



SUPPORTER OF YOUR

PENSION



Advance

Do you plan to build, renovate or purchase a house?

You have the option to take out a cash advance on your group insurance benefits.

What are the advantages of taking an advance on your group insurance?

- You benefit from a **very beneficial interest rate**
- You retain the option to select among **3 types of advances**:
 - with annual interest payment with fixed interest rate
 - with annual interest payment with variable interest rate
 - without annual interest payment (not possible for Classical Life and Cash Balance plans)
- Unlike a mortgage loan, there are **no extra costs** related to the withdrawal of an advance
- You may **redeem** your advance (in full or in part) at any time
- You continue to benefit from the **guaranteed interest rate** and there is no negative impact on the potential profit sharing of your group insurance contract
- A team of **specialists** is in charge to ensure the follow-up of your advance

What are the requirements to withdraw an advance?

The option to take out a cash advance must be expressly stipulated in the group insurance regulations and only for:

- the purchase, construction, improvement, restoration or renovation of real estate located and generating taxable income in the European Economic Area
- paying off a mortgage loan previously granted for one of the above purposes

The above prerequisites are not applicable to individual contracts.

You will only be entitled to a cash advance if your group insurance reserves have never been reduced due to non-payment of interest within the prescribed timeframe.

The advance must be paid off in full if ever you sell or otherwise transfer title to the property in question.

How much does an advance cost?

The interest compensation is dependent on the type of advance:

Type of advance	With annual interest payment	Without annual interest payment (not possible for Classical Life and Cash Balance plans)
How?	You withdraw your advance and pay annual interests on it. Upon expiry of your contract, the amount of the advance will be deducted from the insured retirement benefit.	You withdraw an advance without having to pay annual interests . The interests due are withheld together with the advance at settlement of the contract.
Interest rate	In case of an « interest paying advance » you retain the option to select a variable (not possible for Classical Life plans) or a fixed interest rate.	In case of an « interest capitalising advance » the interests are calculated by taking into account the guaranteed return and the potential profit sharing.
Fiscal	The interests can be taken into account for tax deduction on an annual basis .	The interests can be taken into account for tax deduction in case of redemption of the advance or in case of settlement of the group insurance contract.

Do you benefit from a guaranteed interest rate on your group insurance contract? In that case you will remain the beneficiary of such interest rate and any amounts of profit sharing on your comprehensive retirement benefit in both types of advances.

What is the minimum and the maximum amount of advance that I may obtain?

The maximum amount that you can take will depend on the net value of your contract reserves, capped at the net sum insured for death benefit coverage and less any outstanding advances and/or pledges.

The **minimum amount** of an advance is **EUR 5,000**.

How must I redeem my advance?

You may pay back the cash advance, in part (minimum 10%) or in full, at any time. Otherwise, any outstanding balance will be deducted from your final lump-sum payout at maturity or from your death benefit proceeds if you should pass away before you reach retirement age.

Conclusion	
Advance with annual interest payment	Advance without annual redemption (not possible for Classical Life and Cash Balance plans)
<ul style="list-style-type: none"> • annual interest compensation • interest payment can be taken into account for tax deduction on an annual basis • higher maximum advance 	<ul style="list-style-type: none"> • one-off interest compensation withheld at settlement • one-off interest payment can be taken into account for tax deduction at settlement • lower maximum advance

Contact

If you wish to obtain more information about your advances or if you are interested in an advance, please contact the team 'Advances' at benefits@aginsurance.be or 02 664 13 23.

Information is also available on our website at www.myglobalbenefits.aginsurance.be.

AG Employee Benefits

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