



GET LIFE RIGHT

IVALIFE Insurance Limited

IVAoccupational
Occupational Pension Plan

Scheme Fact Sheet

1. PURPOSE

This Fact Sheet is intended to provide the **Employer** with a summary of the main features of the IVAoccupational Pension Plan (the **Scheme**). IVALIFE Insurance Limited ("IVALIFE") is committed to ensure that **You** establish a **Scheme** that meets **Your** requirements and that is for the benefit of **Your Employees** by providing them with a tax-efficient vehicle into which **Contributions** can be made towards their retirement. **Qualifying Employers** may benefit from fiscal incentives as a result, as outlined in the documents provided.

HOW IT WORKS

You will establish the **Scheme** for the benefit of **Your Employees**, outlining the rules which will include:

- Which of **Your Employees** are eligible to participate in the **Scheme** as **Members**;
- Amounts or % of salary which **You** will contribute into each **Member's Pension Account**, if any, including any upper or lower limits.

Once the **Scheme** is set up, **You** can start enrolling **Members** to the **Scheme** by providing IVALIFE with the requested data. **Contributions** (including both the **Employer's** and/or the **Employees' Contributions**) are to be passed on to IVALIFE with each payroll for allocation to the enrolled **Members' Pension Accounts**. Once paid, the **Employer Contribution** cannot be returned to **You** since it becomes the **Employee's** own asset.

You may be eligible to tax credits on the **Contributions** which **You** make into **Members' Pension Accounts** as a **Qualifying Employer**, currently 25% on **Contributions** of up to €3,000 annually per **Employee**, with unused tax credits being carried forward to future years indefinitely. **Employer Contributions** are also tax deductible (currently up to €2,000 per employee per year). Furthermore, **Your Employees** will not be subject to Fringe Benefit Tax on **Your Contributions**.

Once enrolled, **Members' Pension Accounts** will automatically start being invested in a **Default Strategy**, whereby the level of risk is matched to the **Member's** age at the time and automatically reduced gradually as the **Member** approaches retirement age (the LifeSteps Option). **Members** may alternatively decide to select a different investment strategy to the **Default Strategy** made available by IVALIFE.

As circumstances may change, **You** will be able to request changes to the **Contributions**, including the possibility to pause payments in full or in part on any **Member's Pension Account** on behalf of **Your Employees**.

When **Members** are 65 years old, their **Pension Account** will automatically switch to 'retirement mode', although they may specify a different **Retirement Date** which is at any time when they are between the ages of 61 and 69 (or the ages specified by the **Regulations**). At this stage, **Members** may receive payment of part of their **Pension Account** immediately, as allowed by the **Regulations**, with the balance being paid out as a pension income over their retirement years.

If a **Member's** employment is terminated, then the value of their **Pension Account** net of any applicable charges may be transferred to another occupational or personal pension plan which is recognised as a **Qualifying Scheme**.

ADDITIONAL DOCUMENTS YOU SHOULD CONSIDER READING

This Fact Sheet is designed to give **You** key information required to make an informed decision when establishing an occupational pension scheme for **Your Employees**, but should be read in conjunction with the other documents available to you, including:

- a. the **About Us** information document,
- b. the **Scheme Terms and Conditions**,
- c. the **Member Fact Sheet**,
- d. the **Pension Account Terms and Conditions**,
- e. the **Pension Account Illustration**, and
- f. the **Strategy Fact Sheets** for each of the available investment strategies

Product Name	IVAoccupational (the Scheme)
Manufacturer	IVALIFE Insurance Limited
Regulator	Malta Financial Services Authority
Publication Date	28 December 2023



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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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2. ADMINISTRATION AND SUPPORT

IVALIFE is committed to building long term relationship with its clients and will strive to provide **You** and **Your Employees** with the highest level of service even after **Your Scheme** has been set up.

We offer free onsite or virtual workshops to help **Employees** understand how their **Pension Accounts** work and to clarify any questions they may have regarding the product and retirement planning. **We** also remain at **Your** disposal for any ad-hoc queries which may arise.

Each month, or at any other interval we mutually agree to, **We** will send **You** an invoice outlining the expected payment for that payroll. If **You** need to make any changes to the amounts quoted, **You** can do so within the timeframes agreed to with **IVALIFE**. To effect any changes to the underlying **Member Pension Accounts**, the **Member** will simply need to reach out to **IVALIFE** to make the necessary arrangements at no cost.

Pension Account statements are made available upon request and sent out at least once yearly to each of the **Scheme Members**.

