

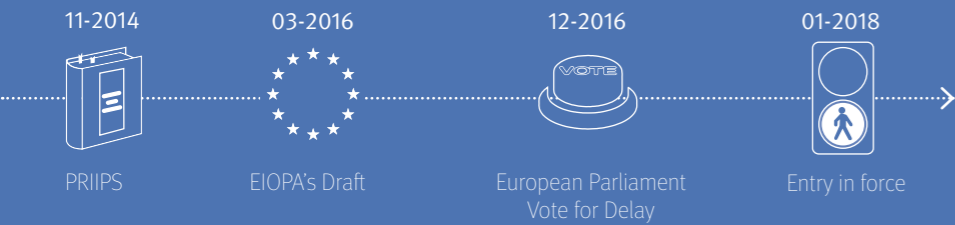
PRIIPs Regulation

PRIIPS is a European Regulation (PRIIPs Regulation) which is effective as of 1st January 2018.

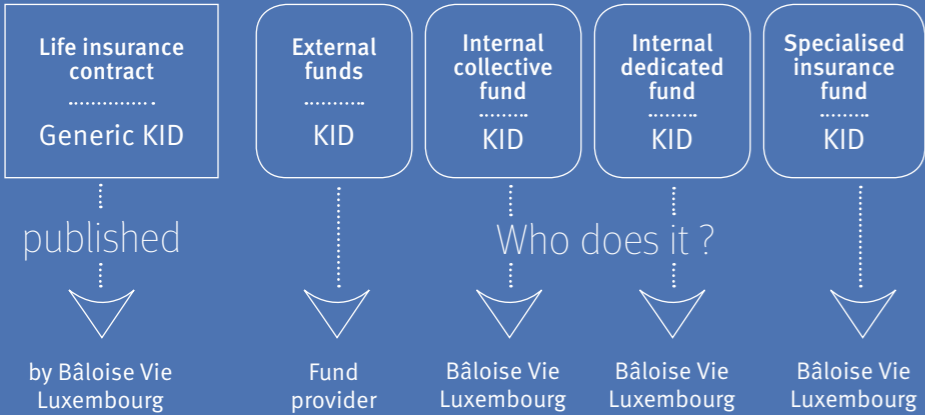
The Regulation imposes the implementation of a “Key Information Document” (KID) for retail investors (and therefore including applicants to a life insurance contract) that describes the key features of a product in a clear and understandable manner, before any contractual engagement takes place.

The Regulation aims at a better protection of the retail investor by improving the transparency of a product and then the comparability between different financial products within the Member States of the European Union.

Timeline



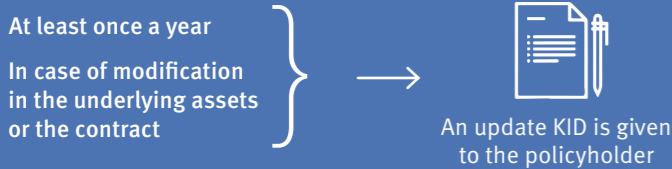
What happens from 1st January 2018?



What to do?



During life time contract

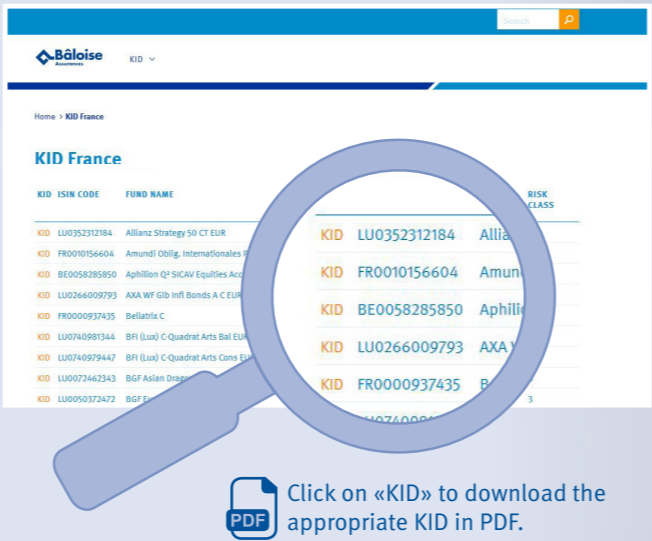


Where to find them ?

