



CHILD SAVINGS 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.

Registered Address: MAPFRE MSV Life p.l.c., The Mall, Triq il-Mall, Floriana, FRN1470, Malta

Postal Address: P.O. Box 54, Marsa, MRS1000, Malta

Telephone: +356 2590 9000 **Email:** info@msvlife.com **Website:** www.msvlife.com

MAPFRE MSV Life p.l.c. (IC-15722) is authorised by the Malta Financial Services Authority (MFSA) to carry on long term business under the Insurance Business Act, Cap 403 of the Laws of Malta. MAPFRE MSV Life p.l.c. is regulated by the MFSA.

Plan Description

- A With Profits regular premium savings plan.
- It aims to help you save for your child in a flexible manner, adapting to changing circumstances.
- From each regular contribution that is paid in, we will deduct the policy charges and the balance will be credited to your Policy Account.
- The Plan participates in our distribution of profits. With Profits investment smoothes the return on your money by spreading the profits over good and bad years.
- The Plan is designed to help your savings grow in a secure and tax efficient manner.
- The amount invested, after product charges, is guaranteed to be repaid to you on maturity, or death if it occurs earlier. The Regular Bonuses added on to your Plan are also guaranteed on maturity or death, once they are declared. The guarantee does not apply to any withdrawals made before the maturity of your Plan.

Its Aims

- To provide you with a medium to long term tax-efficient investment and a tax-free cash sum by the time the child is 25 years old.
- To pay a nominal Death Benefit of 101% of the Plan value to you, your estate, or a designated beneficiary if one can be appointed upon the death of the Person Covered before the Plan term expires.
- To give you access to some of your savings during the policy's term which you may use to help you with ongoing expenses related to the child.
- To give you the flexibility of changing the amounts you pay in to reflect your changing circumstances over time.

Your Commitment

- To pay premiums regularly for the selected term of the Plan.
- You determine the duration of the Plan when it starts, subject to a minimum of 8 years.

Risk Factors

- What you might get back will depend on our investment performance and the bonuses we add. The rate of future bonuses is not guaranteed and may change over the years. Your Plan's value will be less than illustrated if the bonuses declared are lower than illustrated.
- If you cash in your Plan early you may receive less than the value of your Policy Account. This will happen either as a result of surrender charges in the early years, or if we are forced to apply a Market Value Reduction (MVR). A MVR may be applied if the value of our investments falls suddenly, but only if you cash in the Plan before the end of its term.
- Your circumstances may change and force you to cash in your Plan. If you cash in your Plan before the end of the term, you may not get back as much as you invested due to the effect of charges.
- The returns you get on With Profits investments depend on a number of factors, including:
 - The return on investments in our underlying With Profits Fund;
 - The way we distribute any profits in the Fund;
 - Factors beyond our control, such as tax and the effect of inflation;
 - Profits and/or losses from non-participating plans (other than unit-linked plans) which are also part of the With Profits Fund;
 - The cost of meeting any guarantees that we provide.
- Inflation will reduce the real future value of any cash sum.

Key Features

Minimum Contributions

€40 paid monthly, or proportionate multiples thereof if contribution is paid quarterly, half-yearly or annually [e.g. €120 if paid quarterly].

Top Up Contribution (optional)

Option to make additional lump sum Top Ups, subject to a minimum of €250. No Top Ups can be made in the final year of the Plan.

Basis of Life Cover

Single Life only (child).

Duration of the Plan

A minimum of 8 years, and must mature by the time the child is 25 years old.

Age limits of Person Covered

Child must be between the ages of 0 and 17 when the Plan starts, and cannot be older than 25 when the Plan finishes.

Policy Owner

The flexibility of the Plan means that you can decide who will have control over it. Parents, Grandparents, Relatives or Legal Guardians who are at least 18 years old may own the Plan. Alternatively Administrators may be appointed to manage the Plan on behalf of the child until they turn 18. In case of the latter option, the child will automatically have full authority over the Plan when they turn 18, without the need of your consent.

Beneficiary

When the child reaches the age of 18, and if they are also the Policy Owner, they will be able to appoint one or more beneficiaries to receive the benefits under the Plan when they become 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 will supersede the provisions of a will if there is any conflict between the two.

Plan Benefits**Death Benefit**

Payment of 101% of the value of your Policy Account will become payable in the event of death of the Person Covered.

Terminal Illness Benefit

Payment of up to 50% of the Policy Account as a pre-payment of the Death Benefit if the Person Covered is diagnosed to be terminally ill before the Plan finishes.

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 cash in the Plan partially or in full before its maturity. The surrender amount is calculated by applying the surrender charge (and MVR, if applicable) to the Policy Account Value. Partial cash surrenders ("Partial Withdrawals") may be made subject to:

- The retention of at least €2,000 on the Policy Account following the withdrawal;
- A minimum withdrawal of €250;
- A maximum withdrawal of €1,000 in each policy year, net of any charges applicable.

Maturity Benefit

At the end of the selected period, you can opt to receive the full value of the Plan as a lump sum. You will also have the option to continue investing the money in any Plan offered by Us at the time, without incurring the costs associated to investing that initial lump sum within it.

