ONE
LIFE

Life Assurance & Wealth Transfer

≠Success in ≠Relocation: The Relocation Journey

ONE LIFE

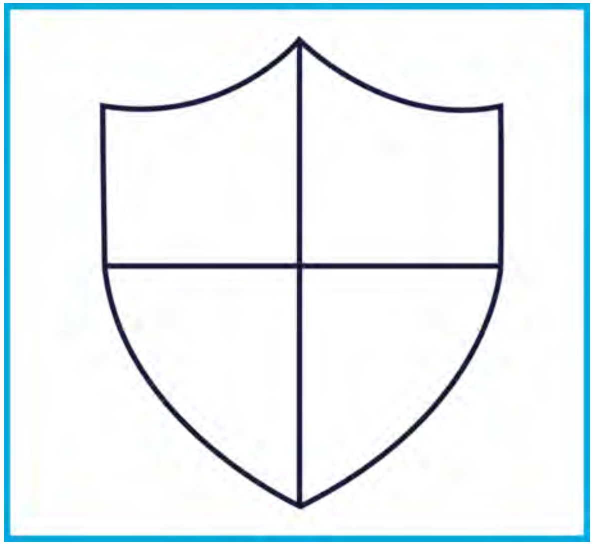
What is Life Assurance ?

Life assurance can inspire us to live with freedom from worry, with control and flexibility over our finances. Most importantly, its role as a wealth transfer tool can help us empower the next generation.

When you take out a life assurance policy you basically make a pact. You agree to pay a sum to a life assurance company, specifying who you want to transfer this wealth to and when. In turn, the company promises to pay a benefit on your given date to your beneficiaries.

Life assurance has become essential wealth.

Not just because of the favourable tax treatment it provides when passing on your estate, but also because the assets you transfer into the contract are managed according to an investment strategy that you specify.



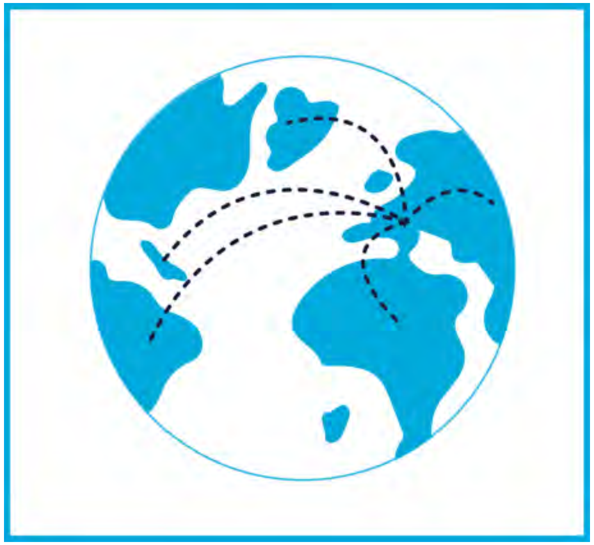
ONE LIFE

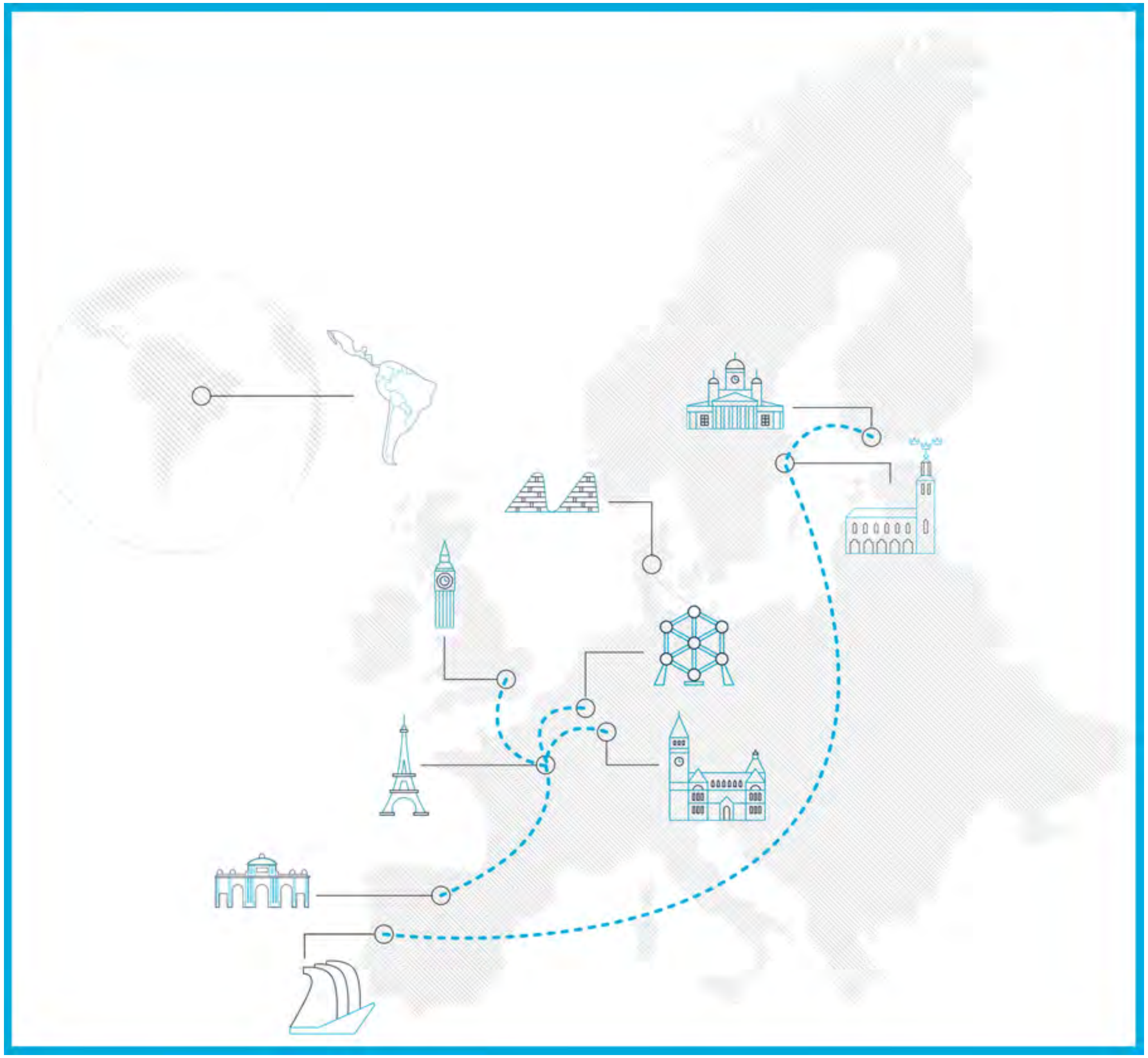
Why use Life Assurance for relocation?

Every story is unique. Now more than ever before, individuals are pursuing global lives, seeking opportunities, friendships and collaborations across all four corners of the world.

