



## Life Insurance Information Requirements Regulation 2018

### Regulation of the Financial Market Authority (FMA) on the information requirements for life insurance (LV-InfoV 2018; Lebensversicherung-Informationspflichtenverordnung 2018)

**Original Version:** published in Federal Law Gazette II 247/2018

**Amendments:** Federal Law Gazette II 353/2019; 227/2020

#### Promulgation Clause:

Based on Article 135c para. 4 of the Insurance Supervision Act 2016 (VAG 2016; Versicherungsaufsichtsgesetz 2016), published in Federal Law Gazette I No 34/2015 last amended by Federal Act in Federal Law Gazette I No. 37/2018 the following shall be determined by Regulation as well as with regard to Article 1 on the basis of Article 135d para. 4 VAG 2016 with the consent of the Federal Minister of Finance:

### Section 1

#### General provisions

**Article 1** (1) This Regulation stipulates the minimum content of information to be provided by insurance undertakings to policyholders pursuant to Article 135c paras. 1 to 3 and Article 135d para. 1 Insurance Supervision Act 2016 (VAG 2016; Versicherungsaufsichtsgesetz 2016), published in Federal Law Gazette I No 34/2015.

(2) For the purposes of this Regulation the following definitions shall apply:

1. endowment life insurance: life insurance policies, that at least provide some benefit in the event of survival;
2. term life insurance: life insurance contracts pursuant to Article 5 no 63 lit. b VAG 2016.

### Section 2

#### General information requirements for all types of life insurance

##### Pre-contractual information requirements

**Article 2.** (1) The policyholder shall be informed as part of the statement of the benefits paid out by the insurance undertaking pursuant to Article 135c para. 1 no. 1 VAG 2016 about:

1. the product category and the main features of the respective product category to which his contract is assigned;
2. the amount of the guaranteed benefit provided by the insurance undertaking by quantifying the guaranteed benefit; where it is not possible to quantify the guaranteed benefit, the policyholder must be informed about the basis of the guarantee;
3. the additional possibility to use hedging instruments, the methodologies and mechanisms of such instruments and the associated advantages and disadvantages for the policyholder;
4. the calculation bases for determining any pension due and the associated opportunities and risks, in particular whether the pension amount is guaranteed; the policyholder must be made clearly aware that where the amount of the pension is calculated in accordance with the calculation bases applying during the time of the insured event (mortality table and assumed interest rate), that it may be higher at the time of the insured event or, where the average life expectancy increases more steeply than expected, may be lower than the forecast amount; as well as
5. the amount of any costs and fees associated with exercising an option.

(2) The policyholder is to be informed about the following details with regard to a guarantee granted by a third party pursuant to Article 135c para. 1 no. 2 VAG 2016:



1. the guarantor's name and address;
  2. who will assume contingent liability in the event of the guarantor defaulting in full or partially, where such contingent liability exists; where applicable policyholders should be informed that they themselves bear the risk of the guarantor defaulting; and
  3. any restrictions and conditions attached to the provision of the guarantee.
- (3) Within the context of the information provided to the policyholder pursuant to Article 135c para. 1 no. 4 VAG 2016 about surrender values and paid-up insurance benefits and the extent to which they are guaranteed, to explain the concept of the surrender value and should be specifically made clearly aware that:
1. the premature termination of the insurance contract may result in losses, due to such factors as the coverage of acquisition costs, particularly during the first years of the contract, and that the surrender value does not correspond to the total premiums paid in to the policy, but is instead calculated on the basis of the premiums paid minus the share of premiums allocated to insurance tax, costs and risk, as well as any deductions for the premature termination of the insurance contract;
  2. that surrendering the policy may not be possible in some cases; as well as
  3. that the exemption from the payment of premiums may be associated with losses as a result of having to cover acquisition costs and ongoing management costs.
- (4) Policyholders must be informed about premium shares of supplementary benefits pursuant to Article 135c para. 1 no. 5 VAG 2016, which may be included or excluded, such as additional insurance cover.
- (5) The information pursuant to Article 135 para. 1 no. 6 VAG 2016 must be provided pursuant to **Annex 1**. In so doing, the following must be considered:
1. in the table "cumulative effect of total costs on return of the investment" for classic life insurance and for investment-oriented life insurance, in scenario 1 the upper value, in scenario 2 the median value and in scenario 3 the lower value of the corridor pursuant to Article 8 para. 3 are taken as a basis for the bonus rate;
  2. in the table "cumulative effect of total costs on return of the investment" for unit-linked and index-linked life insurance contracts the percentage rates pursuant to Article 14 are taken as a basis for performance;
  3. "costs" cover all costs and fees that are not fees pursuant to Article 41b of the Insurance Policy Act (VersVG; Versicherungsvertragsgesetz), published in Federal Law Gazette No. 2/1959, most recently amended by Federal Act in Federal Law Gazette I No. 17/2018;
  4. The fees pursuant to Article 41b VersVG for additional expenses initiated by the insurance policyholder are to be listed under "fees".
- (6) Policyholders are to be informed with regard to the arrangements in relation to the payment commitments that apply to them pursuant to Article 135c para. 1 no. 6 VAG 2016 regarding the amount of surcharges or deductions applicable for the respectively offered payment modalities.
- (7) Where policyholders bears risks pursuant to Article 135c para. 1 no. 10 VAG 2016 they are to be clearly informed about them; in particular where they bear the investment risk and, where the product is designed without a guarantee that losses may be sustained on the invested assets, and that the amount disbursed from the insurance contract may be below the total of the premiums paid in, as well as about how the restructuring, liquidation or resolution of the issuers of the underlying assets will affect the intrinsic value of the underlying assets of the insurance contract.
- (8) The policyholder shall be informed pursuant to Article 135c para. 1 no. 11 VAG 2016 about the product-specific tax arrangements that are currently applicable.
- (9) The policyholder is to be informed pursuant to Article 135c para. 1 no. 12 VAG 2016 about any existing guarantee schemes and the means of accessing them:
1. where the insurance undertaking is required to establish a *Deckungsstock* pursuant to Article 300 VAG 2016, the policyholder is to be informed about the *Deckungsstock* system and the consequences for the policyholder in terms of execution and insolvency law; or
  2. where the insurance undertaking is subject to a different guarantee system, to be informed about that system.
- (10) The policyholder is to be informed by means of a concrete reference about the most recently published Solvency and Financial Condition Report pursuant to Article 241 VAG 2016



(Article 135c para. 1 no. 13 VAG 2016) that permits the policyholder to easily access this information.

### Specimen calculation

**Article 3.** (1) The specimen calculation for endowment life insurance pursuant to Article 135c para. 2 VAG 2016 shall be carried out pursuant to **Annex 2** and shall be prepared on an individually tailored basis for the respective policyholder on the basis of a specific tariff and specific contract data. In the case of pension insurance, only the pension benefit shall be presented in the specimen calculation pursuant to **Annex 2**. The presentation of the redemption capital may be performed outside the specimen calculation, although the guaranteed redemption capital must be compared against the premium sum.

In conjunction with the presentation of the benefits provided by the insurance undertaking, the surrender values and paid-up benefits, the respective total return or the assumed forecast performance shall be stated as a percentage.

(3) The premium and premium sum shall be given inclusive of insurance tax.

(4) The intended allocation of the technically non-recurrent acquisition costs pursuant to Article 176 para. 5 VersVG shall be taken into account when presenting the surrender values in the specimen calculation. Any deduction pursuant to Article 176 para. 4 VersVG and the insurance tax is also to be taken into account when presenting the surrender values.

(5) Where an exemption from premiums is only possible once a certain minimum amount has been reached, this must be made clear in the specimen calculation. The intended allocation of the technically non-recurrent acquisition costs pursuant to Article 176 para. 5 VersVG shall be taken into account when presenting the paid-up benefits in the specimen calculation. Any deduction pursuant to Article 173 para. 3 VersVG is also to be taken into account when presenting the paid-up benefits.

(6) All fees and charges pursuant to Article 2 para. 5 no. 3 must be included in the specimen calculation pursuant to Article 135c para. 2 VAG 2016.

(7) When presenting any adjustment to values, the percentage rate and the calculation basis must be stated. All contrasted figures pursuant to Article 135c para. 2 VAG 2016 shall be presented in a uniform manner either with or without the value adjustment. If the value adjustment is based on an index, that index should be named.