3. RISK FACTORS

- The value of the **Contributions** made into each **Member's Pension Account** will rise and fall over time based on the performance of the selected investment strategy. The Strategies made available by **IVALIFE** have different levels of risk – a higher risk means that the value is likely to change by higher amounts, both upwards and downwards. Past performance is not necessarily a guide to future performance and the value of the **Pension Account**, is not guaranteed.
- Since the **Pension Account** is considered to be a **Qualifying Scheme** where the **Qualifying Employer** may be eligible to tax benefits on the amounts paid, once **You** make a **Contribution** into a **Member's Pension Account**, **You** will not be able to retrieve the **Contributions** since they will then form part of the **Members'** own asset.
- **Employers** must commit to keep the **Scheme** in force for at least 5 years from when the first **Contributions** are made. Transfers of the **Scheme's Member Accounts** in bulk before this time will not be possible, unless in the case of **Employee** terminations.
- Tax legislation may change over time, which means that the fiscal benefits currently available to **You** and **Your Employees** are not guaranteed to remain in place indefinitely.

4. TAX STATUS

- Under the **Regulations, Qualifying Employers** which are tax resident in Malta may be eligible to a tax credit equal to 25% of the **Employer Contribution** made into the **Scheme** for the benefit of **Employees**, up to a maximum which is currently set at €3,000 in contributions per **Employee** annually (i.e. a tax credit of €750). The tax credit is deducted from the income tax chargeable for the year during which the contribution was made, but any unused tax credits may be carried forward to future years indefinitely.
- **Employer Contributions** are not deemed to be a taxable "Fringe Benefit" and so **Members** will not be charged tax thereon.
- Up to €2,000 of **Employer Contributions** paid in respect of each **Member** can be claimed as a deductible expense.
- Contributions made into the **Scheme** should be disclosed in the Payee Statement of Earnings (FS3) that is prepared for each **Employee** as required under the Final Settlement System (FSS) Rules.
- Fiscal benefits available to **Employees** who contribute into the **Scheme** are outlined in the **Member Fact Sheet** and the **Pension Account Terms and Conditions** of the **IVAoccupational** Pension Plan.
- It is important to note that tax treatment depends on **Your** specific circumstances and that tax legislation may change in future. It is suggested that **You** contact **Your** professional tax advisor for specific advice on **Your** tax status.



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5. ADDITIONAL INFORMATION

Once the **Scheme** is set up, **You** are entitled to a Cooling-Off period of 30 days, whereby you may cancel the **Scheme** without incurring any charges and will receive the full value of all the underlying **Pension Accounts**.

6. DEFINITION OF TERMS

The following interpretation applies to the words and terms which appear in this document in **black bold**:

Default Strategy means an Investment Strategy linked to the Member's Pension Account at enrolment, whereby the level of risk is matched to the Member's age at the time and automatically reduced gradually as the Member approaches retirement age (the LifeSteps Option).

Member means a Qualifying Employee who is eligible to enrol in the Scheme, and in whose name a Pension Account is issued under the Scheme and by whom, on whose behalf or for whose benefit Contributions are being paid. The Member is legally entitled to receive the benefits when a valid claim is made under their Pension Account and is also the Person Covered.

Pension Account means the value of the amounts invested after deduction of applicable charges.

Qualifying Contributions/Contributions means a contribution made to a Qualifying Scheme in respect of which a credit against the income tax chargeable in Malta may be claimed in terms of the Regulations.

Qualifying Employee/Employee means an individual who is employed by and receives a salary from a Qualifying Employer, is a Maltese tax resident and does not benefit under the Highly Qualified Persons Rules (S.L. 123.126).

Qualifying Employer/Employer/You/Your means an individual or entity which employs individuals and is registered as a "payer" for the purpose of the Final Settlement System (FSS) Rules and which is looking to offer its Employees a benefit in the form of a voluntary occupational pension scheme.

Regulations means the Voluntary Occupational Retirement Scheme Rules (S.L. 123.175) and any other legislations, rules and regulations which may supplement, complement and/or substitute them including, for the avoidance of doubt, the Income Tax Act (Cap. 123), the Personal Retirement Scheme Rules (S.L. 123.163), Final Settlement System (FSS) Rules (S.L. 372.14) and any other legislation, rule and regulation which may be considered relevant.

Retirement Date means the date on which individual Members intend to start accessing their Retirement Benefits, as permitted by the Regulations, as indicated in the Member's Pension Account Schedule.

Scheme means the linked long term contract of insurance established by Your Employer as described in this and other relevant documents related to the IVAoccupational Pension Plan.

We/Us/Our, Company, IVALIFE means IVALIFE Insurance Limited, registered as a limited liability company under the Laws of Malta, bearing company registration number C94404, having Our Head Office situated at Centris Business Gateway II, Level 1D, Triq is-Salib tal-Imriehel, Central Business District, B'kara CBD 3020, Malta.



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