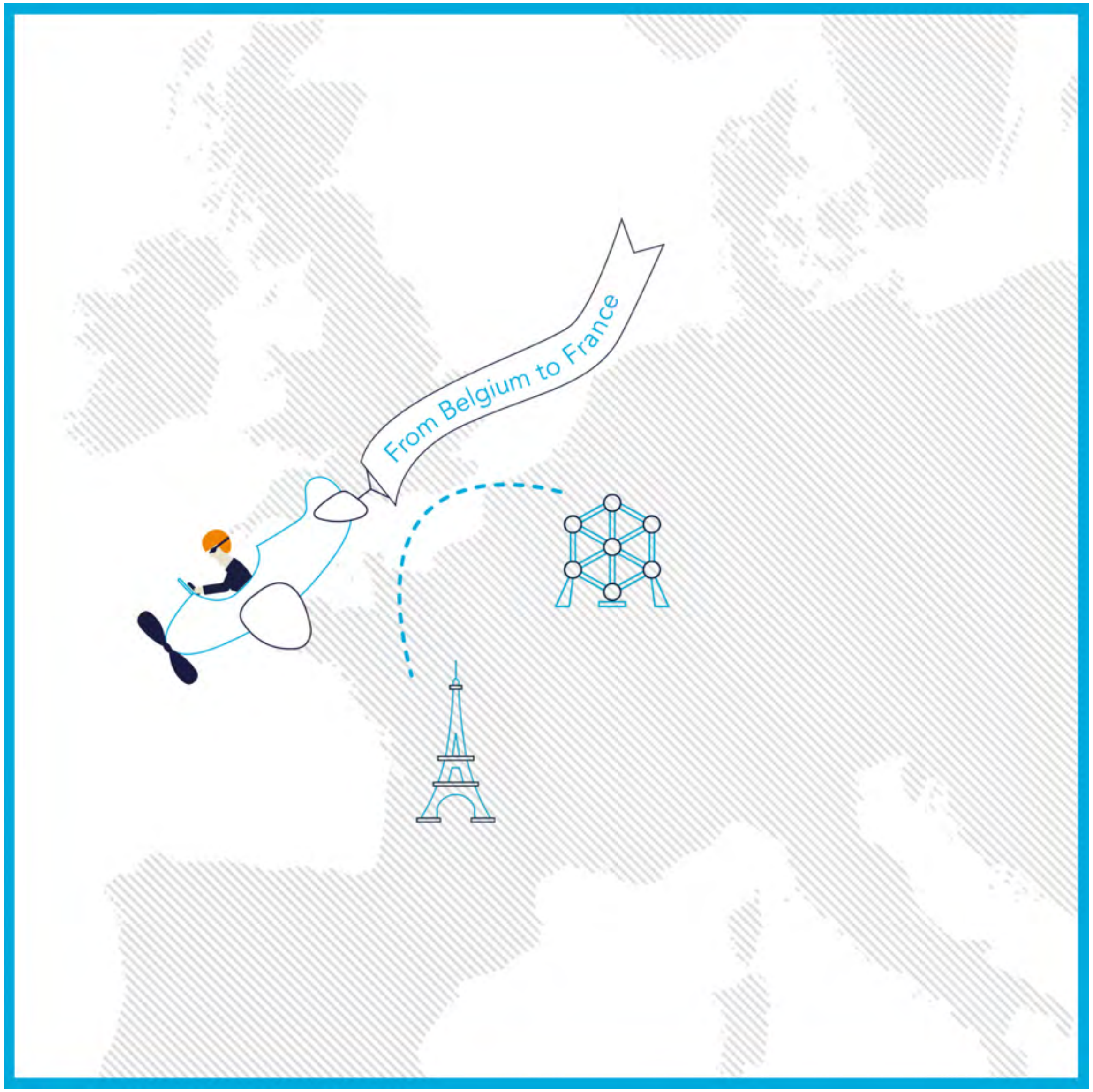
For many managers of wealth, the complexity caused by international wealth can be difficult and challenging. At OneLife, we believe it should be seen as exciting and inspiring.

Life assurance is an ideal solution for those whose wealth spans borders, due to the high level of customisation and flexibility it provides.





OneLife Portable Solutions



Portability Belgium - France

THE VALLON FAMILY

The Vallon family

Brigitte (68 years old) & Emmanuel (60 years old)

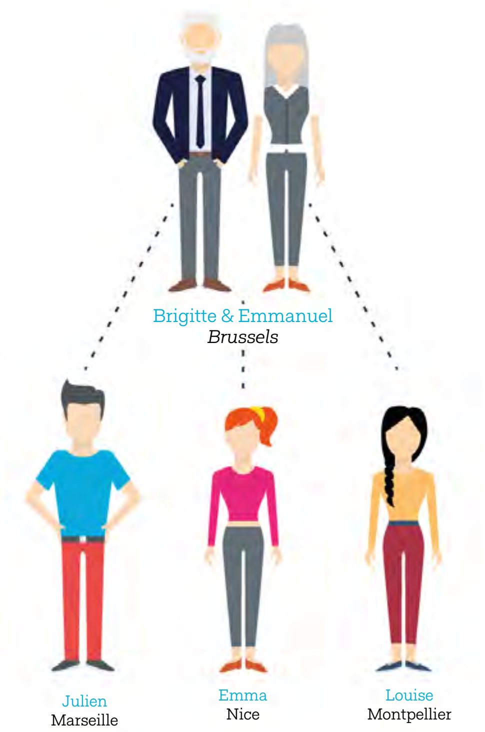
Brussels residents

Let us introduce you to Brigitte and Emmanuel...

Married for 35 years with three children, Brigitte and Emmanuel are French and have lived in Brussels for over 30 years. Brigitte, now retired, was a civil servant with the European Commission. Emmanuel is a surgeon.

They have annual income of €250,000 which provides for their lifestyle as well as joint movable assets of over €2,000,000, which they have accumulated in part thanks to their professional income and an inheritance. These movable assets are composed of financial investments and a savings account. They also have a second home in the south of France.

The income generated by the couple's financial investments are subject to withholding tax on income from movable assets of 30%. Moreover, their bank savings no longer provide them with any more than a totally insignificant return ...



When Emmanuel stops working completely, the couple intends to settle in France for good, in their current second home to be closer to their three children. They would like, as of now and with this in mind, to rationalise and simplify the management of their wealth, whilst maximising its return, so that they will be able to transfer this wealth to their children in a flexible way.

The solution envisaged is the signing of a joint life assurance policy under Belgian law, to be liquidated on the death of the last insured party. The policy will be invested in a dedicated internal fund constituted by the insurer. This fund will be managed by the manager of their choice, in accordance with an investment policy which will be wholly in line with their investor profile.

Objectives of the Vallon family

Rationalisation and simplification

Rationalisation and simplification of the management of their wealth in view of their future house move

Increase in the return

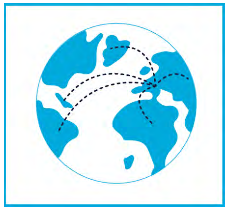
Increase in the return from their movable assets and taxation optimisation

Organisation of the transmission

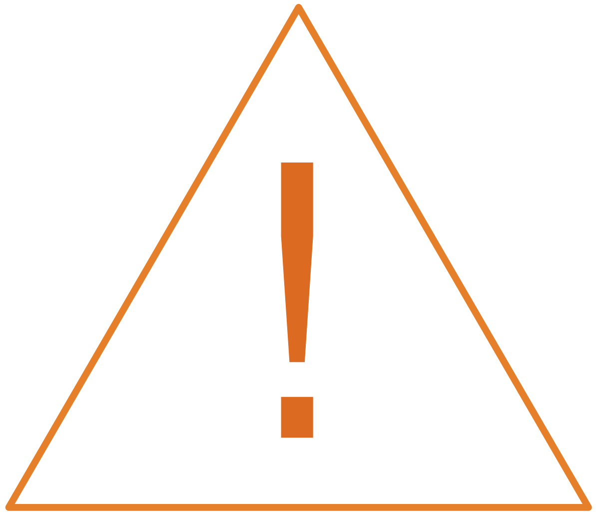
Organisation of the future transmission of their wealth to their children

Attention points

Portability



OneLife will make sure that the policy is compliant in respect of the local regulations of each expatriation country assessed on issuance and during the lifetime of the policy. **In France** the policy, subject to Belgian law, is portable as is. Nevertheless, care must be taken to designate the beneficiaries of the insurance policy at the latest on arriving **in France** to benefit fully from the favourable tax regime in the event of death.



Taxation

In France the degressive taxation applicable in the event of surrender (on the "gains" part) will depend on the lifetime of the insurance policy since it was entered into. From 2018 onwards a single, flat-rate tax could potentially be applied, only if this option is taken up.

Financial Management

The policyholders will no longer be able to intervene in the management of the dedicated internal fund, either **in Belgium** or **in France**, under penalty of the policy being requalified for tax purposes and the favourable regime being jeopardised in each of the policyholder's countries of residence.