### Reference to non-binding character

**Article 4.** With regard to the presentation of the insurance undertaking's benefits, surrender values and paid-up benefits that are not guaranteed, a clear reference to the non-binding character of the information must be provided for both pre-contractual information and annual information. This reference must in particular contain information from which it may be assumed that the performance that may be realised in future years cannot be forecast, and that the presentation is therefore of a non-binding nature.

### Annual information requirements

**Article 5.** The policyholder shall be informed as part of the annual information pursuant to Article 135d para. 1 no. 5 VAG 2016 about:

1. the effects of deviations from the current values of the values predicted in the specimen calculation at the time of the conclusion of the contract in the form of recalculated forecast survival and pension benefits taking into account the regulations for the specimen calculation pursuant to Article 8 and Article 14 and stating the current surrender value; as well as
2. any use of hedging instruments and about the extent to which hedging instruments were used and what the associated consequences are for the policy holder resulting from their use.

### Change of external guarantor

**Article 6.** In the event of any change of the external guarantor, the policyholder is to be informed promptly about the name and address of the new guarantor in the information pursuant to Article 135d para. 1 no. 1 VAG 2016.



### Section 3

#### Special information requirements for classic life insurance

##### Pre-contractual information requirements

**Article 7.** (1) The policyholder shall be informed within the context of the presentation of the insurance undertaking's benefits pursuant to Article 135c para. 1 no. 1 VAG 2016 that the return on a classic life insurance policy consists of two components, namely a guaranteed return and a variable profit-sharing component. It should be explained to the policyholder that the return relates to the savings premium.

(2) The guaranteed interest rate on which the contract is based shall be communicated to the policyholder.

##### Specimen calculation

**Article 8.** (1) The presentation of the insurance undertaking's benefits within the context of the specimen calculation pursuant to Article 135c para. 2 VAG 2016 shall be of a forward-looking nature. A historical presentation is not permitted.

(2) The calculation of the expected pay-out amount must occur on the basis of the profit system used. The highest bonus rate on the basis of which the average predicted pay-out amount may be calculated is the bonus rate published in the most recent annual financial statements for the corresponding scale of premiums. If the reduction of the bonus rates has already been decided upon by the insurance undertaking, then the usage of a higher bonus shall be impermissible at latest one month following the resolution.

(3) The presentation of the insurance undertaking's benefits shall take the form of a corridor based on the profit system used, with the bonus rate pursuant to para. 2 representing the mid value in the corridor. The upper value in the corridor may not be more than one percentage point higher than the mid value. The lower value in the corridor shall be calculated such that the mid value is the arithmetic mean of the upper and lower values. However, the lower value in the corridor may not be lower than the guaranteed interest rate.

##### Profit sharing

**Article 9.** (1) In the context of the presentation of the principles for the calculation of the distribution of profits pursuant to Article 135c para. 1 no. 3 VAG 2016 the individual profit components are to be named and the policyholder given an explanation in particular with regard to the creation, distribution and using of the profits. The policyholder must also be informed that a reduction of the profit sharing as a consequence of the provisioning of the additional interest provision pursuant to Article 4 para. 3 no. 3 of the Life Insurance Profit Sharing Regulation (LV-GBV; Lebensversicherung-Gewinnbeteiligungsverordnung) published in Federal Law Gazette II No. 292/2015, last amended by the Regulation published in Federal Law Gazette II No. 322/2016, is possible.

(2) The policyholder must be informed about the accounting group pursuant to Article 2 no. 1 LV-GBV, to which his contract is assigned, as well as of the date on which profits are irrevocably allocated to the contract.

(3) The policyholder is also to be informed about any profit waiting period.

(4) The policyholder is to be informed about the specific use of the portions of the profits allocated to the premium reserve; in particular about what form the profit sharing takes and whether the profit sharing leads to an increase in the guaranteed benefit or is used to create an additional guaranteed benefit.