Baloise Vie Luxembourg has set up a dedicated page on its website where you will find all the KIDs available. Simply go on :

www.baloise-international-lu/kid

Choose your country and you will have access to the KID available for that country. You can download the chosen KID (generic to a product and/or a specific fund).



Disclaimer

This document was drawn up in January 2018 based on information validated at that date. This document is of a general nature only. Baloise Vie Luxembourg S.A. does not give any legal or tax advice or any other advice of any kind whatsoever in this document. Clients are urged to seek advice from independent advisers. Although the information contained in this document comes from reliable sources, Baloise Vie Luxembourg S.A. does not vouch for its correctness, accuracy, pertinence or exhaustiveness or its being up to date in respect of the personal situation of each subscriber. Consequently, Baloise Vie Luxembourg S.A. declines all liability in the event of error, misprint or misinterpretation of the information contained in this document. All author's rights in this document are the property of Baloise Vie Luxembourg S.A. It may not be disseminated in any form whatsoever without the prior agreement of Baloise Vie Luxembourg S.A.

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Process PRIIPS

January 2018



An example product generic KID

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Key Information Document

ProFolio International Investment Bond (UK)

PURPOSE

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

PRODUCT

Name of Product: ProFolio International Investment Bond (UK)
 Manufacturer of the Product: Baloise Vie Luxembourg SA
 Website of Manufacturer: www.baloise-international.lu
 Telephone number: +352 290 19 01
 Regulatory Authority of the Manufacturer: Commissariat aux Assurances (Luxembourg)
 Date of production of the document: 01/01/2018

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

WHAT IS THE PRODUCT?

Type:

The ProFolio International Investment Bond is a unit-linked life insurance policy issued by Baloise Vie Luxembourg SA, distributed in the United Kingdom (UK) under the freedom to provide services regime of the EU and underpinned by the Internal and External funds, as selected by you the prospective policyholder. The product is subject to Regulation (EU) No 1256/2014 on key disclosure documents for retail packaged and insurance-based investment products (PRIIIS).

Objectives:

The ProFolio International Investment Bond is a unit-linked insurance policy. The policyholder may choose to invest all or part of the premiums paid, minimum 25,000 - EUR in one or more internal collective or external funds. For premiums in excess of 250,000 - EUR, investors may choose to invest in a targeted investment strategy. For premiums in excess of 500,000 - EUR investors may choose to invest in a select investment strategy. Depending upon the selections just described, the product offers the possibility to invest directly or indirectly in a range of financial assets such as money market instruments, bonds, equities, mutual funds, hedge funds and any other authorised assets, while respecting the principles of diversification defined by the Luxembourg supervisory authority (CAA) and any other competent authority. The aforementioned assets may be allocated according to geographic regions, asset types, markets or currencies. The financial return of the contract depends primarily upon the performance of these underlying assets. The performance and volatility in net asset values are not guaranteed. The financial risk of the investment in the various assets is borne exclusively by the policyholder. Information on investment options can be requested from your intermediary (our company or directly from our website www.baloise-international.lu/uk).

Contract Term:

The contract is written on a whole-of-life basis. The contract ends upon your total surrender, the insured event or where the contract is considered void for an exceptional reason. The company has no right to terminate the contract unilaterally.

Intended retail investor:

The investors who may take benefit from this contract are residents of the EU, individuals, legal entities, trustees or corporate trustees, wishing to invest in the medium or long term.

The product is aimed at persons whose risk profile can range from defensive to aggressive depending upon their financial knowledge and experience, ability to sustain losses, objectives and identified needs. The investment risks and time horizons are specified in the key disclosure documents relating to the various investment vehicles available.

Guarantees:

In the event of surrender, the company will pay the cash value of the policy.

Upon the insured event the company will pay the death benefit to the designated beneficiary or their estate, as mentioned in the specific conditions of the contract. The value of this death benefit is determined at the first valuation date following receipt of the death certificate.

The death benefit payable on the insured event will be 100% of the surrender value of the Bond is calculated on the date, following notification of death, on which Baloise Vie Luxembourg has the information and documents required to enable it to pay the claim (as set out in General Terms and Conditions) of the ProFolio International Investment Bond, plus, any additional cover that you have requested and paid for.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN?



The risk indicator assumes you keep the product for 10 years. The risk can vary significantly if you cash in at an early stage and you may get back less.

