

PENSION+Plus

Most people live 20 years on a pension. Will yours be enough?



*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 **life** 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?

THE EARLIER YOU START SAVING, THE BIGGER YOUR PRIVATE PENSION POT WILL BE.

Over the past five decades, life expectancy at birth has increased by about 10 years for both men and women. In the last 10 years, the increase is about 3 years.

Life expectancy at birth in the European Union was estimated at 81 years in 2018 (Source: [Eurostat](#)) -> 83.7 years for women and 78.2 years for men.

Life expectancy in Malta is 82 years old.

Which means that the average Maltese person will spend 17-20 years in retirement.

Retirement age in Malta is 65 years old.

In the next 10 years, people are expected to live up to age 85.

Average monthly wage is €1,612

The average public pension is just €750*, while the maximum is €1,300**

Most people cannot maintain the lifestyle they want on their state pension alone.

**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.*

HOW DO I DECIDE HOW MUCH TO INVEST?

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

Joanna is 25 years old and plans to retire at 65, so she expects to live around 17 years on her pension.

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

If she decides to invest in a private pension with LifeStar, Joanna would be able to supplement her government pension in two ways:

- 1 She could choose to receive a tax free lump sum upon her retirement, plus monthly pension payments
- 2 Or she could choose to receive monthly payments only

The more she invests in her private pension, the more money she can withdraw when she 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-plus/>



TAX CREDITS



Joanna will receive tax credits* every year that she invests in a Private Pension Plan:



Investing €140/month (total of €1,680/year) will give her €420/year in tax credits.

Which means a total of €16,800 in tax credits 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 €155,442**.

RETIREMENT OPTIONS

Joanna can choose between the 2 retirement options:

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- 1 Receive a lump sum plus cash installments**
 - 30% tax free can be paid as a lump sum: €46,633
 - 70% will be split in equal installments, so Joanna will receive €533/month as an additional retirement income, for 17 years
 - 2 Receive only cash installments of €762/month, for 17 years**

** Subsidiary Legislation 123.163 which may be subject to change in the future applies. Conditions of eligibility include: contributor 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.*



PENSION PLUS BENEFITS

- Savings for retirement
- Tax credits – you 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
- 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

Past performance is not necessarily a guide to future performance and the value of your Plan is not guaranteed.



KEY FEATURES

PRODUCT DESCRIPTION

Product Type	Qualifying Personal 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	10% of the first annual premium
Top Up Allocation Charge	1% of the paid top-up
Bid Offer Spread	5%
Asset Management Charge	1.5%
Switch Fee	2 free switches per year, €25 starting with the third switch in the same year
Transfer Penalties	Fee deducted differently depending on the policy year when the transfer to another provider is required: <ul style="list-style-type: none">• Year 1: 20%• Year 2: 15%• Year 3: 10%• Year 4+: 0%

