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## FLASHNEWS

### MY PROLIFE, PENSION INSURANCE FOR THE SELF-EMPLOYED

Dear Partner,

We are pleased to inform you that, with effect since 1 January 2019, the provisions of the new Law of 1 August 2018 allow supplementary pension schemes for anyone in the liberal professions or self-employed. These persons will thus be able to improve their earnings upon retirement whilst taking advantage of attractive tax benefits.

Cardif Lux Vie is fully and responsibly committed to this reform and is contributing to the development of the 2<sup>nd</sup> pillar in Luxembourg with the **My Prolife** solution, which combines retirement savings and protection against life's eventualities.

#### WHO IS ELIGIBLE?

- Anyone in the liberal professions or self-employed (in a sector dependent on the Chamber of Commerce, the Chamber of Agriculture or the Chamber of Trade);
- Luxembourg residents affiliated to the Luxembourg Social Security System.

#### HOW TO TAKE ADVANTAGE OF THIS?

With a My Prolife subscription, anyone in the liberal professions or self-employed can benefit from a flexible retirement savings solution:

- They are free to set the annual amount they wish to allocate to this and fix the frequency of their payments;
- They can define the risks to be covered on the basis of their requirements (death, disability, accident);
- Their premiums are invested based on their life goals and investment horizon.

## WHAT ARE THE TAX ADVANTAGES?

- By paying a 20% withholding tax on premiums paid and a tax of 0.9%<sup>1</sup>, anyone in the liberal professions or self-employed can deduct their premiums in their annual tax return as special expenses. The deductible amount is capped at 20% of the annual net income from employment<sup>2</sup>;
- When the policy matures, the capital will be totally exempt from income tax.

## WHAT ARE THE INVESTMENT OPTIONS?

My Prolife offers a number of investment vehicles for retirement capital and these can be combined based on the client's expectations:

- A guaranteed capital solution that is unique in Luxembourg (called the General Fund) with a gross return of 2.35% in 2018;
- The fully revamped range of the internal C Life funds of Cardif Lux Vie;
- The Socially Responsible Investment (SRI) funds of the BNP Paribas Group, which have won awards for their positive impact on the environment and society;
- Tailor-made funds for savings of a certain size.

Please find attached the My Prolife fact sheet and the dedicated website link. Please do not hesitate to contact your usual contacts if you have any questions.

1 - The rate of administrative tax (0,9%) is provided for indicative purposes only and is based on the assumption that the Luxembourg regulation that will fix this administrative tax rate will apply the same rate as applies currently for complementary pension schemes set up by employers for the benefit of their employees.  
2 - Subject to compliance with certain legal conditions.