##### Annual information requirements

**Article 10.** The policyholder is to be informed within the context of the annual information pursuant to Article 135d para. 1 no. 4 VAG 2016 about the actual use of the portions of the profits allocated to the premium reserve as well as in the event of reduction of the assessment base pursuant to Article 4 para. 1 LV-GBV about the extent of the reduction pursuant to Article 9 para. 1 last sentence. Where profit sharing is used in accordance with the contractual agreement to increase the guaranteed benefit, information shall also be provided on the extent to which the profit sharing has been used to increase the guaranteed benefit or to create an additional guaranteed benefit. If the final profits fund has been released for the purposes of individual current profit sharing pursuant to Article 6 para. 3 LV-GBV, the policyholder is to be informed accordingly.



## Section 4

### Special information requirements for investment-oriented life insurance

#### Pre-contractual information requirements

**Article 11.** (1) The information requirements pursuant to Articles 7 to 10 shall apply analogously for investment-oriented life insurance.

(2) The policyholder is to be informed within the context of the information pursuant to Article 135c para. 1 no. 9 VAG 2016 with regard to the type of the investment about the underlying composition of the portfolio including the geographic and sector-based composition of the investments.

(3) The specificities of the investment strategy shall be explained to the policyholder with regard to the deviation from the investment strategy in the context of classic life insurance. Reference shall also be made to the associated consequences for the policyholder.

#### Annual information requirements

**Article 12.** In the event of a change in investment strategy the policyholder is to be informed accordingly pursuant to Article 135d para. 1 no. 2 VAG 2016.

## Section 5

### Special information requirements for unit-linked and index-linked life insurance

#### Pre-contractual information requirements

**Article 13.** (1) With regard to the investment fund on which the insurance contract is based, the equity interests held in that fund and the nature of the underlying assets (Article 135c para. 1 no. 7 VAG 2016), the policyholder is to be informed of the following:

1. the International Securities Identification Number (ISIN) and
2. the name, head office and website of the investment fund management company.

(2) The policyholder is to be informed within the context of the information about the nature of the investment, the reference value and the underlying factors that are used for calculating the insurance benefit (Article 135c para. 1 no. 8 VAG 2016) about

1. the issuer of the investment and that issuer's credit risk, and the index provider, as well as
2. the name, head office and website of the issuer and index provider.

(3) Where available, past performance of the investment fund in the case of unit-linked life insurance or of the reference value in index-linked life insurance must be presented in the form of a graph covering a minimum period of five years. Clear reference must be made to the non-binding character of this information as well as fact that past performance is not a reliable indicator for future performance.

#### Specimen calculation

**COVID-19 Provision: This version of Article 14 shall apply from 01 June 2020 up until and including 31 July 2020**

**Article 14.** (1) the presentation of the insurance undertaking's benefits within the context of the specimen calculation pursuant to Article 135c para. 2 VAG 2016 shall be based on an assumed performance of 3 %, 0 % and -3 % as well as on optional freely selectable percentage rates. The additionally selected percentage rates shall not be allowed to be based on misleading assumptions.

(2) Provided that the insurance undertaking is able to establish facts that it is necessary to do so due to the COVID-19 crisis situation, then by way of derogation from para. 1 the presentation of the performance of the insurance undertaking in the framework of the specimen calculation pursuant to Article 135c para. 2 VAG 2016 based on an assumed performance of 2 %, 0% and -2 % as well as on optional freely selectable percentage rates. The additional percentage rates chosen may not exceed the average performance of the underlying investment funds or underlying reference value over the past five years. If the fund was issued less than five years



ago, a comparable investment fund or reference value should be used. The information pursuant to Article 135c para. 1 no. 6 VAG 2016 shall in this case by way of derogation from Article 2 para. 5 occur pursuant to **Annex 1** in the version of Article 2 of the Regulation published in Federal Law Gazette II No. 247/2018; otherwise Article 2 para. 5 shall apply.

**Note: This version of Article 14 shall apply from 01 August 2020.**

**Article 14.** The presentation of the insurance undertaking's benefits within the context of the specimen calculation pursuant to Article 135c para. 2 VAG 2016 shall be based on an assumed performance of 3%, 0% and -3% as well as on optional freely selectable percentage rates. The additionally selected percentages shall not be allowed to be based on misleading assumptions.

#### Annual information requirements

**Article 15.** The policyholder shall be informed as part of the annual information pursuant to Article 135d para. 1 no. 4 VAG 2016 about:

1. in the case of unit-linked life insurance, the units per fund and their calculated value;
2. in the case of index-linked life insurance, the value of the assets assigned to the insurance contract.

