

Continuation of occupational pensions pursuant to Art. 47a of the Occupational Pensions Act (OPA) in case the employer terminates the employment relationship

Are you at least 55 years old and has your employment relationship been cancelled by your employer? Then you have the opportunity to continue your pension scheme with the PKG Pensionskasse voluntarily, insofar as you do not have a new employer and are therefore not a member of a new pension institution. This leaflet outlines your options for voluntary continued insurance pursuant to Art. 47a OPA.

Please refer to our other leaflets on *departure* and *unemployment* where the other points are concerned.

Options

From the age of 55 to 58

The termination benefit becomes due upon termination of the employment relationship.

Possible uses:

- Transfer to a new pension institution
- Transfer to a vested benefits institution
- **Continued insurance pursuant to Art. 47a OPA in case of termination by the employer (ATTENTION: contact us within 90 days of your departure)**

After turning 58 until retirement age

The retirement benefits become due upon termination of the employment relationship.

Possible uses:

- Drawing a retirement benefit (pension and/or capital)
- Transfer to a new pension institution
- Transfer to a vested benefits institution (if you are registered as unemployed)
- **Continued insurance pursuant to Art. 47a OPA in case of termination by the employee (ATTENTION: contact us within 90 days of your departure)**

Initial situation

(Art. 47a OPA)

Job loss from the age of 55 after termination by the employer

According to the Pension Regulations of PKG Pensionskasse, you cannot retire before turning 58 at the earliest. Please take note of our *Departure* leaflet on this topic.

However, from the age of 55, you can voluntarily continue your pension scheme with the PKG Pensionskasse, insofar as you are unemployed after being made redundant by your employer and are therefore not a member of any new pension institution.

What are all the things you need to consider in case of unemployment and who can help you? Our *Unemployment* leaflet offers you valuable information on this.

Conditions for a continuation of insurance cover pursuant to Art. 47a OPA

- ✓ You are at least 55 years old *and*
- ✓ You are a member of the PKG Pensionskasse through your former employer *and*
- ✓ Your employment relationship has been terminated by your employer *and*
- ✓ You are not admitted to a new pension institution (pension fund) by a new employer *and*
- ✓ You have not yet reached the ordinary retirement age specified in the pension plan

If all of the above applies to you, with this leaflet we can show you your options for continuing your pension scheme with the PKG Pensionskasse and what needs to be taken into account.

Registration options

The written application for a continuation of insurance cover must have been sent to the PKG Pensionskasse no more than 90 days after the termination of the employment relationship.

You can choose whether you only want to continue the risk provisioning (death and disability) or would also like to continue paying into the retirement pension.

No matter what you choose to do, your retirement assets will remain in the PKG Pensionskasse and interest will be paid on them until the end of the continued insurance cover in line with the credit balances of the other insured persons.

The basis for the insured salary, which is the basis for contributions and benefits during the period of continued insurance, is the authoritative annual salary reported immediately before the continuation of insurance cover. In the context of the voluntary continuation, however, you can choose a lower authoritative annual salary for either risk and retirement provisioning or for retirement provisioning only.

Contributions

The following contributions are incurred for your provisioning with the PKG Pensionskasse:

- Risk contributions for risk provisioning (death and disability) *and*
- Savings contributions for retirement benefits

As a rule, these costs are financed by the employee and the employer, whereby the employer assumes at least half of the contributions.

In case of a voluntary continuation of the insurance risk, the contributions (death and disability) and – provided that you also want to continue with retirement provisioning – the savings contributions for the retirement benefits must continue to be paid.

However, since your former employer is no longer paying any contributions for you, you must assume all contributions in full should you choose to voluntarily continue insurance cover.

If you are interested in this solution but think the total contribution is too high based on your current authoritative annual salary, you can reduce the authoritative annual salary (on the condition that the entry threshold pursuant to the pension plan – as a rule, the entry threshold under the OPA – is still met) or also refrain from paying savings contributions. In this way, you can still continue your provisioning with lower corresponding benefits and contributions.

The contributions are tax deductible.

Buy-ins

If there is still a buy-in gap, you also have the opportunity to continue to buy in to pension schemes.

We will be happy to provide you with your buy-in options on request.

Buy-ins made using personal assets are tax deductible.

Start of continued insurance

The continued insurance seamlessly follows on from your insurance cover with the PKG Pensionskasse.

Amendments/adjustments

It is possible to adjust the authoritative annual salary at the start of continued insurance and then as of 1 January every year.

You can also exercise your right to choose as of 1 January every year.

Any changes must be reported to PKG Pensionskasse in writing by 31 December of the previous year.

Benefit restrictions

If the continued insurance during more than 24 months, you will have to draw the retirement benefit in the form of a pension. You will also no longer be able to make an early withdrawal or pledge for owner-occupied residential property.

Information-related duties and rights

During the continued insurance, you are obliged to make available to the PKG Pensionskasse (without having to be asked to do so) all information and documents which are necessary for the proper continuation of insurance cover. These include in particular:

- joining a new pension institution in case of a new employment relationship;
- any changes to your residential address, marital status or name.

We will send you an annual pension certificate and inform you about the PKG Pensionskasse in the same way we inform all other insured persons. On request, we will also inform you personally about your provisioning situation.

End of continued insurance

You have the option of terminating the continued insurance at any time as of the end of any month.

The continued insurance will also end:

- if the risk of death or disability occurs; the insured risk benefits are payable at this time.
- on reaching the ordinary retirement age pursuant to the pension plan; the retirement benefit is payable at this time.
- when joining a new pension institution if more than two thirds of your vested benefit is transferred to the new pension fund. If a maximum of two thirds of your vested benefit is transferred, your continued insurance will remain in place and your authoritative insured annual salary will be cut in the ratio of the transferred vested benefit to the total vested benefit.

The PKG Pensionskasse will terminate the continued insurance in case of outstanding contributions of 40 days or more. The termination occurs retroactively from the date until which the contributions owed were paid. In this case, the retirement benefit will be payable provided that you are at least 58 years old. The vested benefit is payable prior to turning 58.

Invoicing

Invoices are issued by the PKG Pensionskasse quarterly in arrears from 1 January to 31 March, 1 April to 30 June, 1 July to 30 September and 1 October to 31 December. If a policy is concluded on a later date, the contributions are charged on a pro rata basis with the next contribution invoice. In case of an early termination, any surplus contributions will be refunded.

Deadlines

The application for continuation must have been received by the PKG Pensionskasse 90 days after the termination of the employment relationship. Once this deadline has expired, any continuation will no longer be possible.

General information

Irrespective of what you decide to do, you can register with the unemployment insurance authority and/or enter into a new employment relationship.

However, if you are over the age of 58 and have decided to take early retirement, your retirement benefit will be deducted from your unemployment benefit.

If you have opted for voluntary continued insurance pursuant to Art. 47a OPA, you can apply to the unemployment insurance authority for exemption from risk provisioning.

Do you have any questions or require additional information?

Our contact details are:

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*This leaflet is for information purposes only.
The PKG Pensionskasse Pension Regulations are authoritative
(in particular Art. 44).*