



# Corporate Pension Insurance

## Product description 2017

*Mandatum Life's Corporate Pension Insurance is a personal pension insurance which can be used to improve the statutory pension insurance cover and/or allow retirement before the statutory age. It is well-suited for self-employed persons and it is also a good means to reward the key employees of a company and make them committed to the company's objectives.*

### Benefits for self-employed persons, employers and employees

- **Ensuring sufficient pension cover.** Statutory pension cover is not always enough to maintain the desired standard of living. For a self-employed person, the statutory pension is calculated on the basis of earnings within the scope of the Self-employed Persons' Pension Act (YEL). The amount of YEL earnings is often lower than the true earnings are and thus the pension and other statutory covers are lower than desired. Voluntary insurance can supplement both an employee's and a self-employed person's cover in a financially sensible way and safeguard their livelihood during retirement.
- **Preparing for changes.** Voluntary pension insurance can be used in generation handovers. If saving for retirement is started in good time, the pension savings create a financial security the

retiring entrepreneur can rely on. As the entrepreneur changes, the staff also face a new situation. Voluntary pension insurance can be used to keep competent and skilled employees from changing jobs.

- **Attracts skilled persons and results in committed personnel.** Voluntary pension insurance is a good competitive tool in the recruitment market. With optional pension insurance the company can make the employees committed to the company.

When regular payments are made into the insurance annually, pension savings increase in size as the employee continues in the service of the company.

- **Cost-effectiveness and flexibility.** The pension insurance premiums are usually deductible from corporate taxation and thus the company can invest the saved assets to generate returns. Pension insurance is a good benefit financially. Pension insurance premiums are not usually considered to constitute a salary unless

they exceed EUR 8,500 annually. No indirect labour costs are incurred on them, which gives employees the opportunity to get more for the same amount compared to, for example, a bonus paid in cash.

When transferring pension savings from one investment to another, the return accumulated in connection with the transfer is not taxed as capital gains. Thus the return will accrue the future pension.

The insurance allows for the flexible payment of insurance premiums according to the company's financial situation. The company can take its financial situation into account and spread out the costs of the Corporate Pension Insurance as it sees fit. There are many options for investing the insurance.

- **Security in case of death, unemployment and disability.** Self-employed persons often take out a loan and their or their families' property serves as the guarantee for the loan. A life insurance policy is linked to the pension insurance and it covers 100% of insurance savings during the savings and pension periods, until the age of 90. With certain preconditions, it is also possible to withdraw the savings in case of incapability to work or unemployment.

Corporate Pension Insurance always includes life insurance: if the insured dies, the beneficiaries receive an agreed portion of the pension savings. The beneficiary can be the family, a nominated person or the policyholder, i.e., the company. The life insurance cover is valid throughout the pension period, however, at most until the age of 90.

Accumulated insurance savings may be paid to the policyholder as disability pension before the pension period specified in the contract if the Social Security Institution or employment pension institution has granted the insured a partial or full disability pension for the time being.

The pension paid to the insured affects his/her earnings-related daily unemployment benefit and possible national pension.

## Easy-to-use e-services for insured persons and employers

On the Web Service, at the address [www.mandatumlife.fi](http://www.mandatumlife.fi), the insured can view the payments made to the insurance,

the amount of savings and their distribution into investment objects, the investment plan and insurance coverage and beneficiaries. On the Web Service, the user can make changes to the investment plan and savings distribution, change the life insurance beneficiary and fill in a pension application.

As a representative of your company, the most convenient way for you to take care of insurance matters is on our Web Service. A person authorised by the policyholder can access up-to-date information on our Web Service. The use of the service requires an electronic transaction agreement that can easily be made online. The authorised user signs in using his or her personal bank identifiers. The Web Service contains information on pension savings, their amount and distribution among investment objects, the investment plan and insurance coverage and beneficiaries. If you have any questions, contact our service for corporate customers at the number +358 200 31190 (Inc/mnc).

## Investing pension savings

Corporate Pension Insurance is a unit-linked insurance, i.e. the return on pension savings and the final amount of pension are based on the value development of the chosen investment objects.

### Wide selection of investments

The employee is able to invest in the long term both before retirement and during the pension period. The investment objects can be chosen from a large selection, which provides options for pension investors' needs in particular. The selection of investment objects can also be left to the professionals by taking into use the Portfolio Management Service.

### Changes can be made freely to the investment plan

Changes to the investment plan can easily be made on the Web Service. No fees will be charged on changes made to the investment objects through the Web Service. Changes to the investment plan made through our customer service or transfers of pension savings can be carried out free of charge twelve times in a calendar year. More frequent changes will entail an administration fee in accordance with the price list.

The development in the value of unit-linked insurances is based on the development in the value of the investment objects chosen by the policyholder or insured. The value

of investment objects may increase or decrease. The past performance of investment objects is not indicative of their future performance. If the investment objects include investments other than those denominated in euro, changes in exchange rates will affect the development in the value of the investment object.

