

Information leaflet – Cash payment of your exit benefits and insurance protection

Cash payment of the exit benefit because of permanent relocation from Switzerland to a location within the EU/EFTA

You are leaving Switzerland permanently and will be relocating to a country within the EU/EFTA.

The **non-mandatory** part of the exit benefit can be paid to your personal account in cash.

The **mandatory** part of the exit benefit must be transferred to a **vested benefits account** until it has been confirmed whether you are subject to mandatory insurance in your new place of residence. This confirmation may take several months.

If you are not subject to mandatory insurance in your new place of residence, the mandatory part can also be paid to your personal account in cash.

To verify that you are not subject to mandatory insurance in your new place of residence in the EU/EFTA, please contact:

LOB Guarantee Fund, P.O. Box 1023, CH-3000 Bern, Tel +41 31 380 79 71, www.sfbvg.ch

Once you have this verification from the LOB Guarantee Fund, you may request payment of the mandatory part of the exit benefit from the vested benefits foundation.

You have the following two options for opening a vested benefits account:

1. Opening a vested benefits account with a Swiss bank of your choice

You can open a vested benefits account with a Swiss bank of your choice. To enable us to transfer your exit benefit to this account, we require confirmation that you have opened an account from the bank and a pay-in slip.

2. Opening a vested benefits account with the Vested Benefits Foundation of UBS AG through Valitas

No time to open a vested benefits account yourself? We can transfer your exit benefit directly to our partner foundation, the Vested Benefits Foundation of UBS AG in Basel. We do not require any further documentation to do this.

Vested Benefits Foundation of UBS AG
P.O. Box
CH-4002 Basel
Tel. +41 (0)61 226 75 75
www.ubs.com/vb
www.ubs.com/retirement

If you are a cross-border commuter who is permanently ceasing employment in Switzerland

If you are moving abroad or already live outside of Switzerland but will continue to work in Switzerland, you are not considered to have relocated out of Switzerland. Your exit benefit cannot be paid in cash.

The **non-mandatory part of the exit benefit** can be paid in cash if you, as a cross-border commuter, cease employment in Switzerland. In this case, we require:

- confirmation of place of residence
- copy of your new employment contract or, if you are unemployed, confirmation that you are receiving unemployment benefits
- or official confirmation that you have returned your cross-border commuter permit.

The **mandatory part of the exit benefit** must be transferred to a vested benefits account until it has been confirmed whether you are subject to mandatory insurance in your place of residence. You can find further information in the previous section, "Cash payment of the exit benefit as a consequence of permanent relocation from Switzerland to a location within the EU/EFTA".

Cash payment of the exit benefit because of permanent relocation from Switzerland to a location outside of the EU/EFTA

You are leaving Switzerland permanently and will be relocating to a country outside of the EU/EFTA.

You can have the full exit benefit, i.e. the mandatory and non-mandatory parts, paid in cash to your personal account.

Cash payment because of starting self-employment as a main occupation

→ You must also complete and submit the form "Additional declaration for starting self-employment".

If you are starting self-employment as your main occupation, you can have the exit benefit paid to you in cash **within one year** of starting self-employment. Later payment is not permitted.

The occupational pension scheme is obliged to determine whether your self-employment is a main or secondary occupation. It may not rely on confirmation from the OASI office to do this.

If you would like to continue your pension coverage on a voluntary basis as a self-employed person, you can contact the occupational pension scheme for your professional association. Alternatively, there is the option of the Substitute Occupational Benefit Institution LOB. This can maintain your pension coverage under its mandatory benefit coverage. You can find further information at www.aeis.ch.

End of pension coverage following your exit

Your pension coverage ends on the day you leave the occupational pension scheme (always the end of the month). If you do not join another occupational pension scheme, your pension coverage for the risks of death and disability shall remain in place for a maximum of one month. If a claim arises during this time (death or disability), cash payment will no longer be possible.

Voluntary purchases within the last three years

If you have made voluntary purchases in the occupational pension scheme, the purchase sum for the last three years (including interest) cannot be paid in cash. The purchase sum shall be transferred to a vested benefits scheme and will only become available in cash after a three-year vesting period.

Taxation of a cash payment

If residing and subject to tax in Switzerland

We are obligated to report the cash payment to the Swiss Federal Tax Administration in Bern.

If residing abroad or residing in Switzerland and subject to tax abroad

The cash payment is subject to withholding tax. The amount depends on the rate set by the canton in which the occupational pension scheme is headquartered.