for a further three 10-year periods without the need of having to provide any medical information or undergo further medical tests. The premium payable in the subsequent 10-year period extensions may need to be reviewed (due to the increase in age) if you wish to retain the same Sum Insured.

Risk factors

- What you get back will depend on the investment performance of the funds that you choose and our deductions. The value of your investment in the investment funds can go down as well as up. Changes in the rate of exchange of currencies may also affect the value of your investment.
- The Plan invests in a range of funds which have different levels of risk and you should choose the fund or portfolio of funds that matches your risk profile.
- You may get back less than the amounts shown on the illustration because
 - capital growth could be lower than that shown in the illustration
 - withdrawals from your Plan could use up some of your capital.
- Withdrawals from your Plan may be subject to tax.
- Inflation will reduce the value of any cash sum and this is something you should be aware of when considering what you may be able to buy with a cash sum in the future.

Key features

Minimum Premium	€40 if premium paid monthly (or proportionate multiples thereof if premium paid quarterly, half-yearly or annually e.g. €120 if premium paid quarterly). €500 for any top-up premiums.
Fund Choice Options	Maximum of 10 funds may be chosen with any premium paid subject to a minimum allocation of 10% per fund.
Duration of Plan	Fixed duration of 10 years.

Age limits of Person Covered

when the Plan starts	Minimum of 3 months Maximum of 65 years.
when the Plan finishes	Maximum of 75 years.
Policy Owner	The Policy Owner can be any natural person aged at least 18 years old or any corporate entity.
Basis of Life Cover	Single Life OR Joint Life First Death.
Beneficiary	You can appoint one or more beneficiaries to receive the benefit under the Plan, when this is due. There is no charge for this arrangement to be implemented and it requires only the completion of a simple form. The appointment of a beneficiary under a life insurance contract does not need to be confirmed in a will and it also supersedes the provisions of a will if there is any conflict between the two.
Choice of Sum Insured	You choose a Sum Insured between a Minimum and a Maximum amount. The minimum amount is 101% of the Policy Account and the maximum amount is determined by us depending on a number of factors such as the premium that you select, the term of the Plan, your age etc.
Bid & Offer Prices	For each of the investment funds available under the Plan, we will calculate and publish a Bid and Offer price. The Bid price is determined by reference to the price of the external underlying funds. In determining this we take into account any fees, charges, taxation or other liabilities that we may incur. The Offer price is calculated by adding 5% to the Bid price. The Offer price is the price used in the allocation of units to your Plan and the Bid price is the price used in surrender transactions, switch transactions, in the cancellation of units to pay for the Death Benefit charge and also for the purpose of valuing your Plan.

Plan benefits

Death Benefit	Payment of the Sum Insured or the Policy Account (valued on the next Valuation Date after we receive notification of the death of the Person Covered) whichever is the greater when the Person Covered dies.
Terminal Illness Benefit	Payment of up to 50% of the Death Benefit as a pre-payment of the Death Benefit if the Person Covered is diagnosed to be terminally ill.
Funeral Expenses Benefit	Payment of the cost of funeral expenses (subject to a maximum of €2,500) in the form of a partial pre-payment of the Death Benefit.
Cash Surrender Benefit	Option to surrender the Plan in part or in full before maturity. The surrender amount is calculated by applying the surrender charge to the part of the Policy Account that is surrendered.
Policy Loan Benefit	Option to apply for a loan from us, up to 75% of the Cash Surrender Value of the Plan, using only the Plan as security.
Maturity Benefit	Payment of the Policy Account (valued on the next Valuation Date after the maturity date of the Plan) upon maturity of the Plan.

Optional Additional Benefits (against payment of an additional premium)