### Section 6

#### Special information requirements for state-sponsored retirement provision

##### Pre-contractual information requirements

**Article 16.** (1) The special information requirements defined in this Section notwithstanding, state-sponsored retirement provision shall be subject to those specific information requirements that apply to the product category to which the state-sponsored retirement provision has been primarily allocated.

(2) The policyholder shall be informed as part of the pre-contractual information pursuant to Article 135c para. 1 VAG 2016 about:

1. about the currently applicable amount of the state premium pursuant to Article 108g para. 1 of the Income Tax Act of 1988 (EStG 1988; Einkommensteuergesetz), published in Federal Law Gazette No. 400/1988, last amended by Federal Act in Federal Law Gazette I No. 16/2018;
2. about the amount of the state premium pursuant to Article 108g para. 1 EStG 1988 being reassessed every year;
3. about the fact that the state premium relates to the policyholder's annual premium payments and therefore cannot be equated with the amount of the return;

about the available disposal options pursuant to Article 108i para. 1 EStG 1988 and the legal consequences arising for the policyholder set forth in Article 108g para. 5 EStG 1988.

##### Specimen calculation

**Article 17.** (1) In the presentation of the guaranteed benefits the currently applicable state premium pursuant to Article 108g para. 1 EStG 1988 is to be used. In addition, the state premium must also be shown within the context of the specimen calculation in a separate column in accordance with Article 135c para. 2 VAG 2016.

(2) The presentation of the surrender values in the specimen calculation pursuant to Article 135c para. 2 VAG 2016 must be done in such a way, that the legal consequences of Article 108g para. 5 EStG 1988 are taken into account accordingly.

##### Annual information requirements

**Article 18.** The policyholder shall be informed about the amount of the state premium pursuant to Article 108g para. 1 EStG 1988 within the context of the annual information pursuant to Article 135d para. 1 no. 5 VAG 2016.



## Section 7

### Special information requirements for term life insurance

#### Scope

**Article 19** When distributing life insurance contracts pursuant to Article 5 no. 63 lit. b VAG 2016 the information document pursuant to Article 135c para. 3 VAG 2016 must correspond with the rules in accordance with this section.

#### Name and company logo of the manufacturer

**Article 20.** (1) In the heading "Information document about [product name]" at the top of the first page the name of the manufacturer of the insurance product must be shown on the information document pursuant to Article 19.

(2) The manufacturer may insert its company logo on the right next to the heading.

#### Reference to complete pre-contractual and contractual information

**Article 21.** The declaration pursuant to Article 133 para. 3 no. 6 VAG 2016, that the complete pre-contractual and contractual information about the term life insurance was passed on in other documents to the customer must be displayed in a clearly visible reference on the information document pursuant to Article 19. This reference must be inserted directly below the name of the manufacturer of the term life insurance product.

#### Length

**Article 22.** The information document pursuant to Article 19 must be a maximum of three A4 pages in length in printed form.

#### Presentation and order of content

**Article 23.** (1) The information document pursuant to Article 19 must be split into different sections and corresponds with regard to its structure, design, headings and order to the standard format described in **Annex 3**, and a font size with an x-height of at least 1.2 mm must be used.

(2) The length of the sections depends on the amount of information contained in the individual sections, and may therefore differ from one section to another. No ticks, crosses or exclamation marks may be placed before the information about any ancillary insurance policies and optional insurance policies.

(3) In the case that the information document pursuant to Article 19 is displayed on a durable medium other than on paper, then the size of the prescribed components may be altered, provided that the design, heading and order of the standard format as well as the proportionality of the emphasis and size of the individual elements are preserved.

(4) In the case that the dimensions of the durable medium other than paper pursuant to para. 3 do not permit a two column design, then the information document shall be allowed to be presented in a single column, provided that the sections are depicted in the order prescribed in Article 24 para. 1.

