

## *Information leaflet – Measure for older unemployed persons in the occupational pension plan*

### **(Art. 47a OPA / Art. 61 Pension Fund Regulations)**

Concerns insured persons who are 58 or over and whose employment relationship was terminated by the employer after 31 July 2020.

---

### **Who can continue to be insured on a voluntary basis?**

Insured persons who are 58 or over and whose employment relationship was terminated by the employer after 31 July 2020 may apply to Compacta Sammelstiftung BVG for continuation of the insurance at the previous level **as of 1 January 2021**.

---

### **What can continue to be insured?**

The previous annual salary continues to be insured on the basis of the existing pension plan. If the provisions of the relevant pension plan and/or the contributions change, these changes will also apply to the continued insurance.

The insured person can choose to continue the entire pension provision or only the risk provision (without further savings contributions).

---

### **What contributions are due and how are they charged?**

As a basic principle, the insured person takes over all contributions from the employer and the employee in accordance with the valid pension plan. As regards administrative costs, only the personal costs as per the Administrative Costs Regulations and the extraordinary administrative costs incurred (reminder fees in particular) are charged to the insured person. If Compacta Sammelstiftung BVG or the pension fund concerned is in deficit or if restructuring contributions are levied, the insured person will only pay their restructuring contributions (employee share).

If only the risks of death and disability continue to be insured, the insured person pays their risk contributions as well as those of the employer. If the retirement provision continues to be added to as well, the insured person pays their savings contributions as well as those of the employer in addition to the total risk contributions.

The total contributions are charged to the insured person on a monthly basis. If the insured person is in arrears with payment of contributions, the Foundation will send them a reminder. If the outstanding contributions have not been received at the payment address within one month of the reminder being sent, continued insurance will automatically end from the date on which the contributions are outstanding.

---

### **Can the insured person opt in and out of making savings contributions repeatedly?**

No. When applying, the insured person must state whether they wish to continue saving or not. They can no longer opt in to the savings process at a later date. If the insured person continues to make savings contributions, they can opt out of doing this later. However, they can then no longer opt back in again.

---

## What happens to the savings capital?

The savings capital stays with Compacta Sammelstiftung BVG during continued insurance and continues to accrue interest. If the insured person opts for the risk and retirement provision, the monthly savings contributions are credited to the savings capital. If the termination benefit has already been transferred to a vested benefits scheme or withdrawn in cash, must be transferred back to Compacta Sammelstiftung BVG.

---

## When does the continued insurance end?

Continued insurance ends when the insured person reaches the normal retirement age (65), when the risk of death or total disability materialises, when the insured person terminates the insurance or after a single reminder in the case of late payment of the contributions owed. It also ends when more than two thirds of the termination benefit is required to buy in to the full amount of regulatory benefits when joining a new occupational pension scheme.

The insured person can terminate the continued insurance at any time to the end of the next month.

---

## Is early / deferred retirement or partial retirement possible?

Under Art. 47a OPA, partial retirement and continued insurance of the pension provision after reaching the normal age limit are not possible for insured persons.

However, full early retirement is possible.

---

## Consequences of voluntarily continuing insurance for more than two years

If the insurance has been continued voluntarily for more than two years, an advance withdrawal or a mortgage on a residential property is no longer possible. In addition, the retirement benefit can only be drawn in the form of a pension.

---

## Timeframes

**A written application** for continued insurance in line with Art. 47a OPA must be submitted to Compacta Sammelstiftung BVG within one month of termination of the employment relationship. It must state whether only the risk insurance or also the retirement provision will be continued. The option for continued insurance is forfeited if this signed notification is not received within this timeframe.

The application by letter must be accompanied by a copy of the employer's **letter of termination** or the **termination agreement**. If the requested evidence of termination by the employer is not provided within two months of termination of the employment relationship, the right to continued insurance will be considered to be forfeited.

If the insured person has opted for continued insurance with savings contributions, they can revisit this choice with effect from 1 July of a calendar year and continue the insurance without savings contributions. Compacta Sammelstiftung BVG is to be informed of this in writing by 31 May at the latest. If there is no written notification, the selected form of pension provision will remain in effect. However, the reverse situation is excluded.

---

## Contact

Your contact at Compacta Sammelstiftung BVG will be happy to discuss options for continued insurance, the effects and costs with you.