Benefits for the Vallon family

Portable solution

Legal and fiscal recognition of the insurance policy in France

Advantageous tax solution

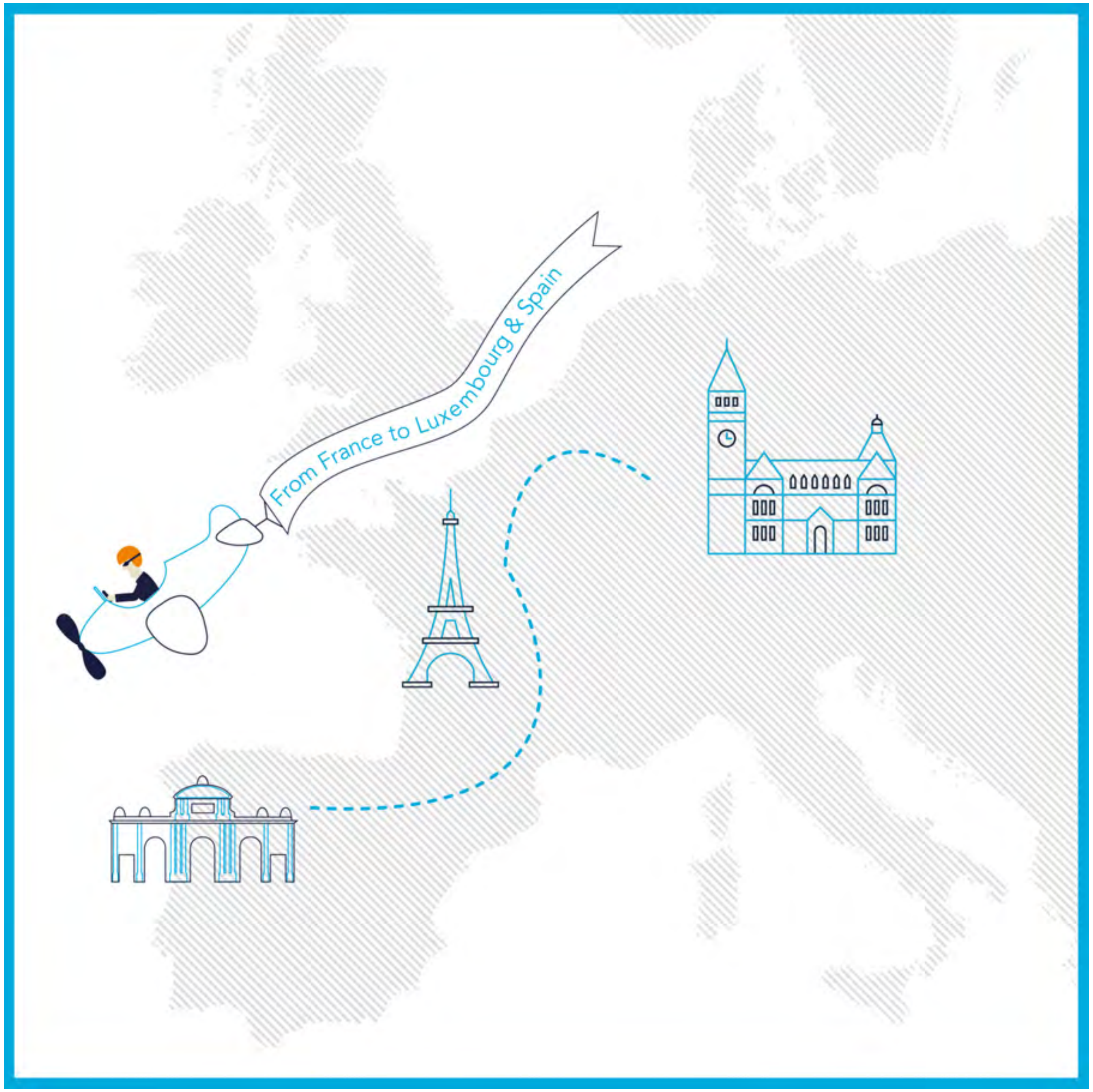
Deferred taxation (in the event of surrender) and favourable tax regime either when surrendered or in the event of death of the insured policyholders

Tailor-made management solution

Management of the policy by a manager chosen by the policyholders in accordance with an investment policy determined according to their profile

Flexible solution

Access to the capital at any time and freedom to nominate the beneficiaries



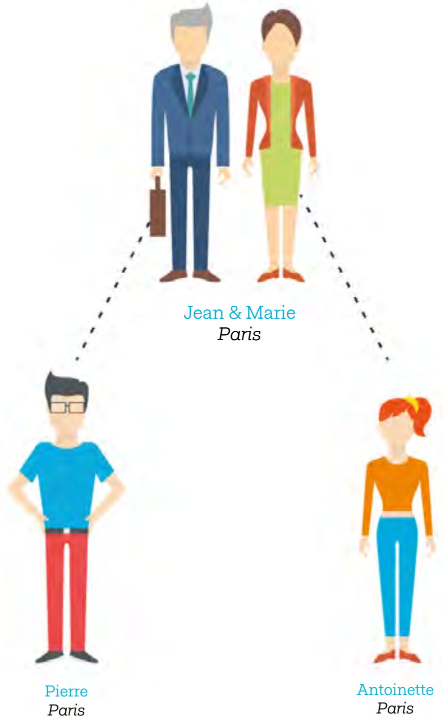
Portability France – Luxembourg & Spain

THE DUPONT FAMILY

The Dupont family

Jean (53 years old) & Marie (50 years old)

Paris residents



Let us introduce you to Jean and Marie ...

Married with two children (minors). Jean is a senior manager in a French international banking group. Marie is a commercial lawyer.

Together they have income of €300,000 enabling them to finance their lifestyle. Their assets include an apartment in Paris, a second home in Normandy and a portfolio of traditional movable assets managed under mandate, of a value of €10 million, generating an annual return of 5%.

The couple currently pays income tax at the marginal rate of 45% plus tax of 15.5% on their financial income. The current tax reform provides for an option of a single, flat rate of tax of 30%, of which 17.2% is tax on financial income.

As part of his duties as a manager, Jean has agreed to an expatriation programme over a period of 10 years whereby he would assume responsibility for the banking group's Luxembourg subsidiary for a period of five years, then of the Spanish subsidiary for the same period before returning to France and retiring.

Prior to their departure, planned for two years hence, Jean and Marie would like to organise the holding of their financial assets in an investment solution which is advantageous from a taxation point of view in France, in view of their future move abroad and return to France, and portable to their country of expatriation.

The solution envisaged is the taking out of a joint life assurance policy by Jean and Marie subject to French law covering them both, in exchange for the payment of a premium payable by transferring the portfolio of financial assets. The policyholders will opt for the minimum death cover when issued. The policy will invested in an internal insurance fund constituted by the insurer, dedicated to the policyholder and managed by the insurer at the policyholder's request.

