

Key Information Document (KID)

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Altius Optima

Insurance Product (**UPI: CYAIOPT01**) by Altius Insurance Ltd.

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This Key Information Document was reviewed on 1-9-2019. The Insurance Supervisory Service, which is under the Ministry of Finance of the Republic of Cyprus, is responsible for the supervision of the compliance of this product.

Warning: You are about to purchase a product that is not simple and may be difficult to understand.

What is this product?

Type

The product Altius Optima is a unit-linked life insurance plan linked to investment units where most of the premium is invested in the investment account of the OPTIMA Policy. The product is linked to the investment fund Optima. The product is also linked to insurance units which determine the level of sum insured and premium.

Objectives

The Fund targets a balanced split between income and growth assets (mostly equities and bonds). The Fund's target is to achieve long-term investment returns in excess of the inflation rate to maintain the purchasing power of the invested capital. The Fund is suitable for investors with a medium to long-term investment horizon. The Fund does not provide any investment return guarantees. The unit price of the Fund increases and decreases according to the market value of the portfolio's underlying investments.

Intended retail investor

The product is suitable for individuals who want to combine investment with a medium-long term investment horizon with insurance cover for death due to any cause for the protection of their akin. Also for individuals who are taxed in Cyprus the premium may be tax deductible under certain conditions.

Insurance benefits

Sum Insured for Death due to any cause In the event of the death of the Insured Life prior to the expiry date of the Policy, the death benefit payable is the minimum sum insured or the accumulated cash surrender value at the time of death whichever of the two is the greatest. From this any amount owed to the Company is deducted.

Regular and Maturity bonus units The plan Altius Optima provides for the free credit of investment units.

Cash surrender and Paid-up Policy If the Policy has been in force and fully paid for at least twenty-four months from the date of commencement it acquires a Surrender Value. When the Policy acquires a Surrender Value the Insured may elect (a) to surrender the Policy in whole or in part, (b) to have the Policy converted in whole or in part into a paid-up benefit.

Termination and Expiry

Expiry Date The product and the investment fund are open to new business and have no expiry date. For the Policy, the expiry date is the date on which the term for which the Policy linked to the investment fund was issued, expires. The term can be chosen to be from 10 to 40 years with a maximum term which does not exceed the 70th year of age of the Policyholder.

Termination of validity The product manufacturer has the right to terminate unilaterally the validity of the Policy when the premium is not paid in full as provided by Article 3 of the Policy. The policy will be terminated automatically, if at any valuation date, the total premium due for payment, is greater in value from the cash surrender value of the policy while the policy is in the process of automatic premium payment (see Article 3 for further details).

The investment strategy of the OPTIMA fund is set by the Investment Committee of the Company and can be amended during the term of the Policy. The product may be terminated only for new Policy issues.

The value of the benefits above is illustrated in the section with title "What are the risks and what could I get in return?". The table below shows information based on the typical biometric characteristics of the targeted retail investor, for a Policy with term of 20 years, €1.000 annual premium and €15.000 sum insured:

Age at entry	Number of regular payments	Average biometric risk premium as a percentage of annual premium	Estimation of average amount invested as a percentage of annual premium
30	240	0,44%	85,34%

What are the risks and what do I get in return?

Risk Indicator



Lower Risk

Higher Risk



The risk indicator assumes you keep the product until the Policy expiry. The actual risk can vary significantly if you cash in at an early stage and you may get back less. You may have to pay significant extra costs to cash in early.

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 3 out of 7, which is 'a medium-low' risk class. This rates the potential losses from future performance at a 'medium-low' level, and poor market conditions are unlikely to impact our capacity to pay you.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

This product does not include any protection from future market performance, so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

Performance Scenarios

Investment €1.000,00 annually Premium €4,38 annually		1 year	10 years	20 years (recommended holding period)
Survival scenarios				
Stress scenario	What you might get back after costs	€0,00	€5.764,46	€9.918,79
	Average return each year	-100,00%	-5,36%	-3,45%
Unfavourable scenario	What you might get back after costs	€0,00	€8.653,12	€21.643,60
	Average return each year	-100,00%	-1,44%	0,40%
Moderate scenario	What you might get back after costs	€0,00	€10.564,16	€29.617,78
	Average return each year	-100,00%	0,55%	1,98%
Favourable scenario	What you might get back after costs	€0,00	€13.081,52	€41.640,77
	Average return each year	-100,00%	2,72%	3,73%
Accumulated Investment amount		€213,06	€8.197,10	€17.068,26
Death scenario				
Insured event	What your beneficiaries might get back after costs	€13.836,97	€13.836,97	€29.617,78
Accumulated insurance premium		€9,96	€81,98	€87,57

