

# Fondation 2<sup>ème</sup> pilier swissstaffing

## GUIDE TO THE MAIN PROVISIONS OF THE PENSION FUND REGULATIONS FOR TEMPORARY EMPLOYEES

(Valid from 1 January 2015)

### 1. DEFINITIONS

#### Company:

The employer - a temporary employment agency affiliated to the swissstaffing association.

#### Fund:

An occupational benefits institution whose purpose is to insure temporary and permanent employees of swissstaffing affiliated Companies against the financial consequences of retirement, disability and death.

#### Pension Board:

This is the Fund's highest body which is responsible for the overall operation of the Fund. It is made up of an equal number of representatives of affiliated Companies and members. In 2015, it comprises 6 people.

#### Fund Manager:

A service company (Aon Hewitt) which administers and manages the Fund and which is under the supervision and control of the Pension Board.

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#### LPP/BVG - LFLP/FZG

LPP/BVG: Federal Law on Occupational Retirement, Survivors', and Disability Pension Plans, which governs the Fund.

LFLP/FZG: Federal Law on Vesting in Pension Plans

#### Savings account / Retirement savings capital:

Member's account, held by the Fund, used to finance the member's retirement benefits. It consists of the savings portion of contributions, vested termination benefits transferred in (or buy-ins), any one-off payments received from the Fund, and accrued annual interest. An annual statement may be obtained from the Fund Manager on request.

### 2. QUALIFICATION FOR MEMBERSHIP

#### The Fund insures all temporary employees who:

- are aged 18 and over, and who
- have not yet reached normal AVS/AHV retirement age
- earn an hourly salary of more than CHF 9.65, and
- are not more than 70% disabled as defined by the AI/IV.

### 3. START OF INSURANCE

Membership begins from the first day of work:

- when the contract is concluded for an indefinite period;
- if the term of employment exceeds 13 weeks;
- if requested by the employee;
- if the employé has child maintenance obligations;

and from the day that

- the assignment, although originally scheduled to last less than 13 weeks, was then extended during the

52 weeks following the end of the previous assignment (according to the collective agreement "CCT Location de services");

- upon acceptance of an extension of the assignment from the same temporary employment company if the extension and the original assignment together exceed 13 weeks.

Accident, illness, military or civil service, or maternity leave does not result in termination of insurance.

### 4. MEMBERS' OBLIGATIONS ON JOINING THE FUND

A member of the Fund **must**

- a) provide the Fund Manager with the termination statement from his previous occupational benefits institution, showing his vested termination benefit on the date he left, on the date of his marriage, and at age 50, as well as his LPP/BVG portion, and

- b) have his vested termination benefit transferred from his last occupational benefits institution to the Fondation 2<sup>ème</sup> pilier swissstaffing bank account at the UBS in Neuchâtel:

**IBAN CH86 0029 0290 5461 3949 H**  
or  
**CCP 80-2-2, account No. 290/ 290-546139.49H**

The transfer must specify his **full name, AVS/AHV number, and the name of the temporary agency that employs him.**

### 5. INSURED MONTHLY SALARY

The insured salary in the Fund corresponds to the items of remuneration, indemnities in lieu of salary and allocations listed in Section 5 of the annexe to the regulations, less an LPP/BVG coordination amount.

Items of remuneration that are not part of the insured salary are also mentioned in Section 5 of the annexe. They include, in particular, bonuses and other occasional incentives (not guaranteed, i.e. not included in the salary), shiftwork allowances and overtime pay.

The insured monthly salary communicated by the affiliated Company is based on the hourly salary.

#### Example of insured salary calculation

AVS/AHV salary for calculation period, excluding occasional components	CHF 5,400.00
Divided by the corresponding number of hours worked in the period	160
= hourly salary	CHF 33.75
Hourly salary from which AVS/AHV contributions are withheld (max. CHF 38.65)* (*Specific pension plans may deviate from this maximum salary amount)	CHF 33.75
Less coordination amount	CHF 11.25
<b>Insured hourly salary (minimum CHF 1.60):</b>	<b>CHF 22.50</b>
Multiplied by the number of hours actually worked during the month	160
<b>Insured monthly salary:</b>	<b>CHF 3,600.00</b>

The "maximum", "minimum" and "coordination amount" are set each year.