Risk indicator:

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product in the range of 2 to 6 out of 7, which represents a risk situated between "a low" and "the second highest" risk class.

This rates the potential losses from future performance between a low to a high level, and your investment is very unlikely to be very likely to impact our capacity to pay you.

Be aware of currency exposure. If the underlying assets are denominated in a currency other than that of the premium you paid. The final return to you will depend upon the exchange rate between the two currencies involved. This risk is not considered in the indicator shown above.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

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PERFORMANCE SCENARIOS

The performance of this product depends upon the performance of the selected underlying assets/funds. Performance simulations are presented in the Specific Information Document specific to each underlying asset and are available on our website www.baloise-international.lu/uk.

It is difficult to estimate how much you will receive from the contract if you exit the product before the recommended holding period. It may be difficult for you to exit the product before the intended investment horizon without you incurring significant losses or expenses in such a case.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

WHAT HAPPENS IF BALOISE VIE LUXEMBOURG SA IS UNABLE TO PAY OUT?

In the event of the insurer's default, you do not benefit from a compensation system such as a guarantee fund and you may suffer a financial loss.

The insurer may be subject to the risk of default by an entity other than itself, such as a custodian bank or an issuer of assets. These risks, which may prevent the insurer from honouring its commitments, are borne by the policyholder. Policyholders are first-tier preferred creditors to the Company, therefore it is possible to recover claims relating to the execution of its insurance contracts in the event of the insurance company's default. Assets related to life insurance contracts are segregated from the insurer's own assets coupled with a custodian bank approved in advance by the supervisory authority (CAA). All assets of the insurance company except monetary deposits are held off-balance sheet with the custodian bank.

WHAT ARE THE COSTS?

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

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest 10,000 EUR. The figures are estimates and may change in the future.

Cost over time

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

Investment: 10,000 EUR	If you cash in after 1 year	If you cash in after 5 years	If you cash in after 10 years
Total costs	From 711 EUR to 914 EUR	From 1455 EUR to 2348 EUR	From 2297 EUR to 3028 EUR
Impact on return (RIY) per year	From 7.11 % to 8.56 %	From 3.09 % to 5.21 %	From 2.55 % to 4.71 %

Composition of costs


The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

One-off costs	Entry costs	Max 5 %	The impact of the costs you pay when entering the investment. This is the most you will pay, and you could pay less. This includes the costs of distribution of your product.
	Exit costs	0 %	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Profit/lossing costs	From 0.0 % to 0.40 %	The impact of the costs of buying and selling underlying investments for the product.
	Other ongoing costs	From 1.90 % to 3.98 %	The impact of the costs of us incurring each year for managing your investments and the costs presented in Section 8

What the policyholder needs to be aware of

- 1 Purpose of the KID
- 2 Generic information on the product and the provider marketing it: contact information ...
- 3 What type of product it is : the objectives, what type of investor should invest in it, its description
- 4 What is the risk and the potential return of the product (scenario)
- 5 What should happen in case of default of the product provider?
- 6 The overall cost structure of the product
- 7 The investment horizon: how long should I keep the investment and can I withdraw prematurely
- 8 How to make a claim
- 9 Other relevant information

	<p>3 / 3 profolio_uk_010118</p>  <p>In addition, you must take into account your personal and tax situation in the event of a redemption. Fees may be applicable depending upon the underlying investment vehicles, kindly see the Specific Information Document, as this may influence the performance of the contract.</p>
8	<h4>HOW CAN I COMPLAIN?</h4> <p>For any claim concerning your contract, our Company or the insurance intermediary, you must send a letter to the head office of Baloise Vie Luxembourg SA to the attention of the General Management, 23 rue du Puits Romain, L-8070 Luxembourg or by e-mail (qualite@baloise.lu) or by using our website: www.baloise-international.lu.</p> <p>You can also send your claim to the Commissariat aux Assurances in Luxembourg or its counterpart in your country of residence, without prejudice to your right to take legal action.</p>
9	<h4>OTHER RELEVANT INFORMATION</h4> <p>This insurance contract includes various investment options "Specific Information Document". These can be requested from your intermediary, from our company, or directly accessible on our website www.baloise-international.lu/KID.</p> <p>The figures presented in this document are based upon past performance and do not represent a guarantee of future performance. The costs presented in the sections "What are the costs?" and in the "Specific Information Document" are the maximum investment costs.</p> <p>The performance scenarios presented in this Key Information Document and the related "Specific Information Document" in the "What are the risks and what could I get in return?" section are calculated according to the methodologies defined by PRIIP technical regulatory standards. You can obtain a printed or digital version of this document.</p>

