

# Key Information Document

## 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

### Mediolanum Index Life 2021

PRIIP Manufacturer: Mediolanum International Life dac (MIL, the Company). Website: <http://www.mildac.ie>. Call +34 932 535 542 for more information. Barcelona Branch Address: Agustina Saragossa No. 3-5, 08017, Barcelona.

Competent Authority of the Manufacturer: Central Bank of Ireland. KID production date: 07/09/2021

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

## What is this product?

**Type:** This is a single-premium, fixed term, Index Linked life insurance product

**Objectives:** the primary objective of the Mediolanum Index Life 2021 product (the “Product”) is to deliver capital growth whilst also providing specific insurance benefits at individual policy level over the term as indicated in the recommended holding period. There are no guarantees for the return of the premium paid or that the income or capital growth objectives will be met.

The Premium Paid once deducted the Internal Loadings (Invested Capital) will be invested in units of a MIL internal fund whose performance is linked to the performance of a structured note. This structured note is issued by a single counterparty, Mediobanca – Banca di Credito Finanziario. Therefore, the investor is fully exposed to the risk that the issuer of the note breaches its payment obligations in case of default or restructuring.

The structured note is linked to the performance of the EURO STOXX Select Dividend 30 Price EUR (Bloomberg: SD3E Index) and EUROSTOXX Banks (Bloomberg: SX7E Index) and it is designed to have a final value at maturity of:

- If the closing price of the worst performer Index at the Final Observation Date is above or equal to the closing price of that Index at the Strike Date: the Company will pay the Beneficiary an amount equal to the Premium Paid, plus a coupon of 6% of the Premium Paid multiplied by six (i.e. the number of years that the Structured Note has been in force).
- If the closing price of the worst performer Index at the Final Observation Date is below to the closing price but equal or above to the 50% of the closing price of that Index at the Strike Date: the Company will pay the Beneficiary an amount equal to the Premium Paid.
- If the closing price of the worst performer Index at the Final Observation Date is below to the 50% of the closing price of that Index at the Strike Date: the Company will pay the Beneficiary an amount equal to the Invested Capital reduced by the same percentage in which the worst performer Index has been reduced at the Final Observation Date. In this case, the Policyholder will receive less than the sum of the Premium Paid.

To be noted that there is a possibility of a substantial loss on your investment. The maximum loss is the full amount invested and the maximum gain is a coupon of six times 6%. This means that the maximum loss is significantly more than the maximum gain. In addition, the payoff of the Product depends on two indices from different markets which may perform differently, and which may not be aligned with your other investments. This may increase the possibility of a negative outcome for you.

The structured note is not guaranteed by Mediolanum International Life and in case of default of the issuing counterparty, Mediobanca – Banca di Credito Finanziario, you may lose part or all of your investment.

**Intended retail investor:** this investment option has been developed for distribution in Spain through Banco Mediolanum, S.A. family banker advisory network and intended for retail investors with informed and advanced knowledge of financial instruments who can accept the risk noted in the Risk Indicator section, who understand this product contains complex securities and that there is no guarantee for the return of the premium paid or that the income or capital growth objectives will be met. The product is also compatible to be offered to professional investors and eligible counterparties.

**Insurance benefits and costs:** the benefit amount at the death of the Insured Person will be the greater of either: a) 101% of the Single Premium contributed or b) 101% of the Value of the Units.

The product manufacturer does not charge any premium for the biometric risk coverage. Therefore, there are no insurance costs charged to the client that impact investment returns.

The maturity date of the product is 27/10/2027. Mediolanum International Life Dac. cannot unilaterally decide to terminate the product early. However, the product will be automatically terminated if the closing price of both Indexes at the Annual Observation Date is equal or greater than the prices of the Indexed at the Strike Date. The Policy will be immediately cancelled and the Invested Capital will be paid back plus a coupon of 6% multiplied by the number of years the Structured Note was in force.

## What are the risks and what could I get in return?

### Risk Indicator



The risk indicator assumes you keep the product for 6 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less.

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 6 out of 7, which is the second-highest risk class.

This rates the potential losses from future performance at a high level, and poor market conditions are very unlikely to impact the capacity of MIL, as issuer of the product to pay you the proceeds of the securities from the Internal Fund.

Historical data, such as those used in the calculations, may not be a good guide to the future and the risk indicator may change over time, as a result.

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.