This table shows the money you could get back over the next years, under different scenarios, assuming that you invest €1.000,00 per year. This applies for a 30 year old individual, a policy term of 20 years with a sum insured of €15.000 and an annual frequency of premium payment. The average return each year is calculated on the total investment amount (premium payable).
The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.
The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you keep the investment/product.
The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you.
Your maximum loss would be that you will lose all your investment (premium paid).
The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

What happens if Altius Insurance Ltd is unable to pay out?

In case of default e.g. due to bankruptcy of Altius Insurance Ltd you may face financial loss. The loss is not entirely covered by any investor compensation scheme or guarantee scheme.

What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest €1.000 each year. The figures are estimates and may change in the future.

Cost over time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment €1.000,00 annually	If you cash in after 1 year	If you cash in halfway through the recommended holding period	If you cash in at the recommended holding period
Total costs	€1.000,00	€4.123,91	€14.414,16
Impact on return (RIY) per year	-100,00%	-3,43%	-2,17%

Composition of costs

The table below shows:

- The impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period
- What the different categories mean.

This table shows the impact on return per year.

One-off costs	Entry costs	0,62%	The impact of the costs already included in the price. This includes the costs of distribution of your product.
	Exit costs	0,00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0,25%	The impact of the costs of us buying and selling underlying investments for the product.
	Insurance cost	0,02%	The impact of the biometric premiums charged and the fair value of the biometric risk premiums of the insurance benefits.
	Other ongoing costs	1,28%	The impact of the costs that we take each year for managing your investments.
Incidental costs	Performance fees	N/A	N/A
	Carried interests	N/A	N/A

How long should I hold it, and can I take my money out early?

Recommended Holding Period: Until the Policy Expiry

CASH SURRENDER VALUE

When the policy is in force for at least twenty-four (24) months from the date of issue and all outstanding premiums are paid, it acquires a surrender value. In the event of surrender or conversion into a paid-up Policy, the Policy shall bear the charges shown below:

Number of In-Force years completed by Insurance Policy	Charges payable by each insurance unit of the Purchased or Converted
2 but less than 3	€6,00
3 but less than 4	€4,00
4 but less than 5	€2,00
5 and above	ZERO

RIGHT TO WITHDRAW - RETURN OF PREMIUM

You have the right to withdraw and return the Policy to the Company within 30 days of the date of delivery to you. All the premiums you pay along with the proposal will be refunded unless your application for a Policy issue results in additional medical exam expenditure, in which case you will be charged for it.

CONTINUATION OF INVESTMENT PARTICIPATION AFTER EXPIRY/MATURITY

The Policyholder has the option not to liquidate and leave all (or part) of the investment units credited for any period that he/she wants to participate in the investment returns of the investment fund linked to the Policy. In case the Insured passes away after the maturity date of the Policy, the Sum Insured will be the value of the investment units.

How can I complain?

The Complaints Committee of Altius Insurance Ltd receives and manages complaints, requests and suggestions, aiming at timely and uniform response to customers. The methods by which our customers can submit any complaints, suggestions or positive comments are:

- Verbally or in writing via the branch network of the insurance Company in Nicosia, Limassol, Larnaca and Paphos.
- In writing at the postal address:
Complaints Committee
Corner Kennedy Avenue and Stasinou Street
P.O. BOX 26516
1640
Nicosia
Cyprus
- By electronic mail at the e-mail address: customer_service@altiusinsurance.com.cy

Other relevant information

The terms, provisions, conditions, definitions, benefits, exceptions and limitations of insurance coverage are described in the insurance Policy and govern the agreement between the Policyholder and the Insurance Company (Policy specimens can be obtained from the Company). Further information on the product and the investment funds is also available in newsletters and information documents posted on the website of Altius Insurance Ltd.