1. Accidental Death Benefit – Payment of an additional amount equal to the Sum Insured if death occurs as a result of an accident. The annual cost of this Benefit is calculated at the rate of 0.10% of the Sum Insured.
2. Injury Benefits – Payment of a percentage of the Sum Insured in the event of accidental injury. Catastrophic Injury Benefit (Loss of both eyes OR loss of two or more limbs OR loss of one eye and one limb) – payment of 100% of the Sum Insured. Severe Injury Benefit (Loss of one eye OR loss of one limb OR loss of hearing or speech) – payment of 50% of the Sum Insured. Moderate Injury Benefit (Loss of thumb or index finger) – payment of 10% of the Sum Insured. Any payment made under any of the Injury Benefits will be in the form of a pre-payment of the Sum Insured which is then reduced by the amount of the Injury Benefit paid. The annual cost of this Benefit is calculated at the rate of 0.20% of the Sum Insured.
3. Waiver of Premium Benefit – We will waive the premium due under the Plan if the Person Covered is totally disabled and unable to work. The waiver of premium will continue for as long as the disability continues subject to a waiting period of 6 months and up to a maximum age of 61 years. The annual cost of this Benefit is calculated at the rate of 3.75% of the premium payable under the Plan.

4. Permanent Total Disability Benefit – Payment of the Sum Insured if the Person Covered becomes permanently and totally disabled and the disability lasts at least 24 months. The Plan will be terminated after this benefit has been paid. The annual cost of this Benefit is determined by your age when you take the policy at:

Age (years)	Rate (% of death benefit)
18-39	0.15%
40-49	0.30%
50-59	0.60%

5. Critical Illness Benefit – Payment of 75% of the Sum Insured (subject to a maximum of €25,000) if the Person Covered suffers either heart attack or stroke or coronary artery surgery or cancer or kidney failure or paraplegia. This benefit is available in one of two forms – either “pre-payment” or “additional payment” of the Sum Insured. The annual cost of this Benefit is calculated by us on the basis of the personal circumstances of the Person Covered.

Plan charges

Policy Fee	€2.50 if premium paid monthly (or proportionate multiples thereof if premium paid quarterly, half-yearly or annually e.g. €7.50 if premium paid quarterly). The policy fee will be increased on a compound annual basis at a rate that is equal to the Inflation Rate as published by the National Statistics Office of Malta but subject to a minimum rate of 3.5% per annum.
Bid / Offer Spread	Units in the investment funds are allocated to your Plan at the Offer price but valued at the Bid price. The difference of 5% between the two represents a charge that you incur in the purchase of units.
Allocation Charge / Loyalty Bonus	After deduction of the policy fee, the balance of the premium paid is allocated to your Policy Account. From the premiums paid in the first year only, we will however deduct an allocation charge that depends on the premium paid. If the Plan is renewed for additional ten-year periods you will benefit from a Loyalty Bonus in the form of higher allocation to your Policy Account as shown in the table hereunder.

Premium Band	Allocation to Policy Account			
	Year 1	Yrs 2 to 10	Yrs 11 to 20	Yr 21 onwards
Up to €999	70%	100%	102%	104%
€1,000 to €1,499	80%	100%	102%	104%
€1,500 to €1,999	90%	100%	102%	104%
€2,000 / and higher	100%	100%	102%	104%

- Surrender Charge** You have the option to cash in your Plan in part or in full. The Plan will have a Cash Surrender Value (CSV) after one full year’s premium has been paid. Thereafter the CSV of the Plan will be calculated by applying the surrender charge shown in the table hereunder to the bid value of the units allocated to the Plan.

Full years of premium payment	First 10 years Surrender charge	10 year extension Surrender charge
Less than 1	100%	1.5%
More than 1 but less than 2	10%	1.0%
More than 2 but less than 3	10%	0.0%
More than 3 but less than 4	10%	0.0%
More than 4 but less than 5	5%	0.0%
More than 5 but less than 6	5%	0.0%
More than 6 but less than 7	4%	0.0%
More than 7 but less than 8	3%	0.0%
More than 8 but less than 9	2%	0.0%
More than 9 but less than 10	1%	0.0%

- Death Benefit Charge** A variable charge to pay for the Sum Insured that you select. We will cancel units from your Policy Account on a monthly basis to pay for this charge. No charge is made if you choose the Minimum Sum Insured.

- Switch Fee** Two free switches (or groups of switches requested simultaneously) per calendar year. Switch fee of € / US\$ / £ 25 applicable for the third switch onwards per calendar year. In addition to the switch fee we may also apply MVR if you switch money out of the MAPFRE MSV With-Profits Fund.

All charges are reviewable and may be changed after the Plan is started, but we will give you 90 days notice if they are changed.