The policyholder or insured independently decides on the selection of investment objects in accordance with their own investment objectives, and bears the risk of a decrease in or loss of the value of the savings. Neither Mandatum Life Insurance Company Limited nor its agents are liable for the performance of the investments.

The information on investment objects and other investing is provided for information purposes only. Prospective policyholders must carefully familiarise themselves with the terms and conditions and brochures relating to the insurance and investments before taking out or changing an insurance contract.

## Pension period

Withdrawals of Corporate Pension Insurance pensions can begin at the retirement age given in the table below:

Birth year	Retirement age
1957 or earlier	68 years
1958–1961	69 years
1962 or later	70 years

The pension may be paid for a predefined period. The pension period must be a minimum of ten years. The pension period can be shortened by two years for each postponement year based on the Employees Pensions Act with a maximum of four years.

The beginning and end of the retirement can, if desired, be freely postponed until later, but the pension period must be at least 6 years.

The maximum amount of pension that is paid each year equals the part of the savings remaining obtained by dividing the remaining amount of savings by the number of remaining payment years.

The pension paid to the insured affects his/her earnings-related daily unemployment benefit and possible national pension.

## Insurance expenses and compensations

Expenses, premiums and fees will be charged for the insurance according to the price list. Fees levied on mutual funds and investment baskets used as investment instruments will be charged. The fees are taken into account in the daily quotes for the mutual funds or investment baskets.

Correspondingly, pension insurance will be credited by an insurance credit. The amount of life insurance charges and insurance credit depends on the insured's age and amount of insurance savings.

## Right to insurance savings

The insured is entitled to a pension corresponding to the savings when the pension period in accordance with the contract begins, unless this right has been agreed on otherwise.

The policyholder can terminate the insurance contract only when the employment contract of the insured ends, provided that the termination is agreed on by the insured or the insured is not entitled to the accrued insurance savings.

## Taxation

### Taxation of pension insurance premiums

Pension insurance premiums are usually fully deductible from corporate taxation. The premiums will not usually be considered income for the insured employee or owner-entrepreneur working in the company if:

- the retirement age is at minimum the retirement age in accordance with the table below

Birth year	Retirement age
1957 or earlier	68 years
1958–1961	69 years
1962 or later	70 years

- the pension insurance premiums do not exceed EUR 8,500 annually.

The insurance premium must not, however, be used to compensate pay and the insured cannot select whether he/she will take the benefit provided by the employer as cash or as voluntary pension insurance. If the insurance premium

covers the payment of salary or wages or the insured has the right to choose, the insurance premium will be considered as a pay in its entirety.

If a company has taken out a voluntary individual pension insurance for the employee/self-employed person and made premium payments during the calendar year, the employee/self-employed person can deduct a maximum of EUR 2,500 of pension insurance payments paid by the employee himself/herself within his/her taxation calculation.

### **Taxation of life insurance linked to pension**

Also the premiums paid for maintaining the life insurance cover linked to the pension are usually tax deductible in the company's taxation if the insured's family member has been named as the beneficiary of the life insurance. If the beneficiary of the life insurance is a company, insurance premiums are tax-deductible only with certain preconditions.

The life insurance benefits paid based on the life insurance covering the savings are taxable capital gains in their entirety. The share minus the amount of collected tax is also subject to inheritance tax. The benefit paid to the company is taxable business income.

### **Taxation of pensions**

A pension paid to the insured from the Corporate Pension Insurance during retirement will be taxed as earned income.

The information regarding taxation corresponds to the legislation and taxation practices in force on 1 April 2017. The regulations apply to persons subject to taxation in Finland. Mandatum Life is not responsible for any possible changes in taxation or for individual tax decisions. Mandatum Life shall not be liable for any effects this contract may have on the policyholder's or the insured's taxation or other contractual relations, rights or obligations.

## **Other terms and conditions of the contract**

- See also the terms and conditions of Corporate Pension Insurance, which contain a more detailed account of the insurance.

- The customer is obligated to report if changes have occurred in the information that has been provided to Mandatum Life when the contract has been made. This applies to, among other things, the tax domicile of the customer and other contact details.
- This product description is valid as of 1 April 2017. It does not provide a full account of Corporate Pension Insurance. See also the insurance contract terms and conditions and price list and the various investment options. The terms and conditions include e.g. exact definitions of insurance cover and related limitations.
- If the insurance, the savings or the investment objects linked to the insurance are subject to direct or indirect taxes or other charges imposed by legislation or official regulations, or fees charged by the investment object or company managing the investment object, e.g. subscription fees or redemption fees, or other trading costs to be paid by Mandatum Life, Mandatum Life is entitled to deduct a corresponding amount from the savings.

## Processing of personal data

Mandatum Life processes its customers' personal data in accordance with Finnish legislation. Data is acquired from the customer, from parties authorised by the customer and from public records and credit information registers maintained by authorities and from the credit information registers of Suomen Asiakastieto Oy and Bisnode Finland Oy. Due to the confidentiality provisions governing insurance companies, Mandatum Life does not disclose information about its customers to outsiders except with the customer's consent or when the disclosure of information is based on legal provisions. The information content of the personal data registers used by Mandatum Life is outlined in the descriptions of files and description of the use of personal data available from the company's website. In addition, our customer service personnel will provide additional information as necessary for customer communications and customer feedback requests. Mandatum Life may use the customer registers also for marketing targeted at customers and record telephone calls to ensure the security of operations. The customer is obligated to report if changes have occurred in the information that has been provided to Mandatum Life when the contract has been made. This applies to, among other things, the tax domicile of the customer and other contact details.

