



LOMBARD
INTERNATIONAL
ASSURANCE

International Life Plan - Finland

07/06/2024



Product information

Insurer	Lombard International Assurance
Brief description	The International Life Plan (“ILP”) is a regular premium, pure risk life assurance policy for Finnish residents and corporations established in Finland, governed by Finnish law. It is designed to meet a need for liquidity upon the death of an insured person.
Duration	Fixed term from 5 years to a maximum term to age 99
Policyholder	One or two physical (natural) person(s) at least 18 years of age or a legal entity
Life assured	One or two physical person(s) not more than 80 years old
Beneficiaries	One or more physical person(s) or the legal entity assigned as policyholder
Policy currency	GBP, EUR, USD, CHF
Premium payments	Level annual premium by bank transfer.
Annual Premium payments	Ongoing level annual premium payments are required to maintain coverage over the life of the policy. If an annual installment is not received within 30 days of the policy renewal date (the policy anniversary), insurance coverage will lapse.
Coverage Reinstatement	Should the policy lapse due to non-payment of the premium, the policy may be reinstated, if the outstanding premiums are received by the insurer within 6 months after the lapse date.
Minimum death benefit	EUR 5,000,000 (or equivalent in another currency; lower amounts possible upon agreement with the insurer)
Cancellation	Possible at any time. Cancellation will result in an end to insurance coverage and a pro-rata refund of the last premium paid.
Policy value	The International Life Plan is a pure risk policy that pays a benefit upon the death of the relevant life assured.
Payment in case of death	The agreed death benefit as confirmed in the policy schedule.
Death cover	Variable depending on the needs of the policyholder and the results of underwriting.
Policy pledge	Not applicable; there is no policy cash value.



Product costs

There is an ongoing regular premium due in exchange for the life insurance protection. The amount of premium varies according to the amount of coverage, the age, smoker status and residence of the person to be insured, and the results of medical underwriting. Once the premium is established, it will be payable at policy inception and then in equal amounts at regular intervals over the life of the policy.

No other charges or fees are applicable to the policy.

Conflicts of interest

Regarding the promotion, intermediation and conclusion of the policy, Lombard International Assurance is not in a situation of conflict of interest.

Nevertheless, there could be situations on occasion which might present an unavoidable situation of conflict of interest. In these situations, if all organisational and administrative provisions that have been taken are not sufficient to ensure that risks of damage to policyholder interests will be prevented, Lombard International Assurance will provide the concerned policyholder with a specific description of the conflict of interest. This communication will disclose the general nature and where applicable, the source of such conflict of interest, as well as the risks that arise as a result and steps undertaken to mitigate these risks. Lombard International Assurance will also clearly state that the organisational and administrative arrangements established by the insurer to prevent or manage the conflict of interest are not sufficient to ensure, with reasonable confidence, that risks of damage to the interests of the customer will be prevented.

Lombard International Assurance has defined a procedure to identify, prevent and manage those situations of conflict of interest. In particular, this procedure is designed to:

- (a) identify the situations of conflict of interest;
- (b) prevent and manage potential conflicts of interest;
- (c) inform the policyholder about potential situations of conflict of interest that might harm their interests;
- (d) register conflicts of interest.

The Distributor and the policyholder can request and obtain from Lombard International Assurance additional information about the procedure related to conflicts of interest and obtain a copy of the document that lays out the procedure.



Product approval process

The product approval process applies the right balance of control, depth of detail in documentation and challenge depending on the risk assessment of the product and market at stake. The process is made up of several stages and each stage has a set of activities and decisions associated.

Idea Generation

This stage of the process is to develop an understanding of customer, commercial and/or compliance needs and to start to develop a concept that meets these needs.

Idea Screening

Based on the information acquired, a formal decision is made on that basis whether the requested development is being taken to the next stage.

Planning & Due Diligence

Should the idea succeed to the screening stage, the project plan will be drafted with a number of specific development steps to go through to build the product/service. It will be shared with all stakeholders asking them to approve deadlines and resource needs.

The results of this preliminary analysis and recommendations will be presented to the Product Oversight Committee, whose authority is delegated from the Executive Committee, which will decide whether the requested development will be taken to the next stage of development.