## 6. CONTRIBUTIONS

All members must pay contributions based on their **monthly insured salary**, depending on their age and in accordance with the following rates:

### Members' contributions

Age*	Savings	Risk and costs	Total
18 to 24	0.0 %	1.40 %	1.40 %
25 to 34	3.5 %	1.40 %	4.90 %
35 to 44	5.0 %	1.40 %	6.40 %
45 to 54	7.5 %	1.40 %	8.90 %
55 to retirement	9.0 %	1.40 %	10.40 %

\*Age: difference between the current year and the year of birth.

The Company's contribution is equal to that of the member (identical rates to those in the above table).

## 7. CONTRIBUTIONS DURING INCAPACITY FOR WORK FOR REASONS OF ILLNESS, ACCIDENT, MILITARY/CIVIL SERVICE OR MATERNITY LEAVE

During such absences, the temporary employee receives an income replacement allocation.

During the period when the Company is legally obligated to pay the salary [Secs. 324a of the Swiss Code of Obligations (Bernese scale) or Article 329f CO (maternity leave)], or when the allocations are subject to AVS/AHV, the employer and the member must continue to pay the contributions.

After the statutory salary payment period, contributions are no longer due but the member remains affiliated to the Fund until he leaves (end of contract).

If the illness or accident results in a disability recognised by the AI/IV, the member and the employer are released from their obligation to pay contributions for the 9 months preceding the date on which the disability was recognised by the AI/IV. From then on, the Fund assumes the payments; in particular it pays into the savings account as if contributions were still being paid.

## 8. END OF INSURANCE

Insurance ends on the day that the employment relationship ends; it is extended for one month if no new employment begins with a new employer.

## 9. VESTED TERMINATION BENEFIT (ON LEAVING)

Upon leaving the Fund a member is entitled to a **vested termination benefit (VTB)** provided he has paid contributions and is over age 25. This VTB is transferred to the new occupational benefits institution in keeping with the information provided by the member.

In the specific cases mentioned in the questionnaire, the VTB may be paid in cash.

**The VTB corresponds to the total amount** accrued in the savings account on the day the employee leaves. The minimum benefits under the LPP/BVG and LFLP/FZG are guaranteed.

**A termination statement is issued, within 3 months, to each member who leaves the Fund.** The statement contains details of the vested termination benefit, information that by law must be forwarded to the next occupational benefits institution, and a questionnaire concerning remittance instructions. **This questionnaire must be completed and returned to the Fund Manager.**

## 10. DISABILITY AND DEATH BENEFITS

Provided all the required conditions have been fulfilled, the Fund may grant the following benefits under the regulations:

### a) Disability:

- a disability pension calculated on the basis of the projected retirement savings capital and the conversion rate;
- pensions for children of a disabled member;
- a contribution waiver.

### b) Death:

- a spouse's pension or a one-off lump-sum payment;
- orphan's pensions;
- divorced spouses' pensions;
- a lump-sum death benefit for unmarried members.

Members are strongly encouraged to designate named beneficiaries in accordance with the regulations.

## 11. CLAIMS PROCEDURE

A member or his beneficiaries must inform the Company of the insured event. The Company will collect the information needed for its records and contact the Fund Manager.

The member or his beneficiaries have an obligation to provide all the information needed to process the claim.

## 12. RETIREMENT BENEFITS

The following benefits are paid at normal AVS/AHV retirement age:

- a retirement pension, or
- a lump-sum capital, provided the member submits a request to the Fund Manager in writing. For married members, the spouse's signature is required in order to obtain a lump-sum payment.
- children's pensions for retired members.

Early retirement from age 60/59 and late retirement up to age 70 are permitted subject to the Company's approval.

## 13. ENCOURAGEMENT OF HOME OWNERSHIP

A member may withdraw all or part of his individual savings account to finance residential property for his own use. However, the LPP/BVG imposes a minimum withdrawal of **CHF 20,000.**

In the event of a withdrawal, the Fund's benefits are reduced and the member must decide whether he wishes to take out private supplemental insurance with an insurance company.

The member may also use part of his pension assets as a pledge.

**Further details may be obtained from the Fund Manager.**