### Company granting the insurance

The insurance is granted by  
Mandatum Life Insurance Company Limited.  
Postal address: P.O. Box 627, FI-00101 Helsinki, Finland.  
Registered office and address:  
Bulevardi 56, FI-00120 Helsinki, Finland  
Business ID 0641130-2  
www.mandatumlife.fi

Mandatum Life Insurance Company Limited is a wholly-owned subsidiary of Sampo Plc.

An account of Mandatum Life Insurance Company Limited's solvency and financial situation and more information on Mandatum Life Insurance Company Limited's solvency can be found at the address [www.mandatumlife.fi](http://www.mandatumlife.fi).

Mandatum Life Insurance Company Limited has received permission from the Financial Supervisory Authority to

use transitional measures in its solvency calculations until 1 January 2032.

### Supervisory authority

The contract is subject to the Insurance Contracts Act and other Finnish legislation. Mandatum Life's products are not covered by the deposit guarantee fund. Mandatum Life's operations are supervised by the Financial Supervisory Authority (FIN-FSA) (address Snellmaninkatu 6, P.O. Box 103, FI-00101 Helsinki, Finland, [www.finanssivalvonta.fi](http://www.finanssivalvonta.fi), tel. +358 10 831 51).

### Appealing a decision by the insurance company

If you are dissatisfied with a decision concerning your insurance matter or the conduct of the salesperson, first contact us by phone, online message or by mail. Always contact the person who has made the decision first. You may also send a letter to the address:

Mandatum Life Insurance Company Limited,  
Asiakasposti/2011, Kalevantie 3, 20520 Turku.

The feedback will be handled efficiently, with high quality and according to current legislation. The processing of the matter will take place without delay, however, within a maximum of 30 days.

Matters may also be submitted for consideration to the Finnish Financial Ombudsman Bureau, the Finnish Insurance Complaints Board or a district court. Financial Ombudsman Bureau FINE (address: The Financial Ombudsman Bureau, Porkkalankatu 1, 00180 Helsinki, tel. +358 9 685 0120, [www.fine.fi](http://www.fine.fi)) provides customers with free, independent advisory services and guidance in applying and interpreting insurance contracts and terms. FINE's Financial Ombudsman Bureau and the Insurance Complaints Board also offer recommendations for solutions in disputed cases. FINE will not handle a dispute that is pending or being heard in a court of law.

Matters can also be resolved in court. The case must be brought before the Helsinki District Court or the District Court of the municipality in which the complainant is domiciled in Finland. The appeal must be filed within three years after the complainant has received written notification of both the insurance company's decision and the period for filing a complaint.

Mandatum Life Insurance Company Limited.  
Postal address P.O. Box 627, FI-00101 Helsinki, FINLAND. Registered Office and Address Bulevardi 56, FI-00120 Helsinki, Finland.  
Business ID 0641130-2 . [www.mandatumlife.fi](http://www.mandatumlife.fi)



# Corporate Pension Insurance

**Insurance terms and conditions  
Valid as of 1 April 2017**

## I. Concept definitions

**The pension period** is a period that begins at the beginning of the month in which pension payments begin and which ends at the end of the insurance contract period.

**The pension estimate** is an estimate of the amount of future pension, calculated using a return assumption selected by the insurance company. If the real return is lower than the return assumption, the pension amount decreases and correspondingly, if the real return is higher, the pension amount rises.

**The index adjustment** is an annually implemented adjustment to the payment plan, which is intended to secure the pension's purchase power against the weakening of the value of money.

### **Life insurance**

The insurance includes life insurance cover for the savings period and pension period. The life insurance benefit is 100% of the insurance savings. The insured is entitled, at the beginning of the pension period, to change the amount of life insurance benefit valid during retirement to 80% of the insurance savings.

**The beneficiary of a life insurance benefit** is a person to whom compensation is paid based on the life insurance. The policyholder makes a beneficiary clause or notifies the insurance company of any changes in writing or by other means approved by the insurance company. The policyholder can transfer to the insured the right to change the beneficiary clause.

**Basis of calculation** refers to the actuarial calculation regulations required by the Insurance Companies Act, used for calculating insurance premiums, price list-based compensations and charges and insurance savings and pensions, among other things.

**Payment plan** refers to the plan pertaining to the schedule and amounts of premium payments.

**Investment object** refers to investments offered by the insurance company, to the value development of which insurance savings can be linked in accordance with valid Finnish legislation, rules and regulations.

**Investment plan** refers to the policyholder's specification of how insurance premiums will be divided up among investment objects.

**Change of investment plan** refers to a change in the distribution ratio of new premiums between investments.

**A contract document** is a document given to the policyholder containing the essential contents of the insurance contract.