Objectives of the Dupont family

Reorganising

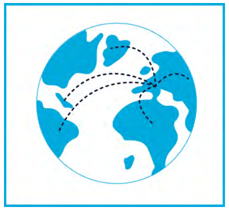
Reorganising the holding of the financial assets portfolio

Portability

Portability of the policy

Attention points

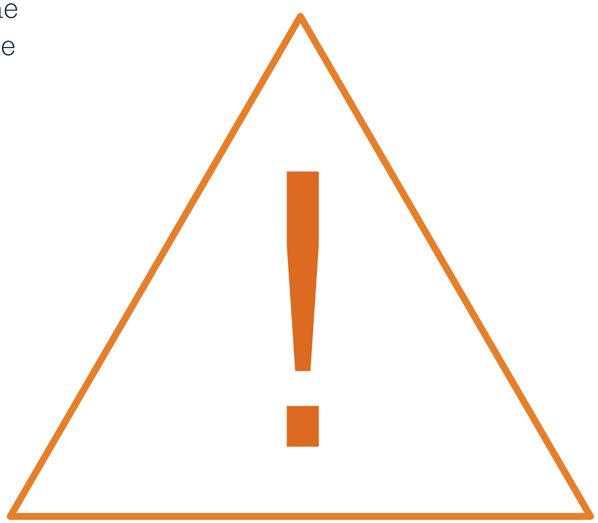
Portability



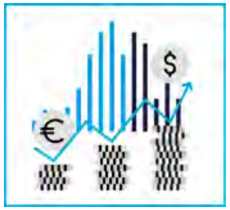
OneLife will make sure that the policy is compliant in respect of the local regulations of each country of expatriation assessed on issuance and during the lifetime of the policy. **In Luxembourg** the policy, subject to French law, is portable as is. **In Spain** the policy, which must be compliant as soon as it is signed, is portable provided that the collective discretionary management of the policy is ensured from the time it is taken out, without the policyholders being able to modify either the strategy or the manager.

Taxation

The policyholders will no longer be able to intervene in the management of the dedicated internal fund, under penalty of the policy being requalified for tax purposes and the preferential tax regime being jeopardised in each of the policyholder's countries of residence.



Financial Management



In view of the Spanish taxation constraints, the couple will need to choose the policy's manager and investment strategy carefully when taking out the policy since it must be maintained in its original state throughout the lifetime of the policy.

Benefits for the Dupont family

Portable solution

Legal and fiscal effciency in each country of expatriation

Flexible solution

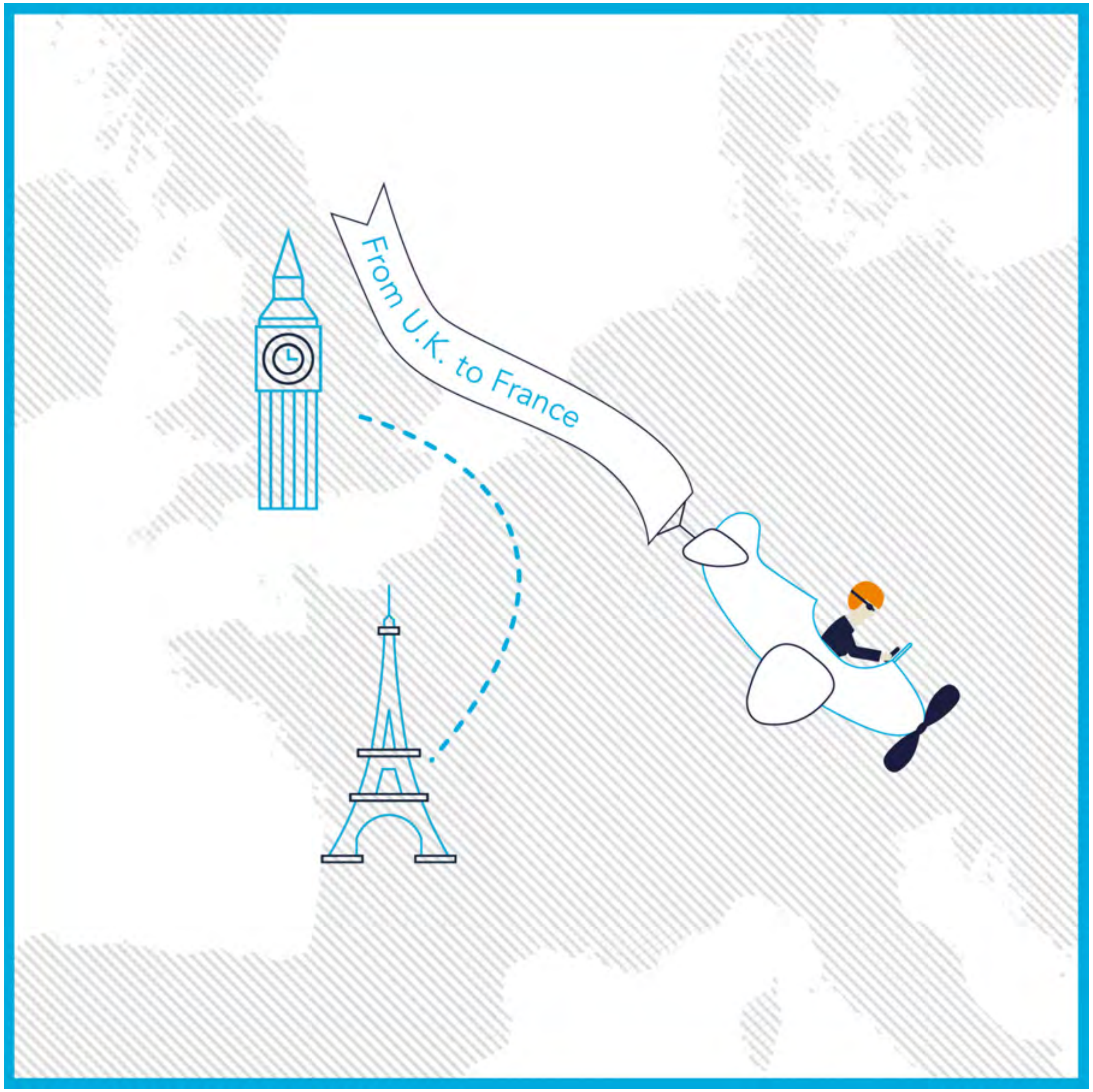
Access to the capital and payment of additional premiums at any time

Advantageous tax solution

Deferred taxation of the portfolio income until future surrender and preferential tax regime for surrenders applicable in France and in Luxembourg

Tailor-made management solution

Management of the policy by a manager appointed by the policyholders in compliance with an investment policy determined according to their profile

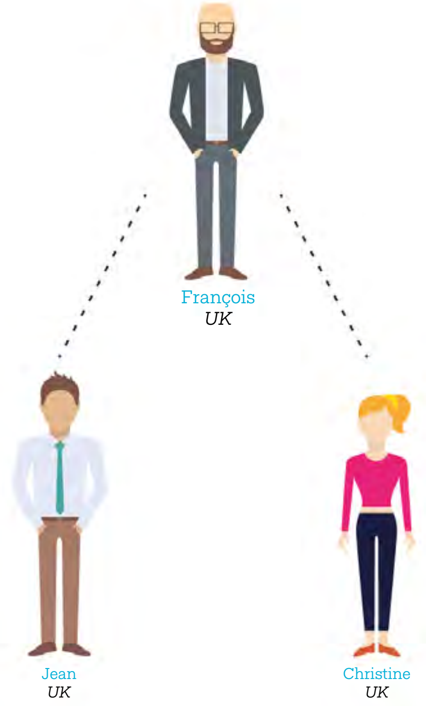


Portability UK - France

FRANÇOIS

François

François (45 years old)
Resident in UK



Let us introduce you to François ...

He is 45 years old, divorced with 2 kids living in the UK. He is a French expatriate (and non-UK domiciled) working for a bank in the UK as a trader. He has been living in the UK for 7 years and plans to return to France in 7 years (or possibly earlier depending on the result of Brexit). He has a savings account with £15 million of cash held with a French bank, derived from bonuses received in previous years.

As a UK resident, François is liable to UK income tax on his worldwide income. However, as resident non-domiciled, he currently pays £30,000 a year to benefit from the taxation on the "remittance basis" which means that the non-UK source income derived from his offshore bank account is only taxed in the UK if they are remitted (or transferred to the country). He is aware that the remittance basis charge will rise to £60,000 a year if he has been resident in the UK for 12 UK tax years out of the previous 14 UK tax years.

His objectives are to find a tax efficient investment solution that does not involve him paying the remittance basis charge. As he is not a tax expert, he wants a solution which is easy to disclose in his UK tax return. He would like the solution to be portable to France. While he does not expect to use the capital invested, he would like to have it available at any time in case of unexpected financial needs.