Questions and answers

1. What might I get back?

The cash value of the Plan depends on a number of factors such as

- the amount you invest
- the length of time that you remain invested
- the actual investment return achieved by the funds that you choose
- our charges
- any amount that you take out of the Plan before you cash it in.

We are giving hereunder some examples of the expected Maturity Values for specific circumstances, assuming that the premium paid is €100 monthly, the Sum Insured selected is €10,000 and no additional benefits are chosen. The illustration is also based on a male non-smoker.

Age at entry	Investment Return achieved		
	3%	6%	9%
	Maturity Value of Plan after 10 years		
35	€12,590	€14,666	€17,117
	Maturity Value of Plan after 20 years		
35	€29,943	€41,180	€58,336
	Maturity Value of Plan after 30 years		
35	€53,287	€88,405	€155,952

The investment returns quoted are for illustration purposes only and do not necessarily reflect the actual return. The returns are not guaranteed and they are not minimum or maximum rates. Furthermore you may not get back the amount originally invested, especially if the Plan is surrendered within a few years of its commencement. Investment returns can go up as well as down and past performance is not necessarily a guide to future performance.

The projected benefits may not materialize and are merely indicative. The examples in this table are based on the current level of internal product charges but exclude annual management fees charged by the underlying external funds to cover the costs of managing the funds, which fees are factored into the daily "share price" (the Net Asset Value – NAV) of the fund and therefore reflected in the performance of the funds.

2. When will my Plan start?

- Using the information you provide us with, we will underwrite your application. This means that we will make an assessment as to whether we can accept your application and if so on what terms and conditions. Depending on your personal circumstances, we may need to contact you, or your doctor for further information, or arrange for you to attend a medical examination or tests. If required this may take some time and could delay the start of your Plan.
- When we have completed our assessment we will write to you. If we can accept your application at the standard premium & terms that we quoted, we will start the Plan immediately and send you the policy. If not, we may ask you to pay an increased premium, notify you of different terms that we may be prepared to offer, postpone our decision to a later date or decline your application.
- We undertake to conclude our assessment and send you the policy or communicate our decision to you within 5 business days from the day that we receive the last information or document that we may need.

3. Can I change the Sum Insured that I choose?

- You may reduce the Sum Insured at any time.
- You may also increase the Sum Insured in one of two ways
- Guaranteed Insurability Option – You may increase the Sum insured without the need for further evidence if:
 - You get married
 - You become a parent
 - You take a loan from a bank.

You can request an increase in the Sum Insured up to €40,000 per event provided that the aggregate increase over the lifetime of the policy does not exceed €120,000. You can exercise this option before your 50th birthday and provided that you started the plan before your 40th birthday.

- Apart from your right under the Guaranteed Insurability Option, you may also increase the Sum Insured but we may ask you to undergo further medical tests and increase the premium payable under your Plan.

4. Can I change the premium that I pay?

You have a number of options.

- Increase the regular premium that you pay at any time.
- Decrease the regular premium that you pay at any time (subject to a minimum premium that will be sufficient to pay for the Benefits that you select).
- Increase your regular premium annually by a rate that is equal to the Inflation Rate as published by the National Statistics Office of Malta but subject to a minimum rate of 3.5% per annum.
- Make top-up payments (in addition to the regular premium) that will be credited directly to your Policy Account.

5. Where and how is my money invested?

- After deducting the Plan charges, your payment is used to buy units in your choice of one or more of the funds available for linking under the Plan.
- You can switch your holdings in and out of various funds to change the mix of investments, but you may be charged a switch fee, if applicable.
- The MAPFRE MSV With-Profits Fund is invested in a range of investments including shares, bonds, property and short-term assets. The mix of these assets is determined by us with the objective of maximising the rate of return whilst preserving the real capital value of the investments.
- Your choice of funds should be based on the information provided in the relevant prospectus of the underlying fund.

6. At what price will I purchase units in the investment funds?

- For regular premiums that you pay (and any top-up premiums up to €2,500 / Lm1,073.25), we allocate units to your Policy Account, in the funds that you choose, at the Offer price prevailing on either the 15th or the 30th day of each month, depending on when we receive your payment.
- For any top-up premiums exceeding €2,500, we allocate units to your Policy Account at the Offer price prevailing on the next Valuation Date after we receive your payment.