**Savings period** refers to the time between the commencement of the insurance contract and the beginning of the pension period.

**The surrender value** refers to the amount of money which will be paid to the policyholder if he/she terminates the insurance contract. The insurance contract can be terminated only in the special cases mentioned in the terms and conditions.

**Insured** refers to the person who is the object of the insurance contract and to whom the pension is paid. The insured cannot be changed. The payment of the pension or life insurance benefits depends on the life or death of the insured.

**The insurer** is Mandatum Life Insurance Company Limited (hereinafter “Insurance Company”).

**Policyholder** refers to the legal person who has entered into an insurance contract with the Insurance Company. The policyholder owns the insurance contract and is allowed to make changes to the contract before the start of the pension period that concern, among others, the beneficiary, the payment plan and the pension period and to withdraw the surrender value of the insurance in accordance with Clause 14.4. In order to assign a right relating to the insurance, written notice must have been given to the Insurance Company. The insurance cannot be pledged.

**Insurance credit (i.e. mortality bonus)** accrues on valid contracts on a monthly basis and its amount is impacted by the insured's age and the amount of insurance savings.

**The value development of insurance savings** is linked, during the savings and pension period, to the value development of the investments and the price-list-based charges and compensation. The Insurance Company is not responsible for the value development of the investment object units linked to the insurance contract or for any possible decline in value.

**The annual notification** is an annual notification sent to policyholders concerning beneficiaries and the development of insurance savings and the life insurance cover, among other things.

## 2. Contents of the insurance contract

**2.1.** Corporate Pension Insurance is a unit-linked personal pension insurance, whose value is linked to the value development of the selected investment objects in a manner defined in more detail below. The insurance includes the right to a pension based on insurance savings and to life insurance benefits.

**2.2.** The contents of the insurance contract are specified in the contract document, the insurance terms and conditions, product description, the basis of calculation and the price list.

**2.3.** The insurance contract is based on the information given by the policyholder to the Insurance Company. If this information is incorrect or incomplete, the Insurance Company's liability and the contents of the insurance contract shall be defined in accordance with the Insurance Contracts Act.

**2.4.** The insurance contract is governed by the Insurance Contracts Act and other Finnish legislation. The Insurance Company shall not be liable for any consequences arising from changes in legislation or taxation practice nor for any effects this insurance contract may have on the policyholder's or the insured's taxation or other contractual relations, rights or obligations.

## 3. Validity of the insurance contract

**3.1.** The insurance contract becomes effective once the first insurance premium is paid.

**3.2.** The policyholder is entitled to cancel the insurance contract in writing within 30 days of the date on which he/she received the contract document and the insurance terms and conditions. Life insurance will be cancelled when the policyholder cancels the pension insurance.

**3.3.** The Insurance Company will refund the insurance premiums paid by the policyholder no later than 30 days from having received notification of cancellation. The Insurance Company will deduct, in connection with the refund, an amount that corresponds to a possible

depreciation in the value of the investment objects. No interest is paid on refunded premiums.

#### **3.4.** The insurance contract ends when

- the pension period ends,
- the insured dies,
- the policyholder cancels the contract in the cases mentioned in Clause 14.4.,
- the insurance savings are insufficient to cover the required charges or costs of special measures requested by the policyholder needed to maintain the insurance contract or
- the policyholder changes service providers and the insurance savings are transferred to a new pension insurance contract.

### **4. Information to the customer**

**4.1.** After the insurance contract has entered into force, the policyholder will receive the contract document containing information on, e.g.

- the payment plan,
- the investment plan,
- the pension period,
- the pension target,
- life insurance,
- the beneficiaries.

**4.2.** The policyholder receives an annual bulletin, which contains information such as:

- premiums paid and the applied investment plan,
- the value development of investment units linked to the insurance,
- accumulated insurance savings,
- life insurance,
- the beneficiaries,
- compensations and charges and
- other issues that could be of significance to the policyholder.

**4.3.** During the pension payment period, the pension recipient receives an annual statement on the amount of pension paid.

**4.4.** The Insurance Company will deliver its selection of materials linked to the contract, such as the contract document, annual bulletins, documents linked to the

contract and statements to the address known to the Insurance Company by mail or in electronic format to the Insurance Company's Web Service.

### **5. Insurance premiums**

**5.1.** The policyholder, upon concluding the insurance contract, shall, together with the Insurance Company, draw up a payment plan for the payment of insurance premiums during the savings period. In accordance with the payment plan, insurance premiums are paid 1, 2, 3, 4, 6 or 12 times a year. The minimum premium amounts are stated in the price list.

**5.2.** It is possible to pay insurance premiums into the contract at any time during the savings period and the amounts paid can differ from those stated in the payment plan. The Insurance Company is, however, entitled to set maximum limits on the insurance premiums paid.

**5.3.** The policyholder can change the payment plan during the savings period if he/she so desires.

**5.4.** The insurance premiums to be charged according to the payment plan can be adjusted upon agreement by full index adjustments in compliance with changes in the earnings-related pension index or a percentage specified by the customer. The index adjustment is carried out annually.