Specific Information Document

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Specific Information Document

TARGETED INVESTMENT STRATEGY – BALOISE INVESTMENT PROFIL BALANCED

PURPOSE

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

PRODUCT

Name of Product : Baloise Investment Profile "Balanced"
 Manufacturer of the Product : Baloise Vie Luxembourg S.A.
 Website of Manufacturer : www.baloise-international.lu
 Telephone number : +352 250 150 1
 Regulatory Authority : Commissariat aux Assurances (Luxembourg)
 Date of production of the KID : 01/01/2018
 You are about to purchase a product that is not simple and may be difficult to understand

WHAT IS THE PRODUCT ?

Objectives :

The objective of this investment strategy is to enhance the value of capital in the medium term by favouring a balanced distribution of investments between the various asset classes.
 The portfolio will be fully invested in equity, bond, money market or diversified assets. Investments will be made on the European and international markets. The recommended investment horizon is a minimum of 4 years.

Intended retail investor :

The balanced profile for a targeted investment strategy is intended for investors who wish to employ moderate risk taking. The investment strategy of the proposed targeted investment strategy must be consistent with the risk appetite profile of the investor, the analysis of their needs and objectives as well as their experience regarding the investments described above.
 The "balanced" strategy is intended for investors who prefer medium-term investments.

WHAT ARE THE RISKS AND WHAT COULD I GET IN RETURN ?



Lower Risk 1 2 3 4 5 6 7 Higher Risk

The risk indicator assumes you keep the product for 4 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less than invested

Risk Indicator :

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class.

This rates the potential losses from future performance at a medium level, and poor market conditions could impact our capacity to pay you.

Be aware of currency risk. The portfolio may receive payments in a different currency, so the final return you will get depends upon the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

The risk and performance presented may vary and depends upon the actual asset allocations you choose.

This product does not include any protection from future market performance so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.

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PERFORMANCE SCENARIOS

Investment : 10 000 EUR				
Scenarios	1 year	2 years	(Recommended holding period)	
Stress scenario	What you might get back after costs	5 723,09 EUR	6 814,86 EUR	5 635,99 EUR
	Average return each year	-42,77 %	-17,45 %	-13,36 %
Unfavourable scenario	What you might get back after costs	9 404,89 EUR	9 482,80 EUR	9 827,87 EUR
	Average return each year	-5,95 %	-2,62 %	-0,20 %
Moderate scenario	What you might get back after costs	10 598,19 EUR	11 721,51 EUR	12 585,01 EUR
	Average return each year	5,98 %	5,63 %	5,92 %
Favourable scenario	What you might get back after costs	11 915,08 EUR	13 254,08 EUR	15 832,76 EUR
	Average return each year	19,16 %	15,13 %	12,35 %

This table shows the money you could get back over the next 4 years, under different scenarios, assuming that you invest 10 000 EUR.

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products.

The scenarios presented are an estimate of future performance based upon evidence from the past on how the value of this investment has varied; they are not an exact indicator. What you get back will vary depending upon how the market performs and how long you keep the investment product.

The stress scenario shows what you might get back in extreme market circumstances and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation which may also affect how much you get back.

WHAT ARE THE COSTS ?

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

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest 10 000 EUR. The figures are estimates and may change in the future.

Cost over time

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

Investment : 10 000 EUR	If you cash in after 1 year	If you cash in after 2 years	If you cash in after 4 years
Total costs	179,69 EUR	377,36 EUR	832,2 EUR
Impact on return (RIY) per year	1,80 %	1,77 %	1,70 %

Composition of costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

One-off costs	Entry costs	0 %	The impact of the costs you pay when entering your investment. This is the most you will pay and you could pay less. This includes the costs of distribution of your product.
	Exit costs	0 %	
	Portfolio transaction costs	0,30 %	The impact of the costs of entering your investment when it matures.
Ongoing costs	Other ongoing costs	1,40 %	The impact of the costs of us buying and selling underlying investments for the product.
	Performance fees	0 %	The impact of the costs that we take each year for managing your investments and the costs presented in Section II.
Incidental costs	Carried interests	0 %	The impact of the performance fees.
			The impact of carried interests.