7. How is the growth of the investment funds under my Plan determined?

- When you select one or more investment funds, your payment is used to buy units in your choice of funds. The value of your Plan will then fully reflect and be linked to the movement of the prices of the selected funds.

8. What if I stop paying?

- If you do not make a payment on time (or within the 30 days of grace that we allow), your Sum Insured will be reduced to the Minimum and any Optional Additional Benefits under the Plan will end automatically. We would normally however allow you some additional time to make any outstanding payments and restore your policy.
- If your Plan has a cash surrender value it will be converted to Paid-Up. This means that there will be no more premiums due under the Plan, the Sum Insured will be reduced to the Minimum and any Optional Additional Benefits selected will be cancelled. When a policy is converted to Paid-Up, we will also deduct the Surrender Charge as listed in the Surrender Charge section.

9. What is my tax position under the Plan?

Under current legislation your liability to tax can be categorized in two headings.

- Payment of Death Benefit – No tax payable.
- Payment of Cash Surrender Benefit (in full or in part)
 - Capital Gains Tax at the rate of 15% (withheld by MSV) if your money is invested in non-prescribed funds.

This information is based on our current understanding of the taxation laws. You are nevertheless urged to seek professional guidance on this subject.

10. How will I know how my Plan is performing?

We will send you an annual valuation showing the value of your Plan.

11. Can I change my mind?

You can change your mind within 30 days from when you get your Plan documents. If you decide, for any reason, within this period that you don't want to proceed with the Plan, we will give you your money back but we may deduct from this amount any fall in the value of the investment during this period. If you wish to exercise your right to cancel, you should complete and return the Cancellation Notice that we send you.

Other information

Terms & Conditions: This Fact Sheet is intended to provide a brief overview of the Maximum Investment Plan. The full terms and conditions are explained in more detail in the policy document, a copy of which is available from our offices.

Compensation: In the unfortunate event of insolvency of any company licensed to carry on Insurance Business in Malta you may be entitled to limited compensation under the Protection and Compensation Fund.

Effective Date: The features outlined in this Fact Sheet are applicable to any Maximum Investment Plan that starts after 01/06/2013.

Glossary / Definition of terms

Bonuses are the way we allocate to you your share of the profits of the MAPFRE MSV With-Profits Fund. There are two types

- REGULAR, which are normally added every year
- FINAL, which may be paid when your Plan matures, provided it has been in force for at least 10 years, or when we pay the Death Benefit under the Plan.

Person Covered means the person or persons, specified in the policy, whose death will result in the Death Benefit under the Plan becoming payable. The Person Covered can only be a natural person and cannot be a company.

Endowment is a life insurance policy that has a fixed duration and that pays a Maturity Benefit on the maturity date of the policy or a **Death Benefit** if the Person Covered dies before the policy matures.

Plan means the life insurance contract described in this Fact Sheet.

Policy Account means the value of all the units allocated to your Plan calculated at the bid price of the funds, as well as the value of your investment in the MAPFRE MSV With-Profits Fund (if any).

Policy Account means the value of all the units allocated to your Plan calculated at the bid price of the funds as well as the value of your investment in the MAPFRE MSV With Profits Fund (if any).

Valuation Date means any date on which an MAPFRE MSV Fund is valued for the purposes of establishing the price of the fund.

We, us, Mapfre MSV or Mapfre MSV Life mean Mapfre MSV Life p.l.c.

You / Policy Owner means the person who has all the rights (e.g. to receive the Plan Benefits) and obligations (e.g. to pay the premium) under the Plan. The Policy Owner can be either a natural person or a company.

Your next step

Should you require more details about the range of life policies from MAPFRE MSV Life you may:

- Call the Bank's Customer Service Centre on +356 2131 2020
- Visit any BOV Branch
- E-mail Bank of Valletta p.l.c. at customercare@bov.com

MAPFRE MAPFRE MSV Life p.l.c. contact details:

Registered Address: MAPFRE MSV Life p.l.c., Pjazza Papa Giovanni XXIII, Furjana, FRN 1420, Malta.

Postal Address: P.O. Box 54, Marsa, MRS 1000, Malta. **Registration Number:** C15722

Telephone: (+356) 2590 9000 **Telefax:** (+356) 2122 6429 **Email:** info@msvlife.com **Website:** www.msvlife.com

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