### Performance Scenarios

**Market developments in the future cannot be accurately predicted. The scenarios shown are only an indication of some of the possible outcomes based on recent returns. Actual returns could be lower.**

This table shows the money you could get back over the next 6 years, under different scenarios, assuming that you invest Euro 10,000.

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 on evidence from the past, and are not an exact indicator. What you get will vary depending on 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.

Investment [€ 10,000]		1 year	3 years	6 years
Insurance Premium [€ 0]				
<b>Survival Scenarios</b>				
Stress scenario	What you might get back after costs	€ 521.10	€ 1,322.12	€ 597.10
	Average return each year	-94.79 %	-49.06 %	-37.48 %
Unfavourable scenario	What you might get back after costs	€ 6,464.07	€ 4,285.95	€ 3,180.36
	Average return each year	-35.36 %	-24.60 %	-17.38 %
Moderate scenario	What you might get back after costs	€ 8,794.68	€ 9,406.00	€ 10,568.20
	Average return each year	-12.05 %	-2.02 %	0.93%
Favourable scenario	What you might get back after costs	€ 10,568.20	€ 11,166.40	€ 11,764.60
	Average return each year	5.68%	3.75%	2.75%
<b>Death scenarios</b>				
Insured event	What your beneficiaries might get back after costs	€ 10,100.00	€ 10,100.00	€ 10,673.88

### What happens if the issuer is unable to pay out?

In case of insolvency of Mediolanum International Life dac., the assets held to cover the obligations arising out of insurance contracts will be used to satisfy the claims arising from these contracts, with priority over all other creditors of the Company, net of the expenses necessary for the liquidation procedure. It is however possible that as a result of the insolvency of Mediolanum International Life dac., the investor / beneficiary may lose part or all of the value of their investment. There is no public or private guarantee scheme that can compensate for all or part of any losses.

### What are the costs?

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. 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 3 different holding periods. They include potential early exit penalties. The figures assume you invest Euro 10,000. 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 other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment [€ 10,000]			
Scenarios	If you cash in after 1 year	If you cash in after 3 years	If you cash in after 6 years
Total costs	€ 780.00	€ 780.00	€ 780.00
Impact on return (RIY) per year	7.44%	2.69%	1.38%

### 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.
- What the different cost categories mean.

This table shows the impact on return per year			
One-off costs	Entry costs	1.38%	The impact of the costs you pay when entering your investment. This includes the costs of distribution of your product.
	Exit costs	0.00%	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.00%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	0.00%	The impact of the costs that we take each year for managing your investments.

### How long should I hold it and can I take money out early?

#### Recommended holding period: 6 years

After an initial holding period ending at the 19/10/2022 (excluded), this product may be totally surrendered by the client (no partial surrenders allowed). The product is a buy-and-hold investment and you may get back significantly less than the original invested amount if you redeem early. To achieve the goals of this product, we recommend that you keep your investment up to the end of the recommended holding period. This product may not be suitable for investors who plan to redeem their contract before the end of the recommended holding period. The product does not provide any guarantee of return on the expiration of the recommended time horizon; and, any redemption prior to this term may compromise the investment performance.

#### How can I complain?

If you are not satisfied with an aspect of our service and wish to raise a complaint, you can write to the Customer Service Department of our Spanish branch, Mediolanum International Life dac, Barcelona Branch, Agustina Saragossa, No. 3-5, 08017, Barcelona, submit a fax to 93 280 63 75 or submit your complaint to the email address [millse@millse.info](mailto:millse@millse.info). Alternatively a complaint can be submitted to the Customer Service Department of the Bancassurance tied operator, with address in Avenida Diagonal No. 668-670, 08034, Barcelona or at the email address [servicio.atencion.cliente@mediolanum.es](mailto:servicio.atencion.cliente@mediolanum.es). Further information is available on the following website <https://www.bancomediolanum.es/es-ES/informacion-legal/reclamaciones.html>.

#### Other relevant information

The Life Assured cannot be older than 75 years old (next birthday) at the moment of the subscription of the contract and the Policy Holder cannot be older than 80 years old (next birthday). The product has a minimum premium payment of €2,500 (additional payments are not allowed). For further information, including more detailed risk and surrender costs disclosures, please refer to the 'General Terms and Conditions' and 'Special Conditions', which are mandatory documents and must be provided to the Policyholder, as well as this Document. The updated version of the documents are available on the Mediolanum International Life Ltd website, [www.mildac.ie](http://www.mildac.ie) and on the Distributor's website.