

Before you buy the insurance, we have to make sure that you have knowledge and experience to understand the characteristics and risks of the insurance. Below you will find information regarding the most important characteristics and risks of the type of insurance in which you have expressed an interest. If you do not have knowledge and experience, we recommend that you do not purchase the insurance.

How unit-linked insurance works

Premiums which are paid into a unit-linked insurance are invested in funds. You personally select the funds in which the premiums are to be invested. If you do not make your own choice of funds, your premiums are placed in SEB Pension Fund SEK – Lux. The selection of funds determines the risk level for the insurance and no guarantees are provided, which means that you can lose all or some of your invested capital. The value of the savings depends on the amount of the premiums paid in, the returns on the funds, and the amount of the fees. The characteristics of a unit-linked insurance means that it is intended for long-term savings.

Repayment cover

The insurance may include repayment cover, which means that the fund value is paid to beneficiaries at the death of the insured.

For life insurance without repayment cover there are no beneficiaries. In case of death of the insured, the insurance contract will cease to exist.

Beneficiary

A beneficiary of the contract is the person or persons who will receive benefits under the insurance. The beneficiaries can be more or less restricted depending on the tax classification of the insurance.

Other insurance protection

In addition to the repayment cover, it is possible to select additional insurance protection. For example, waiver of premium insurance is available. In that case SEB Pension & Försäkring AB will pay part of the agreed premiums if your ability to work is reduced by at least 50 per cent due to illness or accident. It is also possible to buy extended death cover. However, this requires that you pass a health declaration.

Pay-outs

A unit-linked insurance can be paid out monthly or as a lump sum to you or selected beneficiaries, depending on the chosen insurance and the goal of the saving. It is not possible to repurchase or transfer the insurance to another insurance company during the first year. After a year there are rules for repurchasement and transfer which depend on the type of insurance.

Fees and taxes

A unit-linked insurance has a fixed annual fee, variable fees and fees for the funds in which you invest. The fees for the insurance are calculated from the date when the insurance starts. To pay insurance fees and taxes, fund units are sold quarterly in arrears. Fund fees vary depending on the choice of funds.

In addition to these fees, a fee is also charged for yield tax.

Risk

An investment in funds always involves a risk, which means that the investment can both increase and decrease in value over time. Funds are generally regarded as a lower risk investment than, for example, individual stocks, since a fund spreads the risk over many different holdings. The risk in funds is described on a scale of 1 to 7, where 1 represents the lowest risk and 7 the highest risk. However, category 1 does not mean that the fund is free of risk.

Savings in funds

Before you invest in a fund, you should decide the risk level you want for your savings and how long you want to save. A fund is a portfolio which invests in different types of securities, for example shares, interest-bearing instruments, or other funds. Each fund has its own rules for how the fund may invest. Funds can be divided into securities funds (UCITs) and alternative investment funds (AIFs). Securities funds have stricter investment rules and higher requirements for risk diversification than alternate investment funds. The investment focus of the fund is shown in the factsheet and fund rules for the fund. The fund is managed by a professional trustee and it is their task to determine which specific securities the fund will invest in line with the fund rules. The insurance company is the owner of the fund units linked to each individual insurance but is not responsible for the value development.

Help with your investment or handle it yourself?

If you would like us to handle the investment for you, you can choose one of our solution funds. You select the suitable risk level, but you don't need to be active personally or make any changes in the funds.

You can also obtain help with the investment through our Fund Investment Service. It is an additional service that can be linked to some unit-linked insurance subscribed to SEB Pension & Försäkring AB and can not be bought separately. The service means that SEB's fund trustee handle the saving in funds under your insurance, based on the portfolio and risk level which you have selected. The entire holding under the insurance is connected to a single portfolio, and you can change portfolio or end the service at any time, at no charge. You pay a fee for the service.

If you would like to put together your own fund portfolio, you can select funds from our broad range of funds, including funds with various risk levels and investment focuses.

If you do not make your own choice of funds, your premiums/transfer capital are placed in SEB Pension Fund SEK – Lux.

You are responsible for the investment in your unit-linked insurance and should occasionally review that the risk level still fits your need.

Things to remember:

- Historic returns are no guarantee for future returns. The value of capital that you invest in funds in a unit-linked insurance can both increase and decrease, and it is not certain that you will get back the entire invested amount.
- You are personally responsible for taking the measures necessary to reduce the risk of losses.