#### Headings and information to be contained under headings

**Article 24.** (1) The sections of the information document pursuant to Article 19 shall contain the following headings with the following information:

1. Information about the type of insurance pursuant to Article 133 para. 2 no. 1 VAG 2016 are listed under the heading "What is this type of insurance?"
2. Information about the principle insured risks listed in Article 133 para. 2 no. 2 VAG 2016 are listed under the heading "What is insured?" Every individual piece of information listed in this section shall be preceded by a green tick. In addition, below this heading a remark is to be included stating that the insurance benefit is dependent on the contractual agreement.
3. Information about the summary of excluded risks listed in Article 133 para. 2 no. 2 VAG 2016 are listed under the heading "What is not insured?" Every individual piece of information listed in this section shall be preceded by a red cross;
4. Information about the summary of the most important circumstance in accordance with which claims are excluded listed in Article 133 para. 2 no. 4 VAG 2016 are listed under the heading "Are there any restrictions on cover?" Every individual piece of information listed in this section shall be preceded by an orange exclamation mark;



5. Information about the geographic scope listed in Article 133 para. 2 no. 2 VAG 2016 are listed as applicable under the heading "Where am I covered?" Every individual piece of information listed in this section shall be preceded by a blue tick;
6. Information about the relevant obligations listed in Article 133 para. 2 nos. 5 to 7 VAG 2016 are listed under the heading "What are my or the insured persons obligations?"
7. Information about the method and duration of payment of premiums listed in Article 133 para. 2 no. 3 VAG 2016 are listed under the heading "When and how do I pay?"
8. Information about the duration of the contract in Article 133 para. 2 no. 8 VAG 2016 are listed under the heading "When does the cover start and end?"
9. Information about the termination of the contract listed in Article 133 para. 2 no. 9 VAG 2016 are listed under the heading "How do I cancel the contract?"

(2) Subheadings shall be permitted to be used as required.

### Using graphical symbols

**Article 25.** (1) Each section shall be introduced by the following graphical symbols which visually convey the content of the respective section:

1. Information about the principle risks listed in Article 133 para. 2 no. 2 VAG 2016 is introduced by a graphical symbol of a white umbrella on a green background or a green umbrella on a white background;
2. Information about the summary of the excluded risks listed in Article 133 para. 2 no. 2 VAG 2016 is introduced by a graphical symbol of an "X" in a white triangle on a red background or in a red triangle on a white background;
3. Information about the summary of the excluded risks listed in Article 133 para. 2 no. 4 VAG 2016 is introduced by a graphical symbol of an exclamation mark ("!") in a white triangle on an orange background or in an orange triangle on a white background;
4. Information about the geographical scope listed in Article 133 para. 2 no. 2 VAG 2016 is introduced by a graphical symbol of a white globe on a blue background or a blue globe on a white background;
5. Information about the obligations listed in Article 133 para. 2 nos. 5 to 7 VAG 2016 is introduced by a graphical symbol of a white handshake on a green background or a green handshake on a white background;
6. Information about the method and duration of the payment of premiums listed in Article 133 para. 2 no. 3 VAG 2016 is introduced by a graphical symbol of white coins on a yellow background or a yellow coins on a white background;
7. Information about the term of the contract listed in Article 133 para. 2 no. 8 VAG 2016 is introduced by a graphical symbol of an hourglass on a blue background or a blue hourglass on a white background;
8. Information about the termination of the contract listed in Article 133 para. 2 no. 9 VAG 2016 is introduced by a graphical symbol of an open hand in a white shield on a black background or a black shield on a white background.

(2) All graphical symbols are presented consistent with the standard form described in **Annex 3**.

(3) If the life insurance product information document is printed out in black and white or photocopied, then the graphical symbols listed in paras. 1 and 2 may also be presented in black and white.

## Section 8

### Final provisions

#### Entry into force and repeal

**§ 26** (1) This Regulation shall enter into force on 1 October 2018. The Life Insurance Information Requirements Regulation (LV-InfoV; Lebensversicherung Informationspflichtenverordnung), published in Federal Law Gazette I No. 294/2015, shall be repealed at the end of 30 September 2018.

(2) **Annex 1** in the version published in Article 2 of the Regulation in the Federal Law Gazette II No. 247/2018 shall enter into force on 1 January 2020.





(3) Article 14 as well as **Annex 1** in the version of the Regulation amended in Federal Law Gazette II No. 353/2019 shall enter into force on 1 June 2020.