As a solution, François will take out a Luxembourg whole of life insurance policy governed by UK law issued by OneLife acting as a policyholder and life assured investing £15 million as an insurance premium. François will be able to select investments underlying the policy from a funds picking list proposed by OneLife including UCITS funds but also discretionary managed Internal Linked Funds ("ILF").

Objectives for François

Investment solution

Tailor-made and flexible investment solution

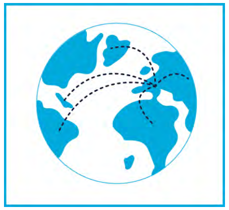
Tax efficiency

Portability

Portable solution in France

Attention points

Portability

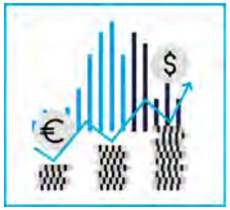


The contract is legal and tax compliant in France based on the current regulation. However, François will have to inform OneLife prior to his return to France in order for the insurer (i) to add the beneficiary clause to the contract allowing François to claim the application in France of the favourable tax regime on the death capital and (ii) to address the relevant tax information in due time

Tax

In order to fully enjoy the UK favourable tax regime in case of surrender, François will have to fund the premium with clean capital only (excluding non-UK taxed income). Furthermore, to avoid any application of the punitive tax regime related to Private Portfolio Bond, a contract invested in insurance internal funds must be managed only on a discretionary basis, excluding any influence by the policyholder in the management.

Financial management



Due to the tax constraints in the UK, the contract invested in insurance internal funds must be managed on a discretionary basis in accordance with an investment policy available to all policyholders having the same investment profile.

Benefits for François

Portable solution in France

Legal and tax compliant in UK and France

Tax efficient solution

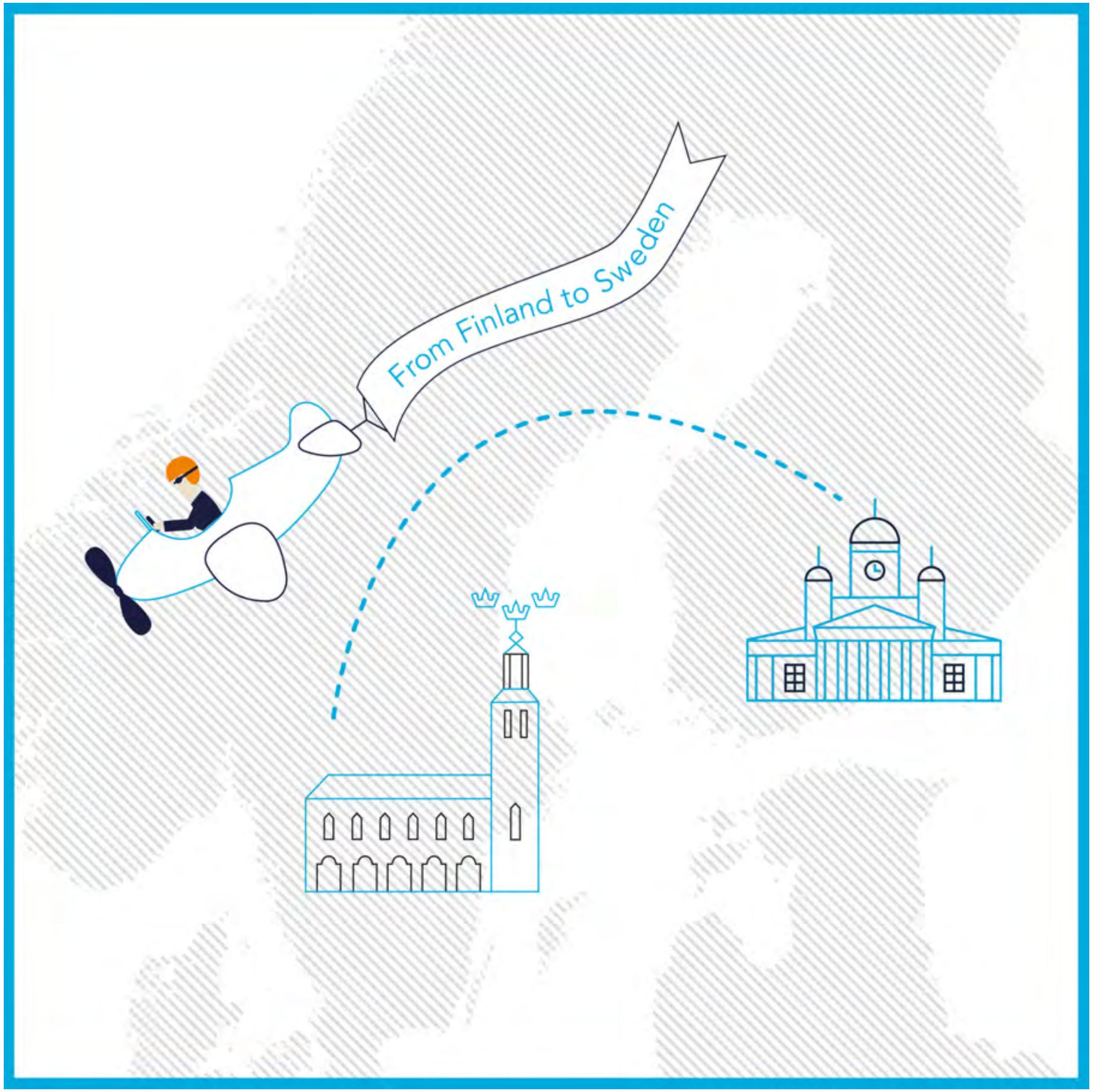
Tax deferral on capitalised financial income within the policy and favourable tax regime applicable in case of surrender

Tailor-made investment solution

François can select the investment manager and the investment policy

Flexible solution

Surrender and additional premium payment available at any time during the policy lifetime



Portability Finland - Sweden

THE TUOMINEN FAMILY

The Tuominen family

Timo (70 years old) & Anna (62 years old)

Helsinki residents

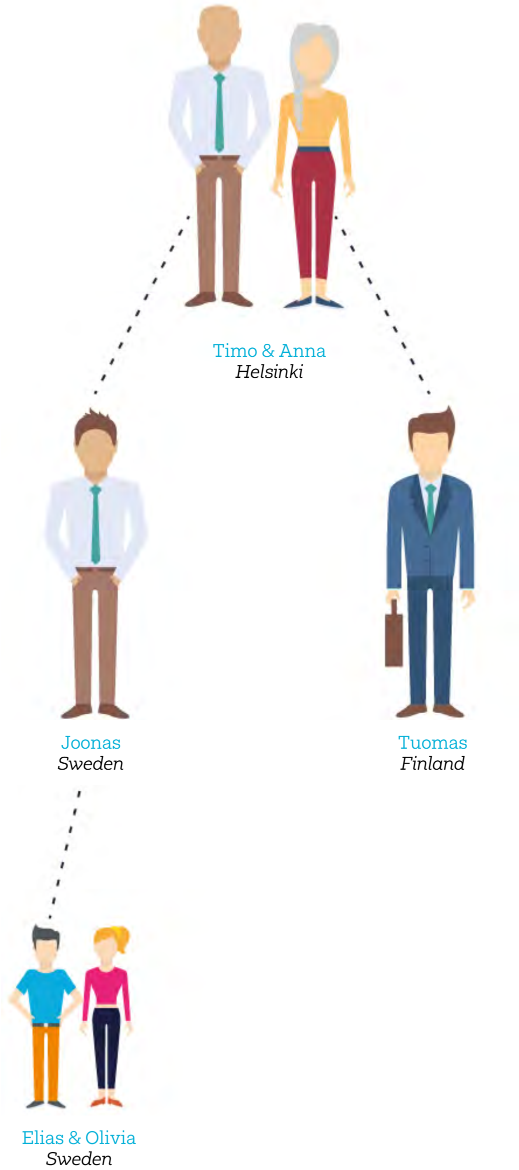
Let us introduce you to Anna and Timo ...