### **6. Investment objects**

**6.1.** "Investment object" refers to investment objects approved by the Insurance Company, the performance of which the insurance savings can be linked to at any given time. Investment objects may be, for example, mutual funds, investment baskets consisting of various investment instruments, and other investment objects approved by the Insurance Company.

**6.2.** A mutual fund consists of fund units. In these terms and conditions, mutual fund and fund unit refer to mutual funds and special mutual funds specified in the Mutual Funds Act, as well as foreign UCITS and holdings in these.

**6.3.** An investment basket consists of selected mutual funds and other investment objects, and an investment policy has been drawn up for each basket. The Insurance Company owns the investment basket and manages, or selects an asset manager to manage, the basket.

**6.4.** A quotation or calculated value is confirmed for investment object units in accordance with the investment object rules. If there is no separately calculated unit value for an investment object, the Insurance Company will confirm the value of an investment object or part of it on the basis of the fair value of the investment object. That which applies hereinafter to investment object units, also applies where relevant to such investment objects for which there is no separately specified unit value.

**6.5.** If a subscription price and redemption price are quoted or calculated separately for the investment object units, the subscription price is used when linking investment object units to the insurance based on payment, distribution of profit and insurance savings transfers. The redemption price, on the other hand, is used when units of the investment object are surrendered when debiting price-list-based fees and expenses from the insurance contract, and when paying benefits on the basis of the contract.

**6.6.** In the event that the investment object unit does not have a valid quotation or determination of value at the time when a measure based on the value of the unit of the investment object is to be taken in compliance with these terms and conditions, the implementation of the measure shall be postponed until a new valid quotation or determination of value has been given or calculated for the investment object unit and the measure can be implemented without any problems unless otherwise stipulated in these terms and conditions or the conditions or rules of the investment object.

**6.7.** In connection with ownership, purchase, sales and exchange of investment objects, the Insurance Company, in the capacity of unit owner, may be charged fees, taxes or other charges, which are taken into account in the value of these investment objects as the difference between purchase and sale price, as a subscription or redemption fee or in another manner that complies with the rules of the investment object. All of the above debits will be made from the insurance savings unless they have already been taken into consideration in determining the value of the investment object.

**6.8.** Should the tax regulations or practice followed in Finland or abroad change due to legislative amendments or by order of the authorities such that the insurance or the investment objects linked to it become subject to direct or indirect taxes or other payments imposed by the authorities and which are payable by the Insurance

Company, the Insurance Company is entitled to debit said taxes and payments from the insurance. Debits are made by reducing the number of fund units included in the insurance, using the quotation valid on the debit date.

**6.9.** Neither the policyholder, the insured nor beneficiary have any ownership rights or any other rights to the investment objects that are linked to the insurance.

**6.10.** Ownership and management rights to the investment objects linked to the insurance belong solely to the Insurance Company.

**6.11.** The Insurance Company, the asset manager appointed by it or any other party managing the investment are not liable for the value development or possible depreciation or maintaining the capital value of the investment objects linked to the insurance. The historical value development of investment objects is not a guarantee of future returns, rather the value of investment objects may rise or fall.

## **7. Investment plan**

**7.1.** The investment plan determines how the premiums are linked to the investment objects offered by the Insurance Company. If the Insurance Company has not been notified of the investment plan, all insurance premiums paid will be allocated to investment objects selected by the Insurance Company.

**7.2.** The policyholder determines the investment plan for the insurance when making the insurance contract. After this, the right to make changes to the investment plan is transferred to the insured and the insured shall be entitled to receive information on the insurance. The policyholder must notify the Insurance Company of the transfer of these rights back to the policyholder.

**7.3.** A change in the investment plan enters into force on the day when the Insurance Company receives a notification of change that meets the requirements of the Insurance Company.

**7.4.** The change to the investment plan may be subject to price-list-based administration fees, which are deducted from the insurance savings.

## 8. Linking of investment objects to the insurance

**8.1.** The Insurance Company has the right to determine the available selection of investments and the maximum number of investments that can be linked to the contract at any given time.

**8.2.** The value development of paid insurance premiums is linked to the value development of investments selected in the investment plan without delay and, at the latest, on the fifth (5) banking day after the day on which the insurance premium has arrived in the Insurance Company's bank account, subject to the rules of the investment object or prevailing market practices.

**8.3.** The number of investment units is calculated by dividing the insurance premium paid to the chosen investment, less the premium fee, by the valuation or quotation of the investment unit valid on the processing date.

**8.4.** The linking of investments to the insurance is only for the purpose of calculating the value of the insurance savings.

**8.5.** Should an investment object linked to the insurance distribute profit to the owners of the units (share of the profits, dividends or other benefit), they will be credited to the insurance based on the number of units of the investment object linked to the insurance at the time when the Insurance Company, in the capacity of unit owner, became entitled to the profit. The Insurance Company will add new investment object units to the insurance in an amount that corresponds to the amount of profit distributed. The new units are to be added to the insurance once the profit is available for withdrawal by the Insurance Company. The quotation ruling on the date of withdrawal in question will be applied. Other than as described above, the policyholder, insured or the beneficiary have no further rights to any profit distributed.