Child Guaranteed Cover Option

The child covered under this Plan will have the option to purchase life cover when they are between the ages of 18 and 25 without medical evidence, for a Sum Insured (life cover) not exceeding €25,000. This

option is subject to the completion of an HIV declaration to our satisfaction at the time the option is exercised. The amount of premium due will be calculated at the normal rate of premium applicable to the age of the child when exercising this option.

Special Reinvestment Option

The child covered under this Plan will have the option to reinvest any amounts available from the Maturity Benefit into a Plan offered at the time. The child will not be charged a policy fee for investing part or all of the Maturity Benefit within 6 months of the Maturity Date.

Plan Charges

Policy Fee

€2.50 if premium is paid monthly, or proportionate multiples thereof if paid on a less frequent basis (e.g. €7.50 if premium is paid quarterly)

Top Up Allocation Charges

A percentage deduction from the Top Up premium paid will be made in accordance with the following allocation bands:

Top Up Premium Paid	Allocation Charge
€250 - €69,999	3.0%
€70,000 - €114,999	2.0%
€115,000 - €229,999	1.5%
€230,000 and over	1.0%

Surrender Charge

The following surrender charges will apply, by deducting a percentage of your Policy Account, if you decide to cash in your Plan early. These charges also apply to Partial Withdrawals made during the Plan's term.

Year	Surrender Charge Applicable
1	50%
2	50%
3	30%
4	20%
5-10	10%
After 10 years	0%

The following surrender charges apply to any Top Up Premiums paid:

Surrender within 1 year of Top Up	3.0%
Surrender after 1 year but before the end of 2 years	2.0%
Surrender after 2 years but before the end of 3 years	1.0%
Surrender after 3 years	No Surrender Charge

Market Value Reduction

If you cash in your Plan before its maturity date, we retain the right to effect a MVR and increase the surrender charge applicable. The MVR cannot be applied upon maturity of the Plan, or in the event of the payment of the Death Benefit. This reduction is designed to protect investors who remain invested, and its application means that you get a fair share of the With Profits Fund in which your savings are invested.

All charges are reviewable and may be changed after the Plan has started, subject to us providing you

with at least 90 days' notice if they are changed.

Questions and Answers

What might I get back?

The Maturity Value of the Plan depends on a number of factors:

- The amount you invest;
- Any bonuses added onto your Plan;
- Our charges;
- Any amount you take out of the plan before it matures.

Below are some examples of projected Maturity Values depending on the assumed levels of bonus for a premium of €100 monthly. A personalised illustration will be provided to you before you apply for your Plan.

Duration of the Plan	Assumed Regular Bonus Rate		
	2.00% ¹	2.75% ²	3.50% ³
15	€ 20,964	€ 22,498	€ 24,153
20	€ 30,172	€ 33,439	€ 37,084
25	€ 39,776	€ 45,040	€ 51,075

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. A Surrender Charge may apply as explained above if you cash in your Plan before its Maturity date, especially in the early years and this may have an impact on the amount of money you receive. Investment returns can go up as well as down and past performance is not necessarily a guide to future performance.

¹Illustrated Maturity Values include a Final Bonus calculated at 0.50% of the policy account for every year in excess of 10 years.

²Illustrated Maturity Values include a Final Bonus calculated at 0.75% of the policy account for every year in excess of 10 years.

³Illustrated Maturity Values include a Final Bonus calculated at 1.00% of the policy account for every year in excess of 10 years.

When will my Plan start?

Your Plan will start immediately we have received all necessary documentation and payment of the first premium.

How flexible is it?

Paying In:

- You save on a regular basis and you can make single 'one off' contributions whenever you like.
- Contributions to the Policy can be made by cash, cheque, bank transfer or standing order.
- You can increase your regular contributions whenever you like, or choose to have them automatically increased each year in line with inflation (minimum 3.5%).
- You can change your contributions in the future to suit your personal circumstances.

Stopping contributions:

You can stop making contributions, in which case:

- Your Policy will continue to be invested.
- When your Policy matures your benefits are likely to be less than you expected.

Restarting contributions:

- Within five years of stopping contributions you can restart them at no additional cost, subject to the minimum terms applicable at that time.
- If you do not restart your regular contributions within 5 years of stopping them we will automatically make the Policy "paid up", which means that no further contributions may be made into it.

Are there any restrictions on the amount I pay in?

Subject to the minimums applicable, there are no limits to the amount you can contribute, but you should ensure any contributions you agree to are affordable now and for the foreseeable future.

How long will my money be saved for?

- The duration of the Plan is entirely at your discretion, subject only to a minimum of 8 years, and cannot go beyond the child's 25th year.
- We suggest that you choose the duration to fit your savings time horizon so that your Plan matures when you anticipate that your child will need the money.
- At the end of the selected period, you or the child may continue to invest the money by selecting any Plan which we make available at the time, at no cost (as explained in the section 'Maturity Benefit' above).

Where and how is my money invested?

- After deducting the Plan charges, we invest your money in our With Profits Fund. The 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.
- Please see the latest Simple Guide to the With Profits Fund for more information.