It's been 7 years since Timo Tuominen sold his electronics business to a major multinational and he decided to retire. Two years ago, Timo subscribed a Luxembourg life assurance knowing that he may move to Sweden with his wife Anna in the future.

Timo and Anna have two sons, Tuomas and Joonas. Tuomas lives in Finland. Joonas moved to Stockholm, Sweden almost a decade ago to pursue his academic career. Joonas has two young children – Olivia and Elias.

Timo and Anna have now made the final decision to move to Stockholm to help Joonas with the children. Now Timo needs to confirm the portability and treatment of his life assurance in the new cross-border situation. He wants to be sure that the product is compliant and to confirm that he has access to the funds, if they need to purchase a new house in Sweden.

The life assurance contract fits his expectations.



Objectives for the Tuominen family

Investments and succession

To ensure that Timo's investments and succession plan are tax compliant in the relevant jurisdictions

Funds withdrawal

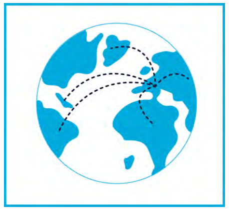
To enable Timo to freely withdraw funds from his assurance policy

Transmission

To allow Timo to pass his wealth to Tuomas and Joonas directly

Attention points

Relocation



Timo informs the insurance company beforehand that he will move to Sweden i.e. more than 60 days before the move. The life assurance contract can be customised to harness the advantages and exemptions of Swedish tax law on surrender and inheritance. The Swedish rules require among other things additional life cover, that is added to the policy prior to the move.

Flexible surrender

Finland does not impose exit tax on life assurance savings. For income tax purposes, Finnish nationals are generally treated as Finnish tax residents for 3 years after the moving year ("three year rule") if all essential ties to Finland have not shown to be ended. However, as Timo is tax resident in Sweden for tax treaty purposes, the Nordic tax treaty should limit Finland's right to tax surrenders that are classified as "other income".
In Sweden life assurance policies are subject to a standardised annual yield tax, based on the Swedish State Borrowing rate, that is calculated from the policy value (in 2017 the effective yield tax is 0.375%). Depending on the timing of the move, full or partial yield tax is due for the moving year. Surrenders from the policy are not taxed in Sweden.

Inheritance tax

At the end of the contract, the inheritance tax depends on the domicile of both Timo and the beneficiaries Tuomas and Joonas. As a starting point Tuomas is taxed in Finland because he is domiciled in Finland. Provided that both Timo and Joonas are domiciled in Sweden, Joonas may benefit from the Swedish tax regime where no inheritance tax is levied.

Benefits for theTuominen family

Compliant taxation

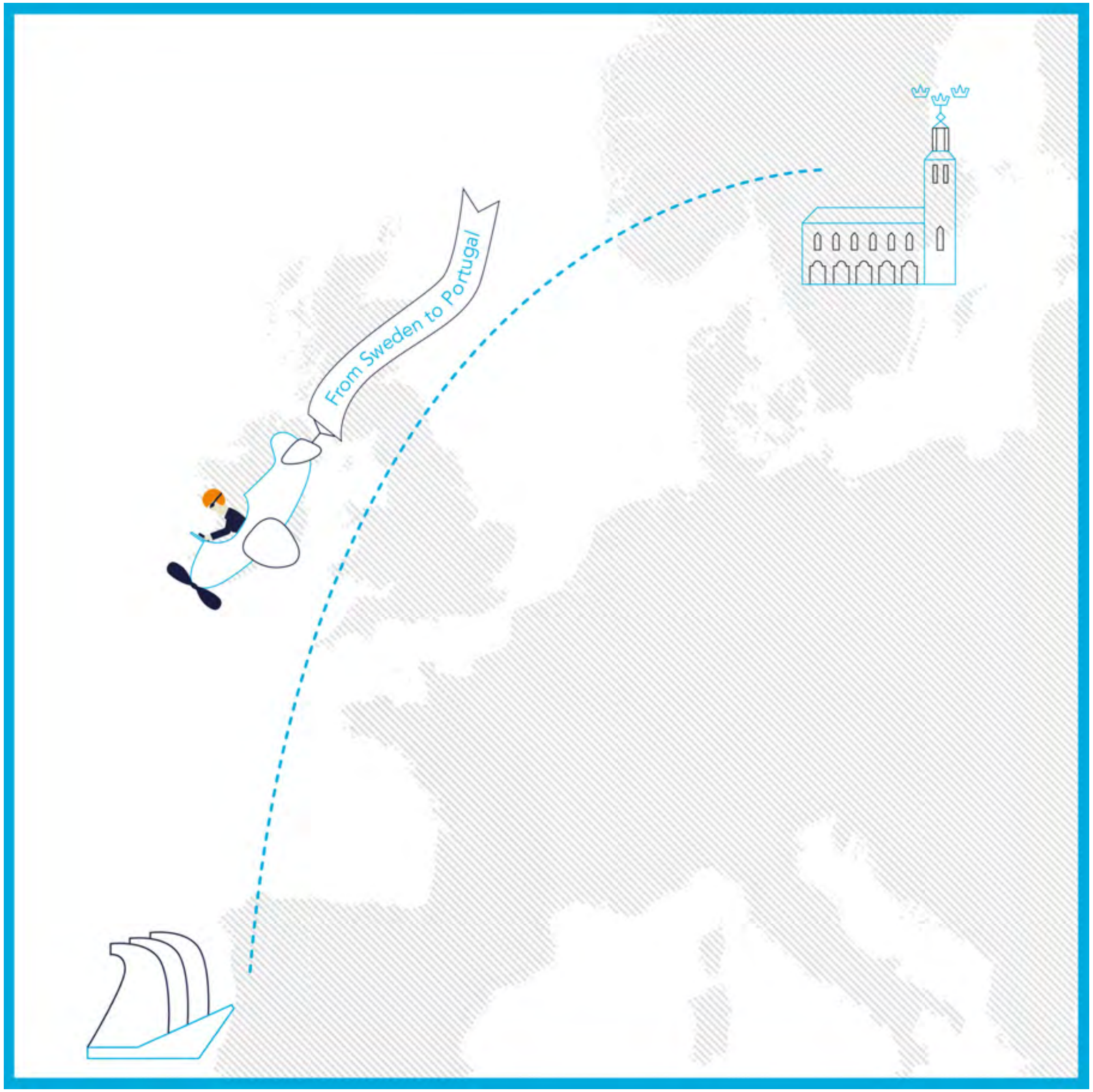
Compliant taxation during the life of the contract in relevant jurisdictions and possibility to benefit from a favourable tax regime applicable to life assurance

Surrender

Possibly to partially surrender the policy

Transmission

Transmission of wealth to beneficiaries living in multiple jurisdictions in an efficient way



Portability Sweden - Portugal

THE ANDERSSON FAMILY

The Andersson family

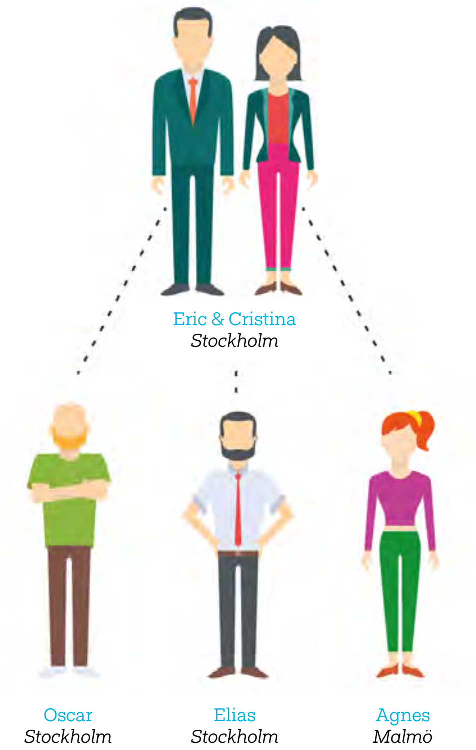
Eric (65 years old) & Cristina (62 years old)

Stockholm residents

Let us introduce you to Eric and Cristina...