**8.6.** The number of investment units linked to the insurance is increased by:

- insurance premiums paid, less the premium fee,
- any distribution of profit by the investment object or other returns and
- insurance compensation.

**8.7.** The number of investment units linked to the insurance is reduced by:

- life insurance charges,
- price-list-based fees and costs charged for the management of the insurance contract,
- pensions to be paid.

**8.8.** When calculating charges, the value of the investment units is based on the valuations or quotations valid on the day that the charges are made.

**8.9.** If an investment object linked to the insurance is linked to another investment object or discontinued or the Insurance Company's co-operation agreement with the issuer of a selected investment object ends, the Insurance Company will request that the policyholder, within a reasonable timeframe, inform the Insurance Company regarding which investment object's value development he/she wishes the savings to be linked to. If the policyholder fails, within the prescribed timeframe, to report such an investment object, the Insurance Company is entitled to link these insurance savings to investment objects of its choice.

## 9. Transfer of the insurance savings

**9.1.** Unit-linked savings can be transferred from one investment object to another investment object offered by the Insurance Company. The transfer may be subject to price-list-based administration fees.

**9.2.** The number of new investment units to be linked to the insurance in connection with the transfer is calculated by dividing the total value of the surrendered investment units at the time of the transfer, less the monthly management fee, life insurance, and possible administrative fees, by the valuation or quotation available or calculated for the replacing investment unit at the time of the transfer.

**9.3.** The transfer shall be carried out without delay and, in any case, at the latest on the fifth (5th) banking day after the Insurance Company receives the transfer notification, unless the transfer is postponed as specified in Clause 6.6.

**9.4.** The minimum amount of insurance savings stated in the price list must remain in the surrendering investment after the transfer. Otherwise, the entire accrued savings must be transferred.

## 10. Restrictions on actions concerning the insurance savings in exceptional circumstances

**10.1.** The Insurance Company is entitled to restrict the transfers of unit-linked savings, surrenders and changes in the investment plan if a restriction is necessary in order to protect the interests of other policyholders.

**10.2** For the above reason, the Insurance Company can also postpone the implementation of the measures ordered by the policyholder by no more than two weeks in addition to the time limits reserved in the terms and conditions, insofar as the postponement is not considered unreasonable for the policyholder or insured under the circumstances.

## 11. Pension

### 11.1. Pension period

**11.1.1.** The pension period is fixed-term. The policyholder can specify the length of the pension period down to a month.

**11.1.2.** The pension period must be at least ten years. The pension period can be shortened by two years for each statutory postponement year with a maximum of four years.

**11.1.3.** The pension can start, at the earliest, at the retirement age determined based on the birth year.

Birth year	Retirement age
1957 or earlier	68 years
1958–1961	69 years
1962 or later	70 years

**11.1.4.** The pension period ends at the end of the pension period's final period or at the end of the final period of the pension period which meets the above-mentioned requirements concerning the retirement age in force at any given time and the minimum duration of the pension period. The pension period will also cease at the end of the month in which the insured dies if he or she dies partway through the pension period. The pension period can also end already at the moment when the insurance savings have been exhausted.

### 11.2. Changes to the pension period

**11.2.1.** The policyholder can change the pension period during the savings period. However, after the changes, the pension period must be at least ten years. The conditions

for shortening the pension period are discussed in more detail in Clause 11.1.

### 11.3. Postponing the beginning and end of the pension period

**11.3.1.** The policyholder can postpone the beginning and end of the pension period under the conditions outlined above.

### 11.4. Bringing forward the beginning or end of the pension period

**11.4.1.** The policyholder can bring forward the beginning and end of the pension period. The changed pension period cannot, however, begin before the start of the calendar month following the month in which the insured reaches the retirement age determined based on the birth year mentioned in Clause 11.1.

**11.4.2.** The policyholder must give notification of the changes mentioned above in writing or in some other way approved by the Insurance Company to the Insurance Company at least one month before the commencement of the pension period. A price-list-based administrative fee can be deducted from the insurance savings for the changes to the pension period and amount of pension.

**11.4.3.** As a result of the above-mentioned changes, also the life insurance can change. The increased cover may thus result in additional payments.

### 11.5. Amount of pension

**11.5.1.** The amount of pension is determined on the basis of the unit-linked insurance savings during the pension period.

**11.5.2.** An amount corresponding to a month's pension is transferred from these savings at the start of the pension period and at the beginning of each month during the pension period to be paid as pension.

### 11.6. Payment of the pension

**11.6.1.** The Insurance Company pays the pension monthly during the pension period, however, at the latest on the fifth of each calendar month. If this is not a banking day, the pension is paid on the following banking day. The maximum amount that is paid each year equals the part of the savings remaining obtained by dividing the remaining amount of savings by the number of remaining payment years.

