

Zurich PPR Futuro

Pre-contractual Conditions
January 2024



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Pre-contractual Conditions

Preliminary Clause

Zurich - Companhia de Seguros Vida, SA, an entity legally authorised to practice insurance activity in the Life Business, registered with the Insurance and Autoridade de Supervisão de Seguros e Fundos de Pensões, under number 1132, with its home office in Portugal, at Rua Barata Salgueiro, 41 - 1269-058 Lisbon, markets **Zurich PPR Futuro**, an individual life insurance solution, the features of which are set out in the following Pre-contractual Conditions:

Clause 1 Guarantees

Zurich PPR Futuro guarantees payment to the Beneficiary:

- a) In the event of Survival of the Insured Person at the end of the contract, of a sum equal to the amount accumulated in the Savings Account which shall never be less than the amount of the premiums paid during the contract term, net of charges applied thereupon and any partially refunds /surrenders.
- b) In the event of Death of the Insured Person before the end of the contract, a sum equal to the amount accumulated in the Savings Account at the date of death.

Clause 2 Duty to inform of Policyholder and/or Insured Person

The Policyholder and/or the insured Person are obliged, on request, prior to signing the contract or any change, to fulfil the duty to identify the parties to the contract and provide all necessary information for the full assessment of the transaction in question.

Clause 3 Premiums and Payment Form

- 1. The premium is defined by the Policyholder and payable in advance, on one occasion, at a minimum amount of EUR 1,000.00.
- 2. This product does not provide for supplementary premiums.
- 3. Acceptance of the single premium is subject to analysis and decision by Zurich, who reserves the right not to accept the proposed premium, and the Policyholder will be informed accordingly.
- 4. Payment of the single premium shall be made by the Policyholder, by the Receipt Due Date, by bank account direct debit, under the SEPA scheme in force at the time of subscription. For this purpose, it is necessary to fill out a Direct Debit Authorisation.

Clause 4 Composition of the Savings Account

1. The Savings Account consists of:
 - a) Credit for premiums net of charges on the date of collection;
 - b) Annual technical interest credit calculated at the guaranteed rate on the total Savings Account in accordance with Clause 6;
 - c) Annual Credit for Profit Sharing, calculated in accordance with Clause 7;
 - d) Annual debit of charges for management expenses, calculated at the annual rate for management expenses indicated in the Special Conditions and applied to the entire Savings Account;
 - e) Debit of any partial refunds /surrenders.
2. Zurich will annually inform the Policyholder, based on the amounts as of December 31, or whenever the latter so requests, of the value of their Savings Account.

Clause 5 Charges

1. All tax charges inherent to this contract shall be borne by the Policyholder.
2. Charges:
 - Purchase Charge: 0%;
 - Annual Management Fee: 1% and is levied on the Savings Account balance;
 - Surrender Penalty: 1% of the surrender value, if it occurs during the first annuity of the contract and 0.5% if this occurs during the second annuity of the contract. There will be no penalty after this period;
 - Transfer Charge: 0.5% of the Savings Account amount to be transfer;

Clause 6 Minimum Guaranteed Interest Rate

This solution guarantees a minimum interest rate in each calendar year, the value of which is equal to 80% of the Euribor 12-month average rate during the month of December of the previous calendar year at maximum of 1%. However, according to the results of the portfolio of assets allocated to this product, at the beginning of each calendar year Zurich may define a minimum guaranteed interest rate higher than the maximum value indicated above, to be applied during the year in question.

Clause 7 Profit Sharing

1. This solution grants the right to Profit Sharing after the first year has elapsed.
2. Annually, Zurich will calculate the overall results arising from the management of the **Zurich PPR Futuro** contracts in accordance with the Profit and Loss Account of the Accounts Plan for Insurance Companies net of taxes.

From the aggregate earnings obtained, a minimum of 75% will be credited to the Provision for Profit Sharing account pertaining to the contract.

3. Any Profit Sharing will be distributed individually among all contracts in force on the last day of the previous year, by calculating a rate of return to be applied to the Savings Account.
4. Assets representing mathematical provisions are subject to independent investment along with Zurich's other existing PPR categories.