Eric and Cristina have been married for 30 years. Together they have three grown-up children and currently they all live in Stockholm. Eric and Christina met in Paris while studying gastronomy. After finishing their studies, they went back to Sweden and opened their own restaurant, which ended up turning into a quite a well-know restaurant chain in Scandinavia. Two years ago they decided to sell their business and retire. They have been travelling and recently decided to move permanently to the south of Portugal in order to enjoy the warm weather. They might return to Sweden when they get older, especially if they have grandchildren.

They own an apartment in Stockholm and a summer house in Gotland that they may donate to their children to end all their essential ties to Sweden. They also own a private portfolio worth €15 million in a Swedish bank as a result of selling their business, plus life savings.



Eric and Cristina are consulting their tax advisors both in Sweden and Portugal to find an easily manageable and tax compliant solution. Their main objective is finding a tool to consolidate their investments and simplify international succession. Given their international status, they need a structure that would be efficient and compliant for family members living both in Portugal and Sweden.

The solution chosen by Eric and Cristina is to take out three separate whole of life assurance policies that are compliant in Sweden and Portugal. They will both be the policyholders and lives assured of their respective policies. Their children will be the beneficiaries in case of death. They are investing €15 million as insurance premium into an umbrella dedicated fund that will be managed on a discretionary basis by the asset manager that has taken care of their portfolios for the past 10 years.

Objectives for the Andersson family

Investment

Invest their wealth for succession purposes.

Tax solution

Tax efficient solution.

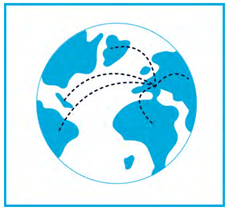
Tax compliant solution in both Portugal and Sweden

Cash out

Possibility to cash out the investment in the future

Attention points

Portability



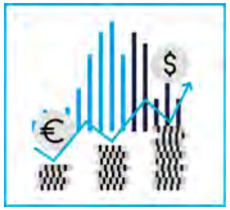
The product is portable to Portugal and back to Sweden. In Sweden an additional death cover element is needed to qualify for tax benefits applicable to life assurance.

Capital gains and income taxation

Sweden does not impose any tax on surrenders, but only an annual yield tax (please refer to our tax fact sheet for more information). Swedish nationals need to show that all essential ties to Sweden have ended in order to cease the general tax liability in Sweden (double tax residency) immediately after the relocation.

Once tax resident only in Portugal, full tax deferral until surrender/ maturity with the possibility of reduced taxation if done 5 or 8 years after inception. Benefits compared to direct holding of securities, as Sweden may still have the right to tax capital gains after the relocation.

Financial management



Possibility to keep the same investment manager and custodian bank for the underlying assets.

Benefits for the Andersson family

Portable solution in Portugal

Legal and tax compliant in Sweden and Portugal

Succession

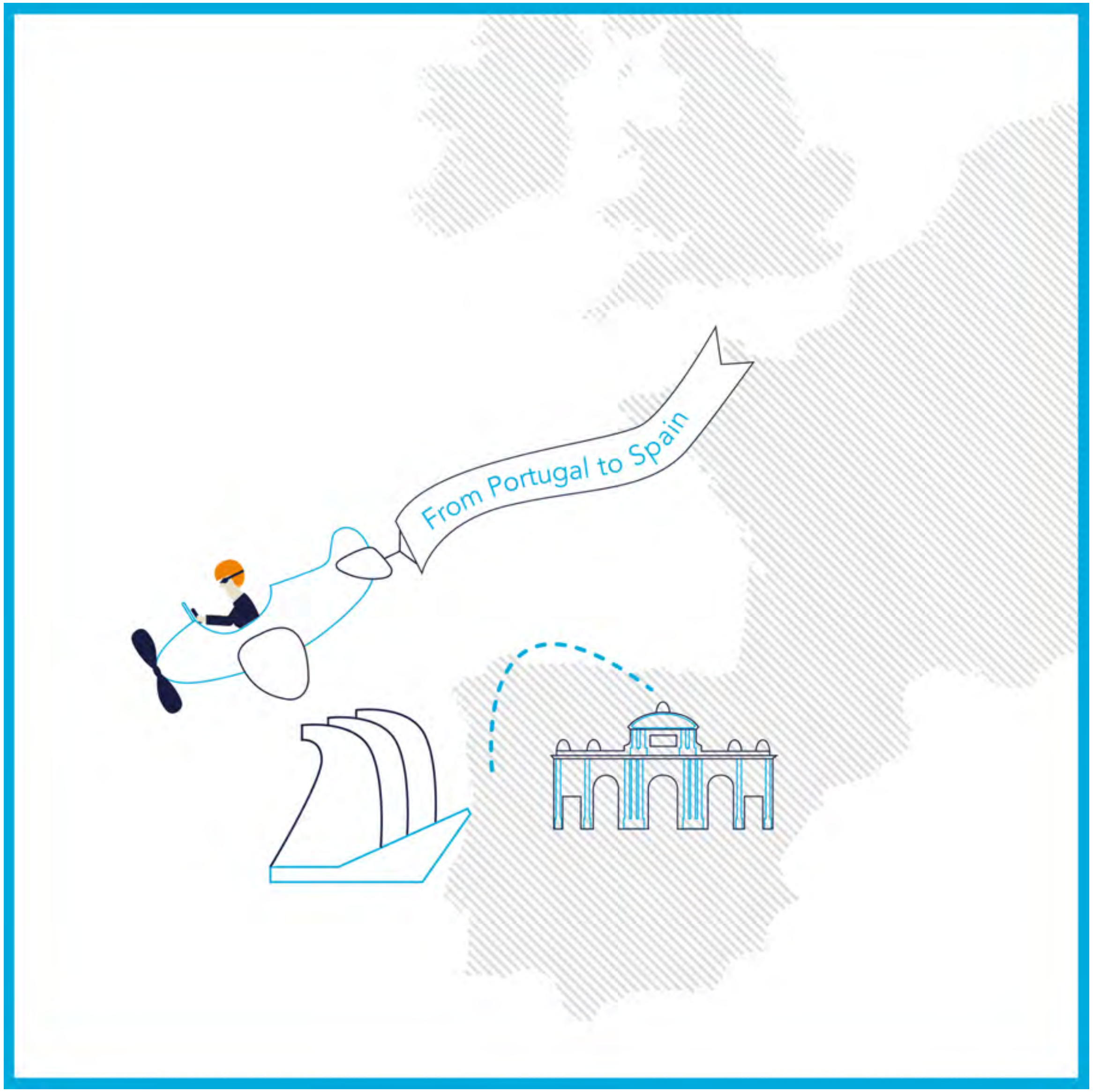
Simplifying international successions.
No inheritance tax in Portugal or Sweden

Tailor-made investment solution

Preserved investment flexibility and availability of invested funds

Non-Habitual Resident Regime

Once tax resident in Portugal, Swedish nationals may benefit from this Portuguese tax regime and not be subject to taxation on certain foreign income (e.g. private pensions)



Portability Portugal - Spain

THE GARCIA FAMILY

The Garcia family

Alejandro (60 years old) & Penelope (55 years old)

Portugal residents

Let us introduce you to Alejandro et Penelope ...

Alejandro is 60 years old and has lived in many different cities in Europe due to his career as a professional football trainer. Penelope is 55 years old and had a successful career as a model when she was younger. Together they have 2 kids, Luis and Mateo, who are living and attending university in Spain. Recently, Alejandro was invited to train a famous football team in Lisbon. They offered him a 2-years contract. After that, if the contract is not renewed, they might move back to Spain or stay and retire in Portugal.