**11.6.2.** If the amount of savings is less than EUR 2,000, the Insurance Company can pay the pension in a way that differs from the contract. If the monthly pension is low, the Insurance Company is entitled to pay it once a year up to EUR 2,000.

**11.6.3.** The insured must supply the Insurance Company with the information required for paying the pension at the latest 30 days prior to the start of the pension period. The Insurance Company's obligation to pay pension starts at the earliest 30 days from when it received the information necessary for paying the pension.

## **12. Disability and unemployment pension**

### **12.1. Disability pension**

**12.1.1.** If the Social Security Institution or employment pension institution has granted the insured a full or partial disability pension for the time being, the accrued pension savings can be paid to the insured, at the request of the insured, as disability pension before the retirement age defined based on the birth year in accordance with Clause 11.1.

**12.1.2.** The above-mentioned pension decision by the Social Security Institution or employment pension institution must be submitted to the Insurance Company for the payment of the accrued pension savings as the insured's disability pension. In addition, the insured's incapability to work must continue.

### **12.2. Unemployment pension**

**12.2.1.** Provided that the insured has become unemployed after the insurance contract was concluded and has been unemployed for at least one year, the accrued pension savings can be paid, at the request of the insured, to the insured as unemployment pension before the retirement age determined based on the birth year in accordance with Clause 11.1.

**12.2.2.** For the payment of unemployment pension, the Insurance Company requires a certificate concerning unemployment lasting at least one year from the labour authorities or an unemployment fund at the latest three months from the date of the certificate in question. In addition, the insured's unemployment must continue.

**12.2.3.** The payment of disability and unemployment pension abides by the rules laid down in Clauses 11.1.–11.4. The Insurance Company can also pay the pension in the manner specified in Clause 11.6.

**12.2.4.** The policyholder and/or the insured can, at any point during the payment of disability pension or unemployment pension, decide to suspend the payments and the policyholder can continue saving under the same contract.

In this case the portion of the disability or unemployment pension that is left undrawn from the pension savings is paid during the original pension period.

**12.2.5.** Based on the same pension decision, withdrawals of the disability pension can only be begun once, and similarly, unemployment pension withdrawals can only be begun once based on the same unemployment period.

## **13. Life insurance**

**13.1.** The insurance includes life insurance cover for the savings period and pension period. The life insurance benefit is 100% of the insurance savings. The insured is entitled, at the beginning of the pension period, to change the amount of life insurance benefit valid during retirement to 80% of the insurance savings.

**13.2.** Life insurance becomes effective at the same time as the insurance contract. The life insurance is valid until the end of the pension period, however, not longer than the end of the calendar month in which the insured turns 90.

**13.3.** If the insured dies during the validity of the life insurance, the Insurance Company will pay the beneficiary the amount of life insurance benefit in force at the time of the death of the insured. The benefit is determined in accordance with the number of investment object units linked to the insurance contract at the time of death.

**13.4.** Converting the investment object units into a monetary value is carried out without delay and no later than five (5) banking days of reliable information of the insured's death having reached the Insurance Company, unless the transfer is postponed as specified in Clause 6.6.

### **13.5. Claiming and payment of benefits**

**13.5.1.** After the insured's death, the beneficiaries of the life insurance benefit must, at their own expense, provide the Insurance Company with an official certificate showing

the insured's family relationships, death certificate, official certificates of the insured and the beneficiaries and any other necessary account for the payment of the benefit. The compensation will be paid to the beneficiaries without delay and no later than one month from the receipt of the aforementioned account. If the compensation is delayed, a penal interest will be paid in accordance with the Interest Act.

## **14. Terminating the insurance contract and withdrawing insurance savings (surrender)**

**14.1.** The insured is entitled to benefits in accordance with the insurance contract based on the accrued insurance savings, unless provided otherwise in the insurance contract concerning this right.

**14.2.** If the policyholder is declared bankrupt, the rights based on the insurance are transferred to the insured.

**14.3.** The insured cannot terminate the insurance.

**14.4.** The policyholder can terminate the insurance if the insured's employment or service contract with the policyholder has ended, provided that

- the insured is not entitled to benefits in accordance with the insurance contract based on the accrued insurance savings or
- the insured gives their consent to the termination.

**14.5.** An account of the basis for the termination must be attached to the notice of termination. The insurance contract ends when the notice of termination has arrived at the Insurance Company.

**14.6.** The surrender value is determined in accordance with the number of investment object units on the termination date. When calculating the number of investment object units, the fees based on the price list for the termination date are taken into account as factors decreasing the number of units.

**14.7.** Converting the investment object units into a monetary value is carried out without delay and no later than five (5) banking days of the termination notice having reached the Insurance Company, unless the transfer is postponed as specified in Clause 6.6.

**14.8.** The Insurance Company pays the surrender value according to the insurance's calculation bases within 30 days of the end of the insurance contract.

## **15. Changing the service provider**

**15.1.** The policyholder is entitled to terminate the insurance contract before the starting of the pension if the accrued insurance savings are transferred directly to an individual pension insurance contract with another life Insurance Company.

**15.2.** The notice of termination must have attached to it information on the new service provider and other information required for carrying out the transfer.