Clause 8 Consequences of Failure to Pay Premiums

If the premium contracted is not paid on the respective Receipt Due Date, Zurich, after notifying the Policyholder, shall proceed with terminating the contract, which shall be null or void and ineffective from the start.

Clause 9 Rules and Nature of Formation of the Investment Portfolio of Assets Representing Mathematical Provisions

1. With regard to composition of the fund's assets, Zurich shall always take into account the fund's objectives and purposes, ensuring compliance with the risk-spreading principle, as well as the security, income and liquidity of the investments made.
The fund's assets may consist of securities, holdings in collective investment institutions, short-term debt instruments, bank deposits or other assets of a monetary nature, land and buildings and credits arising from mortgage loans subject to the limits set forth in the following sub-paragraphs:
 - a) A maximum of 40% may be composed of shares, convertible bonds or bonds that grant the right to subscribe shares, or any other instruments that grant the right to such subscription, or that allow exposure to the stock markets, namely warrants and holdings in collective investment institutions with an investment policy consisting predominantly of shares;
 - b) Without prejudice to the limit established in the previous sub-paragraph, investment in the securities set forth therein and in bond-type instruments, except for holdings in collective investment institutions, which are not permitted to trade on a stock exchange or on regulated markets of European Union Member States, or other OECD member states' markets which operate properly, and are recognised and open to the public, may not compose more than 10%;
 - c) A maximum of 20% may be composed of short-term debt instruments, bank deposits and/or other monetary instruments;

- d) Without prejudice to the provisions of sub-paragraph a), a maximum of 5% may be composed of holdings in collective investment institutions, in transferable securities which do not comply with the requirements of legislation adopted pursuant to Council Directive 85/611/EEC, of 20 December;
- e) A maximum of 20% may be composed of investments in land and buildings and shares in real estate investment funds;
- f) A maximum of 20% may consist of mortgage loans.

2. The fund's assets must also comply with the following dispersion limits:

- a) Taken as a whole, securities and commercial paper issued by the same company and the loans granted to that same company may not compose more than 10%;
- b) The limit in the previous sub-paragraph shall be 15% in relation to all companies that are in a controlled or group relationship with each other or with the managing entity; deposits with credit institutions in an identical relationship are included within this limit.

3. Appropriate techniques and instruments for the management of savings funds may be used, through the use of derivative financial instruments, repo transactions and securities lending, under the conditions and limits defined by Law for life insurance.

4. Zurich shall exercise its right to vote at the General Meetings of companies in which the Fund holds shares, when it considers that the exercise of this right is advantageous. At all times, Zurich will ascertain the voting direction that best defends Policyholders' interests, with the objective of creating value and financial robustness for the companies in which the Fund holds shares.

5. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities. In addition to the above, this product is not intended to invest a minimum percentage in sustainable investments, nor does it consider the main negative impacts on sustainability factors.

Clause 10 **Beneficiaries**

1. The Beneficiaries of the insurance contract are named by the Policyholder, and in the contracts for this product the Beneficiaries will be:

- i) The Insured Person, if they are alive at the end of the contract;
- ii) In the event of Death during the term of the contract, the Legal Heirs, unless specifically stated.

2. The Policyholder may change the Beneficiary in the event of death at any time, provided that they have the express agreement of the Insured Person. If the Beneficiaries are not the legal heirs, information that identifies them must be supplied, namely their full name or designation, address and civil and tax identification numbers.

3. Any change of contract beneficiaries shall necessarily be included in the Special Conditions. These changes are only valid provided that they are communicated to Zurich through the platform and the means made available for such communication.

4. This solution does not include the Beneficiary being irrevocable.

Clause 11 Surrender

1. The Surrender Value is equal to the Savings Account Value on the date of request and made available within a period of no more than thirty days after receipt of the documents necessary for its payment, after which, if the delay is attributable to Zurich, the sum shall be increased in proportion to the default period in question, on the basis of the current legal rate.
2. The date of the Surrender request shall be deemed to be the date of receipt of the request in writing at Zurich's offices, through the means made available for this, without prejudice to any later date that may be requested by the Policyholder.
3. Making partial Surrenders will automatically lead to a readjustment in the Savings Account Value; it is reduced by the value of the Partial Surrender.
4. Full Surrender results in cancellation of the contract as of the date it was requested.