How is the growth of my Plan determined?

- When you invest in the With Profits Fund, you share in the potential profits in the form of Bonuses.
- The value of your Plan grows through the addition of Regular Bonuses. A Regular Bonus is calculated as a percentage of the Policy Account and is added to the Policy Account on a daily basis. We guarantee that when a Regular Bonus is declared and added to your Plan it is "locked" and cannot be taken away if you hold the Plan until it matures.
- In addition, we may also add a Final Bonus upon payment of the Maturity Benefit or the Death Benefit.
- The bonuses will depend on factors such as investment performance, charges and other profits or losses made by our With Profits Fund.
- The main aim in determining bonuses is to smooth out the ups and downs of the stock market. The process of smoothing leads to returns that are steadier than if they fully reflected the underlying value of the assets of the With Profits Fund.
- We may apply a Market Value Reduction when you cash in your Plan early, which will reduce the amount payable. This can happen when there has been a large or lengthy fall in stock markets or when investment returns have been consistently lower than expected.

What is my tax position under the Plan?

Under current legislation you are not liable to income tax whether you surrender the Plan or retain it to maturity, however tax at the rate of 15% is payable by the insurer on profits attributable to such plans on surrender or maturity, where the policy owner is resident in Malta. Payment of the Death Benefit under the Plan is not taxable. Please note however that tax legislation may change in future, and we suggest that you contact your professional tax advisor for specific advice on your personal tax status.

How will I know how my Plan is performing?

We will provide you with a free Policy Statement once a year, or upon request.

Can I change my mind?

You can change your mind within 30 days from when you get your Policy Document. 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. If you wish to exercise your right to cancel, you should complete and return the Statutory Notice that we send you.

Who can own the Plan?

You can take out a Child Savings Plan for your child, grandchild, niece or nephew, godchild or any other child whom you have a recognisable interest in.

You can be the owner of the Plan, administer it, and have full rights under it until it matures. Otherwise,

the child can also be the Policy Owner of the Plan. In this case, an Administrator aged 18 or over must be appointed to administer the Plan on the child's behalf, and the child will automatically take ownership of the Plan when they turn 18, without any consent required. The Administrator can be the child's parent(s), grandparent(s) or legal guardian(s).

Further Information

Financial Advice

This document is not designed to offer financial advice and should not be used in isolation when making a decision about your financial planning. You may wish to seek financial advice before starting a long term savings contract.

If the person offering this product to you is licensed to provide advice under the Investment Services Act (Cap 370), then they will inform you accordingly. Otherwise, no person distributing this product may offer advice in its regard.

Additional Information for Plans concluded through a Tied Insurance Intermediary (TII)

The only TII having a significant (10% or more) financial interest in MAPFRE MSV Life is Bank of Valletta p.l.c.

TII's act on behalf of MAPFRE MSV Life, and conduct their insurance distribution activities in relation to long term contracts of insurance which they are authorized to distribute exclusively for products of MAPFRE MSV Life.

A TII works on the basis of commission, with remuneration is settled directly by Us, at no additional cost to you.

Additional Information for Plans concluded through an Insurance Broker

More information must be obtained directly from your Insurance Broker.

Additional Information for Plans concluded directly by employees of MAPFRE MSV Life

Employees of MAPFRE MSV Life may receive commission from the Company, which remuneration is settled directly by Us, at no additional cost to you.

How to complain

We are committed to providing you with a high level of service. It is therefore very important that you inform us when the level of services does not meet your expectations. Should you have any cause for complaints about our services please do not hesitate to contact us. Complaints should be sent in writing, either by email at complaints@msvlife.com or by mail at the address indicated below:

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

If you are not completely satisfied with our response you have the right to take your complaint to:

The Office of the Arbiter for Financial Services,
First Floor,
St Calcedonius Square,
Floriana FRN 1530, Malta

You are advised to consult our Complaints Policy which can be accessed via our website portal at <http://www.msvlife.com>. Making a complaint will not affect your legal rights.

Terms & Conditions

This Key Features Document is intended to provide a brief overview of the Child Savings Plan. The full

terms and conditions are explained in more detail in the Policy Document, a copy of which is available from our offices.

Effective Date

The features outlined in this Key Features Document are applicable to the Child Savings Plan on or after the 26th September 2018.

Compensation

In the unfortunate event of insolvency of any company licensed to carry on Insurance Business in Malta, and if the insurer is unable to meet its obligations under the contract, including the guarantee, you may be entitled to limited compensation under the Protection and Compensation Fund.

Applicable Law

This Contract shall be governed by the laws of Malta in every particular including formation and interpretation. Any dispute or difference arising there under shall be subject to the jurisdiction of the Maltese courts.

Glossary / Definition of Terms

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

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

Person Covered means the child 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.

Plan means the life insurance contract described in this Key Features Document.

Policy Account means all the Premiums paid (net of charges) and any subsequent Bonuses added to date.

Regular Contribution means the contribution that you have agreed to pay at regular intervals over the lifetime of the Plan.

We/Us/Our/MAPFRE MSV Life mean MAPFRE MSV Life p.l.c.

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