

PENSIONPro

Your employees will thank you today, and tomorrow.



*Your present
and your future
in perfect balance.*

LifeStar



ABOUT US

LifeStar Insurance plc is a life insurance company providing a comprehensive range of protection, savings, investments and retirement products.

LifeStar Insurance plc is listed to the Malta Stock Exchange and licensed to sell insurance products.

The life insurance company has been present in Malta for six decades with a mission to be the local leader through its personalised approach and product innovation.

With a talented team of dedicated professionals, we take pride in our company culture, and are committed to achieving the highest standards whilst placing our clients at the core of everything we do.

LifeStar Insurance plc (C29086) is authorized by the Malta Financial Services Authority to carry on long term business of insurance under the Insurance Business Act, Cap 403 of the Laws of Malta.

WHY THINK ABOUT A PENSION NOW?

Over the past five decades, life expectancy at birth has increased by about 10 years.

Current life expectancy in Malta is 82 years old and in the next 10 years, people are expected to live up to age 85.

Retirement age in Malta is 65 years old. Which means that Maltese will have 17-20 years to live out of retirement income.

Average monthly wage is €1,612 while the average public pension is €750* per month.

The maximum monthly pension for top earners in Malta is just €1,300** per month.

**According to the most recent Eurostat statistics, subject to change in the future.*

***Sourced from Malta Social Security website, subject to change in the future.*

**THE EARLIER
YOU START
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HOW DO I DECIDE HOW MUCH TO INVEST?

Consider an average Maltese worker - let's call him Jon. He earns €1,600 per month and will receive a public pension of €1,067 per month when he retires. This means that Jon will lose a third of his income (€533), but will have plenty of new expenses as he tries to fill up his extra free time.

Jon is 25 years old and plans to retire at 65, so he expects to live around 17 years on his pension.

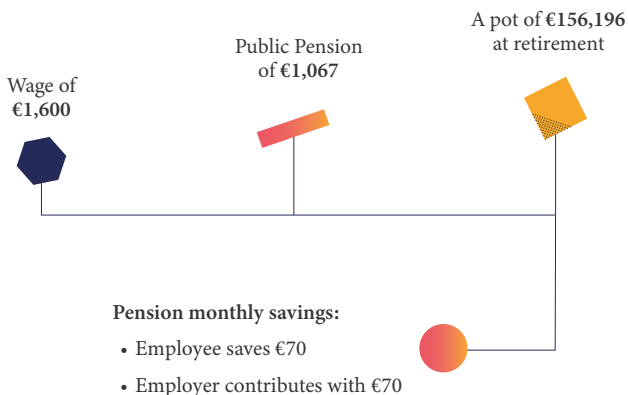
In order to maintain the lifestyle Jon had before he stopped working, he would need an additional €533 each month over and above his government pension. Over 17 years of retirement this adds up to €108,732.

If Jon and his employer decide to invest in a private pension with Lifestar, he would be able to supplement his government pension in two ways:

- 1 He could choose to receive a tax-free lump sum upon his retirement, plus monthly pension payments.
- 2 Or he could choose to receive monthly payments only

The more he invests in his private pension, the more money he can withdraw when he retires.

Your decision should be based on the full details of the Key Information Document, which can be provided upon request or downloaded from our website <https://lifestarinsurance.com/services/pension-pro/>



TAX CREDITS



Both the Employer and the Employee (Jon) will receive €420/year tax credits* every year (€210 each), as long as they invest in the Pension Scheme. That means a total of €16,800 over the payments period (40 years).

Assuming a 40 years payments period and an average investment return of 5%, the account value at retirement would be €156,196**.

RETIREMENT OPTIONS

Jon can choose between the 2 retirement options:

- 1 Receive a lump sum plus cash installments**
 - 30% can be paid as a lump sum: €46,859
 - 70% will be split in equal installments, so the retiree will receive €536/month as an additional retirement income, for 17 years
- 2 Receive only cash installments of €766/month, for 17 years**

** Subsidiary Legislation 123.163 which may be subject to change in the future applies. Conditions of eligibility include: employee must be minimum 18 years old, tax resident in Malta and tax liability has to exceed the tax credit.*

*** The projection of Policy account value is not guaranteed and is based on the assumption that the rate of return remains unchanged. The above refers to the current tax legislation which may change in the future. The tax treatment depends on your personal circumstances and may be subject to change in the future. For tax advice, please consult your tax advisor.*



WHAT ARE MY COMPANY'S BENEFITS?

- A useful tool for **employee motivation** by providing **Pension Pro** in the employee benefits package
- Financial protection for the company's employees
- High retention rate of staff, **attracting valuable professionals**
- Employee performance and loyalty **rewards tool**
- The value of the premiums will be written off as expenses for the company
- **Tax credits** – the company will receive up to 25% of contributions as tax credits (max. €750). The tax credit will be split between the company and the Employee, depending on the level of contribution
- Contributions paid on behalf of an employee are tax deductible up to €3,000 annually

WHAT ARE THE BENEFITS FOR MY EMPLOYEES?

- **Investment for retirement**
- **Tax credits** – employees will receive 25% of the annual contributions, up to a maximum of €750/year
- **30% tax free lump sum** at retirement, with the remaining balance provided as a retirement income
- **Investment managed by professionals**
- **Protection in case of death** – a fixed sum insured **plus** investment result will be passed to the loved ones upon death event
- **Flexibility** – contributions can be stopped and restarted at any time (premium holiday), as long as the age of the contributor is between 18-60, however regular contributions are recommended in order to achieve the desired private pension.

KEY FEATURES

PRODUCT DESCRIPTION

Product Type	Qualifying Occupational Pension Plan
Age of Insured	Between 18 and 60 years
Term Duration	Minimum 10 years
Death Benefits	€2,000 plus the policy account value
Investment Funds	Three managed strategies: cautious, balanced, aggressive
Minimum Contribution	€40/Month
Minimum Additional Contribution (Top Up)	€500
Retirement Age	Between 61 and 70 years

PRODUCT FEES

Allocation Charge	-
Top up Allocation Charge	-
Bid offer spread	5%
Asset management charge	1.5%
Switch fee	-
Transfer penalties	<p>Fee deducted differently depending on the policy year when the transfer to another provider is required:</p> <ul style="list-style-type: none">• Year 1: 20%• Year 2: 15%• Year 3: 10%• Year 4+: 0%

CONTACT

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Or contact your intermediary.