Clause 12 Surrender Conditions

1. Without prejudice to the provisions of the following paragraphs, the Policyholder may, prior to expiration of the period stipulated in the Contract, request the Surrender of the Savings Account Value in writing, in the following cases:

- a) Old-Age Retirement of the Insured Person;
- b) Long-Term Unemployment of the Insured Person or any member of their Household;
- c) Permanent Incapacity for Work of the Insured Person or any member of their Household, whatever the cause;
- d) Critical Illness of the Insured Person or any member of their Household;
- e) After the Insured Person reaches 60 years of age;
- f) In the event of death of the Insured Person;
- g) In the event of death of the Insured Person's spouse;
- h) Use for payment of loan instalments related to the acquisition of property for their own permanent residence, in accordance with the legally-established requirements in force;
- i) Or in another situation established by law that regulates the situations of surrendering PPR products, which is in force on the date of the Surrender request.

2. Surrenders paid pursuant to sub-paragraphs a), e) and h) of the preceding paragraph may only take place for commitments relative to which at least five years have elapsed after the respective dates of application by the Policyholder.

3. However, after a period of five years has elapsed after the date of the first commitment, the Insured Person may request Surrender of the full amount in the Savings Account, pursuant to sub-paragraphs a), e) and h) of paragraph 1, if the amount of commitments paid in the first half of the contract term represent at least 35% of total commitments.

4. The provisions of paragraphs 2 and 3 shall also apply to the Surrender situations set forth in sub-paragraphs b) to d), in cases where the person on whose personal conditions the Surrender request is based was, at the date of each commitment, in one of those situations.
5. For the purposes of sub-paragraphs a) and e) of paragraph 1, and without prejudice to the provisions of paragraphs 2 and 3, in cases where the PPR contract is common property under the marital property regime, it shall cover the personal situation of either spouse, irrespective of the Insured Person, with Surrender permitted when old-age retirement takes place or when the Insured Person's spouse reaches 60 years of age.
6. For the purposes of sub-paragraph g) of paragraph 1, when the PPR contract is common property under the marital property regime, the surviving spouse or other heirs may demand Surrender of the deceased person's share.
7. Apart from the situations set forth in the previous paragraphs, Surrender/Redemption may be demanded at any time, under the contractually-established terms and with the consequences set forth in paragraphs 4 and 5 of Article 21 of the Statute of Tax Benefits.

Clause 13 **Transfer**

1. The Policyholder may at any time request partial or total transfer of the contract to another Insurer or to a Pension Fund Management Company, and must accompany the request for assignment with designation of the assignee and a statement of acceptance from the assignee.
2. Without prejudice to the provisions of the preceding paragraph, if the Policyholder is a legal person, the assignment request may only be submitted by the Insured Person.
3. The amount to be transfer shall correspond to the value of the savings account balance less an assignment fee of 0.5%.
4. Zurich shall execute the transfer request within a maximum period of 10 working days and shall inform the policyholder, within 5 business days of the execution, of the Savings Account value, less any transfer fee, as well as the date that this value was reported and on which the transfer was made.
5. In the event of transfer, Zurich shall transfer directly to the accepting organisation the amount referred to in the previous paragraph, with detailed specification of the value of the commitments made, respective dates and accumulated income.

Clause 14

Total Surrender of Contract

- 1.** Outside the conditions set out in Clause 12, this agreement acquires Surrender Value after the effective payment of the single premium contracted.
- 2.** The date of request for the surrender shall be considered the date of receipt of the respective request by Zurich, without prejudice to any later date requested by the Policyholder, and shall be made available within a period of no more than eight business days after receipt of the documents necessary for its payment, after which, if the delay is attributable to Zurich, the sum shall be increased in proportion to the default period in question, on the basis of the current legal rate.
- 3.** The Total Surrender Value will be equal to the amount reached by the Savings Account on the request date defined in point 2, minus a surrender penalty of 1%, if this is done during the first year of the contract and a surrender penalty of 0.5% if this is done during the second year of the contract. There will be no penalty after this period.
- 4.** The surrender amount is made available within a period of no more than eight business days after receipt of the documents necessary for its payment, after which, if the delay is attributable to Zurich, the sum shall be increased in proportion to the default period in question, on the basis of the current legal rate.
- 5.** Total Surrender leads to cancellation of the insurance contract, which then has no effect from the date on which it was requested.