Development

Following the Product Oversight Committee's agreement to develop the product, the Product Development Team will proceed with the development phase, which includes, but is not limited to: setting up the products, system integration testing and risk mitigations actions on the identified risks.

In this framework, the Target Market, compatible with the product under development is identified and a Product Testing is performed.



Risks for policyholders

As with any life insurance contract, there are risks that should be considered when applying for an International Life Plan policy. These risks include:

- (a) **No extension of term:** The insurance protection will come to an end on the expiry of the term. Even if the policyholder's circumstances change, the term cannot be extended and the policyholder may be left without cover at a time when it is difficult or impossible to take out another policy;
- (b) **No increased cover after issuance:** Once the policy has been issued cover cannot be increased, although it is possible to apply for an additional policy;
- (c) **No cash value:** The ILP has no cash surrender value and there is no underlying investment component to the policy;
- (d) **Counterparty risk:** Finnish resident holders of policies issued by the Insurer are not protected against counterparty risk if the Insurer becomes unable to meet its liabilities to them;
Lapse risk: If the policyholder stops making premium payments, and premiums go unpaid for 30 calendar days following the premium due date, the policy will lapse, cover will cease and no death cover will be payable. The policyholder may request reinstatement of coverage after lapse of the policy, if the outstanding premiums are received by Lombard International Assurance within 6 months following the lapse date.

Client vulnerability

The Target Market of the product may include policyholders with vulnerabilities or who may develop vulnerabilities over the policy term. Such vulnerabilities may affect a policyholder's judgement and/or decision making capabilities. Therefore, it is important that these vulnerabilities are assessed and taken into account during the advice process both at the initial sale and over the lifetime of a policy.

Vulnerabilities may be exhibited more frequently by policyholders with the following characteristics:

- The language of the policyholder differs from the language of the product
- Elderly
- Young/Minor
- Dependency
- Incapacity

Lombard International Assurance has a defined procedure to support fair treatment and positive outcomes for policyholders who may have specific needs. These include the appointment of an internal Vulnerability Champion who ensures ongoing staff training and awareness and provides specific support when needed.

Intermediaries/Distributors who seek additional guidance or support to identify or serve vulnerable policyholders may contact Lombard International Assurance for assistance.



Target Market – the product complexity is classified as low

Client type

The product is designed for natural persons residing in Finland at least 18 years old or legal entities with registered office in Finland as policyholder and lives assured with a maximum age of 80 years at policy inception.

Knowledge and/or Experience

The product is addressed to a policyholder who has knowledge of pure risk insurance products and understands that there is no cash value. Additionally, this product is addressed to policyholders who understand that coverage availability as well as cost depends on age, medical underwriting and financial justification.

Coverage Objectives

The product is intended for a policyholder who has insurable interest in the life of the person to be insured and a clear financial justification for the amount of coverage requested.

Ongoing Premium Obligation

There is an obligation for the policyholder to continue paying a level, regular, premium over the life of the policy. There is a risk of lapse and cessation of coverage should the policyholder no longer be in a position to make ongoing premium payments.

Liquidity accessibility

The policyholder targeted by the product has sufficient liquidity to pay the regular premium required to maintain the life coverage offered by the product.

Objectives and needs of the clients

The product is intended for policyholders who will require (or whose estate will require) liquidity in the event of the death of the insured person. It is intended for a policyholder looking for a pure risk life insurance policy with no cash surrender value and who is willing to accept the exclusions specified in the documentation.

Distribution Strategy

The product is distributed through external brokers, tied or multi-tied agents, or directly by employees of Lombard International Assurance.

Negative Target Market

This product is not appropriate for policyholders looking for an investment product or a life insurance product with a cash surrender value. It is not suitable for policyholders who are looking for a pure risk product for which the option to extend the policy term exists or for which there is the option to increase the insured amount.



Lombard International Assurance S.A.
www.lombardinternational.com

Head office
4, rue Lou Hemmer
L-1748 Luxembourg
Grand Duchy of Luxembourg
Tel +352 34 61 91-1
Fax +352 34 61 90

R.C.S. Luxembourg № B37604
VAT LU 15902470
Tax № 1991 2204 696

Branches in BRUSSELS | MILAN
Representative offices in ROME | GENEVA | LUGANO | ZURICH