They have an apartment in Madrid and an investment portfolio worth €10 million in a Spanish bank, which results from salaries and bonuses saved throughout Alejandro's career, as well as payments received by Penelope when she was still working as a model. Since Alejandro is planning to accept the job offer in Portugal, they intend to structure their wealth in the most efficient and compliant way both in Spain and Portugal before they move out.

Their objective is finding a flexible and efficient solution for investing and transferring their wealth to their kids when they pass away. At the same time, they want to protect each other when one spouse predeceases the other. Furthermore, they are interested in having immediate access to the invested capital in case of unpredictable necessity. Given their family's cross-border status, they require a solution portable and compliant in Portugal and Spain. They are also interested in a dynamic product that can offer cross-border flexibility and unique security of a top investment jurisdiction, such as Luxembourg.

The solution contemplated by Alejandro and Penelope is taking out a Spanish whole of life insurance policy issued by OneLife. They will both be policyholders and lives assured. Their children will be the beneficiaries in case of death. They are investing €10 million as insurance premium into a dedicated fund that will be managed on a discretionary basis by the asset manager of their choice in line with their investment profile.

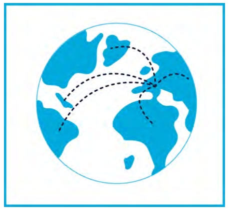
Objectives for the Garcia family

Succession

Invest their wealth for succession purposes.

Protect both spouses in case one predeceases the other.

Portability



Flexible and tax efficient solution.

Portability to Spain.

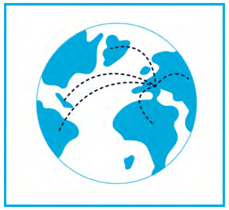
Investment

Possibility to cash out investment in the future.

Security of a top-investment jurisdiction such as Luxembourg.

Attention points

Portability



The contract is legal and tax compliant in Portugal based on the current regulation. In Spain, the policy must be discretionary managed from inception and the policyholders should not change either the investment strategy or manager during the policy lifetime.

Taxation

The policyholders cannot intervene in the management of the policy due to the risk of tax requalification in Spain and, hence, not being able to enjoy the favourable regime foreseen for life insurance proceeds.

Joint subscription

The contract will be settled at the death of the second spouse in order to protect the surviving one.

Benefits for the Garcia family

Portability to Spain

Legal and tax compliant both in Portugal and Spain

Tax efficient solution

Outside the scope of the Spanish exit tax and offers tax deferral on the capital gains until surrender/ death claim

Flexible solution

Surrender possible at any time during the policy lifetime

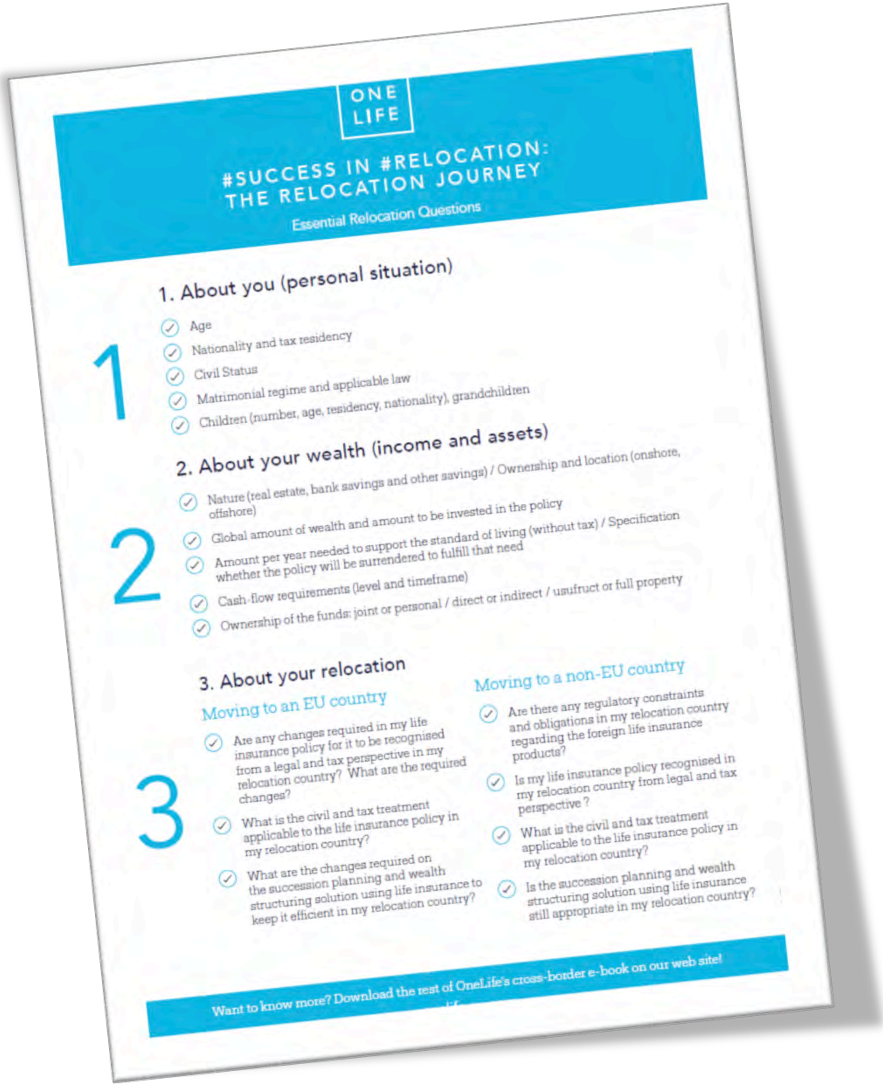
Succession Planning

Efficient transmission of wealth to their children but at the same time offers
protection to the surviving spouse

#Success in #Relocation: The Relocation Journey Checklist.

Relocation is key to protect your wealth and make sure it is transmitted to the beneficiaries you have appointed.

Because your personal situation matters, it is essential to raise the right questions.


ONE LIFE

#SUCCESS IN #RELOCATION:
THE RELOCATION JOURNEY

Essential Relocation Questions

1. About you (personal situation)

1

- Age
- Nationality and tax residency
- Civil Status
- Matrimonial regime and applicable law
- Children (number, age, residency, nationality), grandchildren

2. About your wealth (income and assets)

2

- Nature (real estate, bank savings and other savings) / Ownership and location (onshore, offshore)
- Global amount of wealth and amount to be invested in the policy
- Amount per year needed to support the standard of living (without tax) / Specification whether the policy will be surrendered to fulfill that need
- Cash-flow requirements (level and timeframe)
- Ownership of the funds: joint or personal / direct or indirect / usufruct or full property

3. About your relocation

3

Moving to an EU country

- Are any changes required in my life insurance policy for it to be recognised from a legal and tax perspective in my relocation country? What are the required changes?
- What is the civil and tax treatment applicable to the life insurance policy in my relocation country?
- What are the changes required on the succession planning and wealth structuring solution using life insurance to keep it efficient in my relocation country?

Moving to a non-EU country

- Are there any regulatory constraints and obligations in my relocation country regarding the foreign life insurance products?
- Is my life insurance policy recognised in my relocation country from legal and tax perspective ?
- What is the civil and tax treatment applicable to the life insurance policy in my relocation country?
- Is the succession planning and wealth structuring solution using life insurance still appropriate in my relocation country?

Want to know more? Download the rest of OneLife's cross-border e-book on our web site!

ONE LIFE

All this sounds complicated? Well, sometimes, it is. But that should not bother you.

We are here because we want to get to know the real you, your real wants, and your hopes. OneLife helps you to manage and transfer wealth flexibly, securely and efficiently.

We are here because we want to help you live your OneLife.

https://www.onelife.eu.com

ONE LIFE

The OneLife Company S.A. is a leading provider of cross-border wealth management solutions, through the use of private placement and unit-linked life insurance products, standing for excellence, transparency and compliance. We are committed to providing our partners with first-class service and solutions to meet the increasingly complex needs of their wealthy clients in terms of financial planning and wealth structuring.

For more information, visit www.onelife.eu.com