

INFORMATION SHEET

Save flexibly with different contribution options

Starting in 2017, actively insured persons will have a say in how much they save. Choose the solution that best meets your needs and means from three savings contributions options. This information sheet will show you what savings contribution options are available and what you must do if you want to switch.

General information

How are my retirement benefits financed? Employees and employers both make monthly savings contributions. At BVK, the employer finances 60% of the contributions and employees finance 40%. The accrued capital is used to finance your retirement benefits (pension or lump-sum payment). The higher your savings capital at the time of retirement, the higher your retirement benefits – and vice versa.

What are the contribution options? There are three contribution options:

- «Basic» option (-2%)
- «Standard» option
- «Top» option (+2%)

With the «Basic» option, you pay two percentage points less than you would with the «Standard» option. With the «Top» option, you pay two percentage points more than you would with the «Standard» option. By default, all insured persons are assigned to the «Standard» option.

Savings contributions by contribution option from 1 January 2017
(in % of insured salary)

Age	Basic option	Standard option	Top option	Employer
	Employee	Employee	Employee	In all options
21 – 23	2.0%	4.0%	6.0%	6.0%
24 – 27	3.2%	5.2%	7.2%	7.8%
28 – 32	4.4%	6.4%	8.4%	9.6%
33 – 37	5.6%	7.6%	9.6%	11.4%
38 – 42	6.8%	8.8%	10.8%	13.2%
43 – 47	8.0%	10.0%	12.0%	15.0%
48 – 52	8.8%	10.8%	12.8%	16.2%
53 – 65	9.6%	11.6%	13.6%	17.4%
66 – 70	4.0%	6.0%	8.0%	9.0%

Please note: The employer contributions are always the same, no matter which option is selected.

**Advantages of the
«Top» contribution option?**

Your advantages when you select a higher savings contribution option

- Your savings grow faster – meaning your future retirement benefits grow faster too.
- If you change employers and leave BVK, the amount of savings that you can take with you increases.
- The higher savings contributions lower your net salary – reducing your income tax.
- Your savings potential increases.
- Personal buy-ins cannot be used for a lump-sum withdrawal for three years for tax reasons. Higher savings contributions are not affected by this rule.

Considerations for selecting the «Top» option

- You value having very good pension fund benefits when you are older. So you are willing to save more voluntarily. You do not mind having a slightly lower net salary.
- You want to increase your savings capital despite making an early withdrawal to purchase a home.
- You are looking for an alternative to a personal BVK pension fund buy-in.
- You can no longer make personal buy-ins because you have exhausted your buy-in potential or you have made an early withdrawal to purchase a home.

**Advantages of the
«Basic» contribution option?**

Your advantages when you select a lower savings contribution option

- Your monthly salary deductions decrease and your net salary increases.
- You can manage your personal savings rate more flexibly (3rd pillar).

Considerations for selecting the «Basic» option

- You are temporarily in a difficult financial situation.
- You place more value on private pension provision (3rd pillar).
- You are wealthy and will be less reliant on pension fund benefits when you are older.
- You are aware that your pension benefits will be lower with the «Basic» option than they would be with the other options.

**What happens if I do not
make a selection?**

If you do not make a selection, you will automatically be placed in the «Standard» contribution option.

**How can I change my
savings contribution option?**

You can conveniently and quickly choose your preferred savings contribution option on our website. The online tool can be found at www.bvk.ch/beitraege. Further information about the tool can be found at the end of this information sheet.

You can also change your contribution option in writing. Use the «Request change of contribution option» form and submit the signed form to us by post.

When is the latest I can make my selection?

You must select an option by **30 November at the latest**. The savings contribution option that you select will be valid from 1 January of the following year and will remain in place until you make another selection.

Please note: Changes made after 30 November will not be valid until the year after the following year.

I hold several positions that are insured at BVK. Are there any points I need to note?

You must change all of the savings contribution options at the same time. The selection you make always applies for all of the employment relationships insured by BVK.

Example: You select the «Top» savings contribution option from 1 January 2017.

– You have held position 1 at employer X since 2009.

– In 2017, you begin position 2 at employer Y.

You also use the «Top» option for savings through the second employment relationship.

Do I have to inform my employer about the change?

No. BVK will inform your employer about your selection after the closing date. The new employee savings contributions will be deducted from your salary starting in January of the following year.

Can I select the savings contribution option when I join BVK?

No. When you join, you are automatically insured through the «Standard» savings contribution option. You can only select a different savings contribution option for January of the following year (by no later than 30 November).

Does the contribution option have an impact on the risk benefits in the event of death or disability?

No. The calculation of survivor's or disability benefits is based on the insured salary, not the amount of savings capital. In the event of death or disability, BVK will continue the contribution premiums on the basis of the «Standard» contribution option, irrespective of your selection.

I am over 60 and will benefit from a vested pension starting in 2017. What should I do?

People born in 1956 or earlier who were insured by BVK before 2017 will receive a guaranteed vested pension in francs based on the reduction of the conversion rate as at 1 January 2017. As a result, higher savings contributions and personal buy-ins will initially only affect retirement benefits in the event of a lump-sum withdrawal. In most cases, selecting the «Top» contribution option is not recommended.

I'm 30 years old. Is it still worth it for me to select the «Top» option?

Yes, for young people it's worth it because of the interest rate effect. This will increase the savings capital that you can bring with you if you leave BVK as a result of a job change. The retirement pension will also be higher.

Using the online tool at www.bvk.ch/beitraege

Where can I find the login details for the online tool?

Existing insured persons

The login details can be found in the letter accompanying the newsletter

«Context June 2016». Starting in spring 2017, all insured persons will find the login details on their individual pension fund statement.

New insured persons

The policy number and your personal login details can be found on your pension fund statement. This will be/was sent to you together with your confirmation of enrolment.

Will I receive confirmation of the change?

Please make your selection in the online tool and confirm it. A window with the confirmation will open. You can save this confirmation and print it out. No other confirmation will be sent.

Legal notice

This information sheet is intended to provide a brief overview of the topic. No claims may be derived from it. Only the pension fund regulations and the relevant statutes are legally binding.