(4) Article 14 in the version of the Regulation amended in Federal Law Gazette II No. 227/2020 shall enter into force on 01 June 2020 and shall be repealed at the end of 31 July 2020. Article 14 in the version of the Regulation amended in Federal Law Gazette II No. 353/2019 shall by way of derogation from para. 3 enter into force on 01 August 2020.



**Annex 1**

**to the Regulation of the Financial Market Authority (FMA) on the information requirements for life insurance (LV-InfoV 2018; Lebensversicherung- Informationspflichtenverordnung 2018)**

**Information about costs and fees pursuant to Article 2 para. 5 LV-InfoV 2018**

**Insurance tax taken into account in the premium, risk premium (to cover underwriting risks) and costs:**

<i>Constituent parts of the total premium paid in</i>	<i>Estimated percentage of premium sum</i>
Savings premium (invested amounts)	
Insurance tax	
Risk premium broken down by individual risks	
Costs	

**Costs that are not taken into account in the premium:**

<i>Cost components:</i>	<i>Estimated percentage of assessment base</i>
Costs that are addressed in the [enter the respective assessment base here]	
Risk premium broken down into the individual risks that are addressed in the [enter the respective assessment base here]	

**Other costs:**

[Costs and their amount should be entered here that do not have an assessment base]

**Cumulative Effect of the Total Costs on the Return on Investment:**

[This table must be filled out for classical and investment oriented life insurance as well as, where relevant, for state-sponsored retirement provision, otherwise it should be deleted]

	<i>Total return</i>	<i>Effective total return</i>	<i>Reduction in total return</i>
Scenario 1			
Scenario 2			
Scenario 3			

The **Total return** is the average annual return that is allocated to the insurance policyholder, as a percentage of the assets invested by the insurance undertaking. The total return consists of a guaranteed return and a variable profit sharing element. Since the amount of the variable profit sharing element cannot be predicted, the performance is shown using three different scenarios with different total returns. The total return in Scenario 2 corresponds to the total of the guaranteed return of XXX% plus the variable profit sharing elements [published in the most recent annual financial statement / most recently decided upon – delete as appropriate]. In Scenario 1 a higher variable profit sharing element than the current one shall be shown, while in Scenario 3 a lower one than the current one shall be shown. The information about the potential total return is non-binding and merely constituted examples of potential performance.

The **effective total return** is the average annual return in percent on the total premium paid in under the assumption that the contract will not be prematurely terminated and therefore that the benefit contained in the specimen calculation [specific reference to the table pursuant to Annex 2]



will be provided at the end of the arranged contractual period. The effective return already takes into account all variables that reduce returns (insurance tax, risk premium and fees) on the insurance benefit.

The **reduction in total return** states by how many percentage points the effective total return would be on an annual basis, were performance not be reduced by insurance tax, risk premium and all costs. Since the amount of the risk premium influences the reduction in total return, the amount of the reduction in total return also depends on the agreed scope of the insurance cover.

[This table must be filled out for unit-linked and index-linked life insurance as well as, where relevant, for state-sponsored retirement provision, otherwise it should be deleted]

	<i>Assumed performance</i>	<i>Effective performance</i>	<i>Reduction in return</i>
Scenario 1	3%		
Scenario 2	0%		
Scenario 3	-3%		
...			

The **assumed performance** corresponds to the average annual return in percent on the assets invested by the insurance undertaking, which benefits the insurance policyholder. Since the performance cannot be predicted in advance, the potential development is presented for at least three prescribed scenarios (3 %, 0 % and -3 %). The performance information is non-binding and merely constitute examples of potential performance.

The **effective performance** is the average annual return in percent on the total premium paid in under the assumption that the contract will not be prematurely terminated and therefore that the benefit contained in the specimen calculation [specific reference to the table pursuant to Annex 2] will be provided at the end of the arranged contractual period. The effective performance on the one hand takes into account all variables that reduce returns (insurance tax, risk premium and fees) on the insurance benefit.

The **reduction in performance** is the result of the assumed performance minus the effective performance

**Information about guaranteed rate of return:**

[This table is to be filled where relevant.]

<i>Guaranteed rate of return</i>	<i>Effective guaranteed rate of return</i>

The **guaranteed rate of return** is the annual guaranteed return in percent on the invested assets.

