GEMINI

Fact sheet – retirement

Retirement age

GEMINI has generally defined the statutory retirement age as the standard AHV retirement age: for women, this is the first day of the month following their 64^{th} birthday, for men the first day of the month following their 65th birthday.

Once members reach the AHV retirement age, the statutory obligation to participate in a pension fund ends irrespective of further employment or retirement.

Retirement age according to pension plan

The Framework Regulations allow each employee benefits unit to specify a different retirement age in its pension plan as long as the age is within the range of 58 to 70 years permitted by law or the Regulations.

Early retirement and partial retirement

Early retirement has been defined as retirement by members who give up employment within the range prescribed by the Regulations but before the scheduled retirement age.

If employment is given up in stages, the pension fund offers an early partial retirement scheme. In this context, the retirement benefits will be drawn early on a pro rata basis and will continue exclusively to the extent of the remaining employment level. Retirement must be taken in no more than three stages and the salary reduction at each stage must be at least 30%. Only one partial retirement stage can be taken per year. In addition, a minimum employment level of 30% must be maintained until final retirement.

In the case of partial retirement, early withdrawal of the retirement benefits is not mandatory.

As of age 58, the previous retirement benefits may be maintained if the salary reduction is 50% or less and the member takes on both the employee and employer contributions relating to the difference between the previous and the new salary.

Deferred retirement

If employment continues beyond the statutory retirement age, the savings process can be continued with the consent of the employer and the retirement benefits can be deferred (deferred retirement). Retirement benefits can be deferred until termination of employment, at the latest until age 70.

Such deferral relates to the receipt of retirement benefits only. The risks of death and disability are no longer insured once the statutory retirement age has been reached. In the event of death or incapacity for work after statutory retirement age, the deferred retirement benefits are due forthwith. Survivors' benefits are therefore consistent with the benefits normally due after retirement.
In the case of a deferral, as in the case of retirement, the group of survivors is also limited to spouses, registered partners or eligible life partners (same or opposite sex) and orphans.

The following special provisions apply to life partnerships: The life partnership must have been established both before retirement and before the statutory retirement age and must have been reported to the administrative office. The life partner must demonstrate that the life partnership still existed upon the death of the member or pensioner. If a benefit claim arises, the administrative office will carry out a final assessment to ascertain whether the requirements for a life-partner pension are still fulfilled.

Retirement benefits

Retirement benefits are due upon retirement. The benefits depend on the specific pension plan. As a rule, the insurance covers the retirement pension including the legal right to survivors' benefits; in the non-mandatory insurance, capital plans may also be covered.

Retirement pension

The retirement pension depends on the accrued savings capital at the time of retirement multiplied by the applicable conversion rate pursuant to the pension plan. In the case of early retirement, the savings capital and the conversion rate are lower. The projected figures in the cases of early and ordinary retirement are specified on the *personal certificate*. In the case of deferred retirement, the interest, and continued savings contributions – depending on the pension plan, are added to the savings capital. The applicable conversion rates are specified in the pension plan.

A legal right to spouse's / partner's and orphan's pensions is insured together with the retirement pension. As a rule, the reversionary spouse's pension amounts to 60% of the current retirement pension and the orphan's pension to 20%. On request, the reversionary spouse's pension can be increased to 100% of the current retirement pension, which will result in a lower retirement pension. The applicable figures are available in the pension plan and the Framework Regulations.

Retired person's children's benefit

Recipients of a retirement pension are entitled to a retired person's children's benefit for children under 18 or children in full-time education. This entitlement expires on the 18th birthday or upon termination of full-time education, at the latest on the child's 25th birthday. Where several children are entitled to receive benefits, the maximum retired person's children's benefits paid by the Foundation amount to 30% of the current retirement pension.

Retirement capital

Instead of a retirement pension, members may also withdraw their retirement pension either fully or partially as a lump sum on request (capital option). The partner's consent is required since the lump-sum payment fully settles the pension fund's obligations and survivors' benefits will not be paid.

Capital or pension?

The pension guarantees regular income until death. Spouses or partners are insured via the reversionary spouse's or partner's pension. The same applies to surviving children who are entitled to an orphan's pension. The retirement pension is 100% subject to income tax. While providing significant financial flexibility, lump-sum withdrawals are also associated with investment and longevity risks. In the event of death, the remaining capital can be passed on. Upon withdrawal, the lump sum is subject to a non-recurring special-rate tax. Subsequently, the general property and income taxes apply.

Deadlines

- The application for a lump-sum withdrawal must be submitted before the member's death and at the latest before the envisaged retirement date.
- The legal right to a spouse's pension of 100% must be registered both before retirement and before the statutory retirement age.
- Life partnerships must have been established both before retirement and before the statutory retirement age has been reached. The claim to a partner's pension must be presented in writing to the Foundation within three months of the death, otherwise the claim will lapse.

Notification forms

The *Customer service* section on the GEMINI website provides extensive information and forms for downloading.

The *Notification of retirement* form should be used to submit your preferred options and any other required information regarding your imminent retirement. You can also use the same form if you wish to defer you retirement and want to register your options in good time. Simply add the note 'Deferral' in the regular retirement field and complete the form as specified.

If you would like to name your life partner as beneficiary in the event of your death, please submit the *Designation of life partner / declaration of beneficiaries* form without delay.

Questions

If you have any questions, please do not hesitate to contact us. The details of your contact person are specified on the back of your personal certificate. Our financial planning specialists at Dörig & Partner provide independent and comprehensive advice on any further subjects, such as taxes, real property, investments or estate planning. Make an appointment by phone on +41 62 520 75 25 or by mail at avadis@doerig-partner.ch.