Clause 15

Partial Surrender of Contract

- 1.** Provided that the contract has acquired Surrender Value, and outside the conditions set out in Clause 11, Zurich shall, at the Policyholder's request, make Partial Surrender, up to 90% of the amount reached by the Savings Account.
- 2.** A surrender penalty of 1% shall be deducted from the Partial Surrender Value if it is done during the first year of the contract and a surrender penalty of 0.5% if this is done during the second year of the contract. There will be no penalty after this period.
- 3.** The surrender amount is made available within a period of no more than eight business days after receipt of the documents necessary for its payment, after which, if the delay is attributable to Zurich, the sum shall be increased in proportion to the default period in question, on the basis of the current legal rate.
- 4.** The Savings Account will be reduced by the redeemed amount plus any penalty payable.

Clause 16

Start and Duration of Contract and Unrestricted Termination

1. The contract begins at zero hours on the day stipulated for this purpose.

The duration of the contract is at least up to the age of 60 of the Insured Person, and may not be less than 5 years nor more than 20 years.

2. The Policyholder, provided that they are not a legal person, has a period of thirty days following receipt of the Policy to terminate the contract by written document without invoking just cause, leaving the contract without effect as of its inception and Zurich with the right to be reimbursed for any disinvestment costs proven to have been incurred.

3. If the contract has acquired the right of surrender, the effects of the same shall be extinguished upon payment of the total balance of the savings account.

Clause 17

Regime for contract assignment

The Policyholder who is not the Insured Person and complies with the formalities defined in the contract may assign his/her contractual position to a third party, who shall consequently be in possession of all corresponding rights and duties in relation to the Insurer.

Clause 18

Options for Payment of the Insured Sums

1. Depending on the selection of this contract's Beneficiary, Zurich may make the payment of insured sums in the following ways:

a) One-time payment;

b) Investment of sums in any product marketed by Zurich on the date of settlement;

c) Any combination of the above methods.

Either of options b) and c) entails entering into a new insurance contract for one of the products being traded on that date, and for that purpose the Policyholder must complete the respective proposal, which must be assessed and approved by Zurich.

2. The payment of the insured sums in favour of the Policy Beneficiaries shall always be made in the form of a bank transfer to an account held by the Beneficiary in a financial institution present in the country or jurisdiction of their tax residence or in the Policyholder's country or jurisdiction, or in the form of a crossed and non-endorsable cheque.

Clause 19

Tax Regime

The insurance contract shall be subject to the tax regime established by Law, and no encumbrance, responsibility or liability as a result of a legislative change shall be borne by Zurich.

Clause 20

Change of Residence

If the Policyholder and/or the Insured Person change their residence to another country, or change the information provided previously on the countries where they pay tax, during the policy term, they must notify Zurich of such change at least 60 days in advance of its occurrence. If Zurich considers that the change of residence may affect its ability to maintain the conditions of the insurance contract in force, Zurich reserves the right to make changes that it deems necessary or to terminate the insurance contract by giving 30 days' prior notice.

Clause 21

Integration of Sustainability Risks

According to Article 2(22) of Regulation (EU) 2019/2088, sustainability risk is defined as any environmental, social or governance (“ESG”) event or condition which, if it occurs, could have a material negative impact on the investment value of a financial product. In order to mitigate any possible reduction in the return on investments that may occur as a result of any sustainability risk, Zurich has a policy of integrating sustainability risks (available on Zurich Portugal's website at www.zurichportugal.com.pt), a governance system and procedures to detect, analyse and monitor such risks in the investment decision-making process. The assessment of these risks consists, on the one hand, of quantitative analysis based mainly on the ESG rating and reputational warnings, and, on the other hand, of qualitative analysis of the actions necessary to mitigate them.