The **effective guaranteed rate of return** is the average annual return in percent on the total premium paid in under the assumption that the contract will not be prematurely terminated and therefore that the guaranteed benefit contained in the specimen calculation [specific reference to the table pursuant to Annex 2] will be provided at the end of the arranged contractual period. Any shares in profits are not taken into consideration in this depiction. [The following sentence is only to be stated in the case of the effective guaranteed rate of return being negative:] A negative effective guaranteed rate of return means that the guaranteed performance of the endowment calculated at the time of the policy being concluded is lower than the total of premiums paid-in. [For retirement annuities the following sentence should be used instead of the previous sentence in the case that the effective guaranteed rate of return is negative:] A negative effective guaranteed rate of return means that the guaranteed redemption capital at the start of the pension payment phase is lower than the total of premiums paid-in.

**Fees:**

[The information about fees pursuant to Article 2 para. 5 no. 4 should be entered here]



**Regulation of the Financial Market Authority (FMA) on the information requirements for life insurance (LV-InfoV 2018;  
 Lebensversicherung-Informationspflichtenverordnung 2018)**

**Specimen Calculation pursuant to Article 3 para. 1 LV-InfoV 2018**

Year	<i>Benefit provided by insurer</i>				<i>Surrender value</i>				<i>Paid-up benefit</i>				<i>Premium</i>	<i>Premium sum</i>
	guaranteed	%	%	%	guaranteed	%	%	%	guaranteed	%	%	%		
1														
2														
3														
4														
5														
6														
7														
8														
9														
10														
...														

All English translation of the authentic German text is unofficial and serves merely information purposes. The official wording in German can be found in the Austrian Federal Law Gazette (Bundesgesetzblatt; BGBl.). All translations have been prepared with great care, but linguistic compromises had to be made. The reader should also bear in mind that some provisions of these laws will remain unclear without certain background knowledge of the Austrian legal and political system. Please note that these laws may be amended in the future and check occasionally for updates.



**Annex 3**

**to the Regulation of the Financial Market Authority (FMA) on the information requirements for life insurance (LV-InfoV 2018; Lebensversicherung-Informationspflichtenverordnung 2018)**

**Standardised Information Document for Term Life Insurance Products (LIPID) pursuant to Article 23 para. 1 LV-InfoV 2018**




<p>Information Document for [Product Name] [Name of the Insurance Undertaking]</p>	<p>Logo of the IU</p>
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**CAUTION:** Only the most important information pursuant to Article 19 LV-InfoV is stated here. The full pre-contractual and contractual information can be found

- in XXXXXXXXXXXXX,
- in XXXXXXXXXXXXX and
- in XXXXXXXXXXXXX.

**What is this type of insurance?**

XXXXXXXXXXXXXXXXXX

<p> What is insured?</p> <ul style="list-style-type: none"> <li>✓ XXXXXXXXXXXXX</li> <li>✓ XXXXXXXXXXXXX</li> <li>✓ ...</li> </ul> <p>XXXXXXXXXXXXXXXXXX XXXXXXXXXXXXXXXXXX</p> <p><b>The insurance benefit is dependent on the contractual arrangement arranged on an individual basis.</b></p>	<p> What is not insured?</p> <ul style="list-style-type: none"> <li>x XXXXXXXXXXXXXXXXXXXX</li> <li>x XXXXXXXXXXXXXXXXXXXX</li> <li>x XXXXXXXXXXXXXXXXXXXX</li> </ul>
	<p> <b>Are there any restrictions on cover?</b></p> <ul style="list-style-type: none"> <li>! XXXXXXXXXXXXXXXXXXXX</li> <li>! XXXXXXXXXXXXXXXXXXXX</li> <li>! XXXXXXXXXXXXXXXXXXXX</li> </ul>

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Where am I covered?

✓ XXXXXXXXXXXX



What are my or the insured persons obligations?

XXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXX



When and how do I pay?

**When:** XXXXXXXXXXXX  
**How:** XXXXXXXXXXXX



When does the cover start and end?

**Start:** XXXXXXXX  
**End:** XXXXXXXX



How do I cancel the contract?

XXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXX