

Voluntary purchases of pension benefits

Active insured persons can increase their retirement benefits by making voluntary purchases of additional insurance benefits. The money is credited to the savings capital. Voluntary purchases of additional benefits are irrevocable: i.e. it is not possible to demand their return before ordinary retirement.

Preliminary remark

Please take note of the legal framework conditions at the end of the information sheet.

What are the advantages of voluntary purchases?

- A voluntary purchase leads to higher vested benefits; higher vested benefits lead to a higher retirement pension in old age.
- There are tax advantages. Nearly all cantons permit the purchase of additional benefits under Pillar 2 in accordance with the plan.

How much am I allowed to spend on voluntary purchases?

Your pension certificate will show whether you have scope to purchase additional benefits. The amount shown corresponds to the maximum possible voluntary purchase. This depends on your pensionable salary and the savings capital already accumulated on the reference date. The amount stated is therefore always the value calculated at that time, and is not guaranteed for the future.

Can I make voluntary purchases to finance early retirement?

Yes, you can purchase additional benefits to be paid into your Early Retirement Account, in order to make up the missing amount in full or in part. This offers a straightforward way to make up any pension shortfalls resulting from early retirement.

Please note: If you opt for early retirement, you must actually retire early. Otherwise, under certain conditions the assets in the Early Retirement Account will be forfeited in favour of the Siemens Pension Fund. We recommend that you seek advice.

Is there a minimum purchase amount?

No, additional benefits may be purchased by means of a one-off payment or staggered over several years.

What effect will such purchases have on my pension situation?

You can simulate the effects on your pension situation quickly and easily using the [Pension Calculator](#) (available in German and French only) on our website.

Can I set voluntary purchases against tax?

Yes, provided that you comply with the statutory provisions regarding restrictions on the purchase of additional benefits. The competent tax authority is the only source of authoritative information on how such purchases are treated for tax purposes. We recommend that you contact the tax authority before each purchase to clarify whether it is permitted. The Siemens Pension Fund accepts no liability for any objections or tax implications.

To which account are voluntary purchases credited?

Purchases of additional insurance benefits are credited to the Savings Account or the Early Retirement Account, and are generally allocated to the extra-mandatory portion.

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| I'm interested in making a voluntary purchase - how do I go about it? | Please contact the person responsible for your pension account. To find out who is responsible for your account, check on our website at www.pk-siemens.ch or consult your personal pension certificate. You will then be sent a quotation for the purchase of additional insurance benefits. |
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Legal framework conditions

The following provisions regarding the purchase of additional insurance benefits apply to pension schemes (Art. 79b BVG, Art. 60a-d BVV 2):

- Purchases are permitted only up to the amount of the full benefits under the Pension Fund Regulations.
- Existing pension assets in second pillar vested benefits schemes must be counted in full. Other pension assets under Pillar 3 (private pension provision) must be counted if they exceed the maximum Pillar 3a assets permitted for the age group in question.
- Persons who have moved to Switzerland from abroad and have never previously been members of a Swiss pension fund can purchase benefits equal to a maximum of 20% of their pensionable salary each year during the first five years.
- Any early withdrawals for home ownership purposes must first be repaid.
- Purchases of additional benefits must be made before an insured event occurs.
- If additional benefits have been purchased, the resulting benefits may not be withdrawn in the form of a lump sum during the next three years. The following count as lump-sum withdrawals:
 - Withdrawing all or part of the retirement assets in place of a retirement pension
 - Early withdrawal under the home ownership promotion scheme (WEF)
 - Cash payment because of emigration, taking up self-employment or because the termination benefit is very small

Disclaimer

No legal claims can be derived from this information sheet.

The current provisions of the law and the Pension Fund Regulations are binding.