



Key information document (KID)

SmartFlex income plan

Purpose

This key information document (KID) provides you with essential information about the SmartFlex income plan. This is not advertising material. The following information is prescribed by law. It is intended to help you understand the nature, risks, costs, and potential gains and losses of this product. This KID is also designed to help you compare this product with other products.

Product

Product: SmartFlex income plan

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Supervisory authority: Swiss Financial Market Supervisory Authority (FINMA), Laupenstrasse 27, 3003 Bern, + 41 31 327 91 00

Product approval or authorization

The settlement values have been approved by FINMA.

Warning

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

What type of product is this?

Type and characteristics:

Capital redemption transaction (investment with depletion of assets)

The SmartFlex income plan is a capital redemption transaction financed with a single deposit, that is, a contract from which monthly payouts are made from the invested contract balance (assets) during the agreed payout stage. The product does not cover biometric risks and is therefore not an insurance contract. The investment process is hybrid, meaning you bear the investment risk on a portion of the investment. For this reason, this product belongs to the category of so-called qualified life insurance products.

Investment process:

The investment process is carried out according to your choice, with so-called safety capital and return-oriented capital.

- The **return-oriented capital** is invested in an equity fund according to your chosen investment theme. You bear the investment risk here.
- The **safety capital** is invested and earns interest. This comprises the safety capital **fix** (fixed investment) and the safety capital **flex** (flexible investment).

Insured benefits:

None, since no biometric risks (death, disability) are insured.

Payouts:

- During the contracting partner's **lifetime**, AXA makes monthly payouts from the contract capital (safety capital and return-oriented capital) during the agreed payout stage, at least the guaranteed amount as stated in the policy. These payouts consist of a repayment portion and a return portion.
- In the event of the contracting partner's **death** during the contractual term, the contract terminates prematurely, and AXA pays out a lump sum equal to the current contract capital.

Term:

You can choose a contract term of 10 – 30 years. You can also choose whether the payout stage should begin immediately or at a later date.

What are the risks and what do I stand to gain?

Risk profile:

For the risk profile, information on the maximum loss, and the performance scenarios of the equity fund of the chosen investment theme, we refer to the corresponding **key information document of the respective equity fund**. You can find further information at any time at www.axa.ch or www.fundinfo.com.

Investment risks and opportunities:

The performance of the **return-oriented capital** depends on the performance of the selected equity fund. You can benefit from rising share prices, but you also bear the risk of losses. Selectable product options are available to help you manage this risk.

The interest earned on **safety capital** also depends on the performance of the underlying investments. AXA assumes the investment risk here by paying variable interest on the safety capital **fix** at a minimum rate of 0%. Safety capital **flex** earns interest at a variable rate (without a minimum interest rate guarantee).

Therefore, the actual amount you receive depends primarily on market performance and the holding period of the product. The risk of losses is greater with a short contractual term or early termination of the contract. The **maximum loss** you can incur when investing in this product is the **total loss of the return-oriented capital, assuming a theoretical return of – 100%**. A performance simulation can be found in the individual offer and application documents.

What happens to your contract capital if AXA becomes insolvent?

AXA is legally obligated to safeguard the claims of its customers under life insurance contracts within its so-called tied assets (separate assets). The contract capital of your SmartFlex income plan is secured within this framework up to the current value of the safety and return-oriented capital. In the event of AXA's insolvency, your contractual claims are fully protected.

What are the costs?

The **costs** are illustrated below **using a sample investment** with a 20-year term, once with an immediate payout stage and once with a five-year deferral. The calculation is based on a single deposit of CHF 60,000, a 30 % allocation to the «Global» investment theme, and no product options. **The figures are estimates and may change in the future.**

The **reduction in yield (RIY)** shows how the costs affect the return during the investment process.

Table 1 for the sample investment: Composition of total costs

Term (until the agreed contract expiration date) 20 years		With immediate payout stage	With a payout stage deferred by five years
One-off costs	Entry costs (acquisition costs) ¹⁾	0.42 %	0.33 %
	Redemption costs for the equity fund	None	None
Ongoing costs	Portfolio transaction costs	None	None
	Other ongoing costs (e.g. fund costs and administration fees)	1.12 %	0.87 %
This results in the following reduction in yield ^{2) 3)} per year.		1.54 %	1.20 %

¹⁾ Distributed over the first three contract years

²⁾ Different for each investment theme with an immediate payout stage (or with a five-year deferral), showing the reduction in yield for the «Global» investment theme. Reduction in yield for other investment themes: «Sustainability»: 1.55 % (1.21 %), «Switzerland»: 1.62 % (1.27 %), «Future Trends»: 1.60 % (1.26 %), «Dividends»: 1.58 % (1.23 %).

³⁾ The reduction in yield shown here and in the individual offer and application documents is based on current values. An increase in annual fund costs of 0.10 % would result in an additional reduction in yield of 0.03 % per year.

Table 2 for the sample investment: Total costs (reduction in yield) for different holding periods

Scenarios	if the contract is terminated prematurely after one year		if the contract is terminated after half of its term		if the contract runs until the end of the agreed contract term	
20-year contract term	With immedi- ate payout stage	With a payout stage deferred by five years	With immedi- ate payout stage	With a payout stage deferred by five years	With immedi- ate payout stage	With a payout stage deferred by five years
Reduction in yield per year	2.01 %	1.86 %	1.40 %	1.10 %	1.54 %	1.20 %

Can I terminate the contract early and withdraw money early?

Right of withdrawal:

You can rescind the concluded contract within 14 days of the date on which it was signed.

Early contract termination:

You can generally terminate the contract early, either in whole or in part (partial withdrawal), at any time and receive the corresponding termination value as a lump sum. Partial withdrawal is possible to the extent that sufficient contract capital remains in the contract.

Early termination and partial withdrawals may incur costs (see also Table 2). The earlier you terminate the contract in whole or in part, the higher these costs may be.

In the case of a partial withdrawal, the contract capital is reduced by a proportional withdrawal from the safety and return-oriented capital. The monthly payouts are reduced accordingly. Termination of the contract ends the contract and the monthly payouts arising from it.

How can I complain?

Complaints to AXA can be sent either by post to the address AXA Life Ltd, P.O. Box 300, 8401 Winterthur, or online via [AXA.ch/feedback](https://www.axa.ch/feedback).

Other useful information

Further information on the individual themes and the product, as well as information on taxation, can be found in the product documentation.

The KID is for informational purposes only. In all cases, the applicable insurance conditions, as well as the application and the policy for the individual insurance contract, are authoritative.

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