As a result of this assessment, sustainability risks are considered to have no material effect on the return on investments. Finally, in view of its size, and the nature and scale of the activities that Zurich carries out, Zurich reports that it does not take into account the principal adverse impacts (PAI) of investment decisions on sustainability factors.

Clause 22

Legal Regimes for Communication and Compulsory and Automatic Exchange of Financial Information

1. This contract is subject to the legal regimes for communication and compulsory and automatic exchange of financial information within the scope of various mechanisms for international cooperation and combating tax evasion. Within this framework, Zurich is obliged to take measures to identify the tax residence(s) of designated parties to the contract.

2. For the purposes of the previous paragraph, subject to the above-mentioned measures shall be any natural or legal person with:

- a) right to access the amount derived from the contract balance;
- b) powers to change the contract beneficiaries;
- c) right to receive any other payment under the contract.

3. Identification of the parties to the contract shall be made by means of full completion of the insurance proposal at the time of entering into the contract, and throughout the contract term. Whenever requested by Zurich, the parties to the contract must undertake accurate self-certification. Such details are meant to be communicated to the competent tax authority/authorities of the country/countries where the data subject(s) is/are resident for tax purposes.

4. As appropriate, Zurich is obliged to report details identifying the parties to the contract, as well as contract details, to the Tax and Customs Authority.

5. The Policyholder is obliged to inform Zurich of any changes concerning identification of the parties to the contract, in particular the acquisition of taxpayer status abroad. In this case, the Policyholder must provide Zurich with all requested information.

6. Zurich may, at any time, request that the details of the parties to the contract be updated if it observes the existence of information that connects them to a foreign country, namely evidence of foreign nationality, country of birth, address, postal address, email address or telephone number. If the requested information is not provided within 90 days from the date of Zurich's request, the contract shall be treated as being subject to reporting.

7. Considering that this legal regime and its interpretation are not static and may be changed at any time, Zurich reserves the right to request additional documentation from the Policyholder and/or to propose modification of the contract with a view to compliance with legal or regulatory changes, new laws or regulations or the new interpretation given thereto.

Clause 23 **Economic and Trade Sanctions**

1. All financial transactions are subject to compliance with the laws and regulations governing the economic and trade sanctions in force under Portuguese legislation.

2. Zurich does not provide any service including, but not limited to, acceptance of premium payments, claims payments and other reimbursements if in doing so we are violating any law or regulation applicable to economic and trade sanctions in force under Portuguese law.

3. Zurich reserves the right to terminate this contract if it deems that the Policyholder and/or the Insured Person are considered sanctioned individuals, or if the contract purpose becomes unachievable in accordance with the laws and regulations applied to economic and trade sanctions in force under Portuguese law.

Clause 24 Complaints and arbitration

1. Complaints within the scope of this contract may be submitted to the offices of Zurich - Companhia de Seguros Vida, S.A., as well as to the ASF - Autoridade de Supervisão de Seguros e Fundos de Pensões (www.asf.com.pt).
2. In any litigation arising under this contract, there may be recourse to arbitration, to be carried out under the terms of the Law.
3. The Alternative Dispute Resolution (RAL) Centre specialising in the insurance sector is CIMPAS - Insurance Information, Mediation and Regulation Centre (available at www.cimpas.pt).
4. Except in cases where it is legally mandatory, Zurich - Companhia de Seguros Vida S.A. shall resort to arbitration or any other alternative consumer dispute mechanism on a case-by-case basis and in accordance with the matters involved in each specific dispute.

Clause 25 Regime and Applicable Law

1. The law applicable to **Zurich PPR Futuro** is Portuguese.
2. In the event of legislative and regulatory changes that are applicable to this contract, should Zurich deem that it is not possible to execute the latter without such changes causing material adverse effects, even if potential, Zurich reserves the right to modify the conditions of the contract which it deems necessary or to proceed to its termination by giving notice.

Clause 26 Solvency and Financial Condition Report

The report concerning Zurich's solvency and financial position will be published annually on the Zurich Portugal website.