**15.3.** The Insurance Company will transfer the insurance savings, minus the transfer fee, to the new service provider within 30 days of the required information having arrived at the Insurance Company. The amount of insurance savings to be transferred is calculated for the termination date with the above-mentioned deductions.

## **16. Changing insurance terms and conditions**

**16.1.** The Insurance Company is entitled to change the insurance terms and conditions and basis of calculation during the validity of the insurance contract, if this does not significantly change the content of the insurance contract compared to the original and the reason for the amendment is one of the following:

- change in the interest rate level,
- the general incidence of loss,
- amended legislation or order by the authorities.

**16.2.** 16.2. In addition, the Insurance Company is entitled to make minor changes to the terms and conditions as long as the changes do not affect the essential content of the insurance contract.

**16.3.** The change will enter into force at the beginning of the following calendar year. The Insurance Company must notify the policyholder of the change at least one month prior to its entry into force.

**16.4.** If the policyholder does not accept the above-mentioned change that weakens the insurance benefits or the increase in the premium resulting from the change in the basis of calculation, they are permitted to terminate the

insurance by providing written notice of this within three months of the policyholder having been informed of the change weakening the insurance.

**16.5.** The Insurance Company is also entitled to change the premiums and other contractual clauses to correspond to the true circumstances if the policyholder or the insured has neglected the obligation to provide information (Clause 2.3) either intentionally or through negligence that cannot be considered slight.

**16.6.** The Insurance Company additionally has the right to change the monetary fees and costs in the price list as well as the minimum and maximum salary coefficient as provided in the Employees' Pensions Act. Based on this, the policyholder does not have the termination right in accordance with this clause.

## **17. Time for presenting claims and expiration**

**17.1.** A claim based on the insurance contract must be presented to the Insurance Company within one year of the date on which the person entitled to compensation discovered the possibility of claiming compensation, and, in any event, within 10 years of the start of the pension period or the death of the insured.

## **18. Appeals**

**18.1.** Decisions made by the Insurance Company may also be submitted for consideration to the Finnish Financial Ombudsman Bureau (FINE). FINE provides customers with free, independent advisory services and guidance. FINE's Financial Ombudsman Bureau and the Insurance Complaints Board also offer recommendations for solutions in disputed cases.

**18.2.** The decision may also be appealed through the Helsinki District Court or the District Court of the municipality in which the complainant is domiciled in Finland. Legal proceedings concerning a decision on compensation must be initiated within three years of the date on which the party in question received written notification of the Insurance Company's decision and the time limit.



# Corporate Pension Insurance

**Price List**  
**Valid as of 1 April 2017**

## **Premium fee**

A premium fee of 3% will be charged on insurance premiums paid.

If the premium fees charged over a calendar year are less than EUR 24, the missing part of the fees will be charged on the last banking day of the year. The minimum premium fee will also be charged if the insurance is cancelled. However, the fee will not be charged in the starting year of the insurance or the pension or during the pension period.

## **Annual administrative fee**

An annual administrative fee of 0.9 % will be debited monthly from the insurance savings during the savings period until the end of pension period.

## **Life insurance with pension insurance savings cover**

The fees for maintaining life insurance cover will be charged from the insurance savings. The amount charged depends on the amount of valid cover, as well as the age of the insured.

## **Investment object fees**

Fees levied on mutual funds and investment baskets used as investment instruments will be charged. The fees are taken into account in the daily quotes for the mutual funds or investment baskets.

## **Administration charges**

The policyholder can amend the insurance premium investment plan free of charge twelve (12) times per calendar year.

The policyholder can transfer unit-linked savings from one investment object to another twelve (12) times a calendar year without charge.

EUR 50 will be charged for transactions exceeding the amount.

Until further notice, the aforementioned administration fees will not be charged for changes made to the investment plan using the Web Service.

An administration fee of EUR 50 will be charged from the insurance savings for the following transactions made to the insurance contract:

- three (3) and more frequent changes in the pension period and pension amount during the validity of the insurance contract
- insurance documents and certificates submitted upon the customer's request.

## **Inquiry charges**

For assignments requiring special inquiries, calculations, translations or medical studies, the insurance savings are debited with an assignment fee of EUR 50/hour in addition to the actual expenses incurred. However, the minimum fee is EUR 50.

## **Changing the service provider**

When transferring the contract's savings to another service provider, a transfer fee of EUR 500 is charged on the measure. Mandatum Life is entitled to increase the transfer fee if the related legislation is amended or the expenses arising from the transfer otherwise rise.

## **Increases in euro-denominated fees and expenses**

Mandatum Life shall be entitled to adjust the amounts of fees and expenses in euros annually according to the salary coefficient referred to in Section 96 of the Employees' Pensions Act.

## **Minimum amounts applied to the insurance contracts**

An insurance premium in accordance with the payment plan must be at least EUR 2,000 per year. The first premium must, however, be at least EUR 1,000.

When transferring unit-linked savings from one investment object to another, at least EUR 50 must remain in the surrendering investment object. Otherwise, the entire accrued savings must be transferred.