



# Bayer Pension Fund Switzerland

## Checklist retirement

### The checklist with the planning steps

It is worthwhile to deal with retirement at an early stage. In this way you can implement the appropriate planning steps in good time. This checklist is a suggestion for optimal preparation:

#### // From the age of 50 until five years before retirement at the latest

- Determine private assets incl. debts (e.g. mortgages) / also determine liquidity
- Create budget planning after retirement
- Obtain an advance calculation of the AHV pension or at least have an estimate made
- Recognition of possible income gaps after retirement. Developing strategies to close these gaps (e.g. pillar 3a, buying into the pension fund)
- Pension vs. capital withdrawal in the pension fund or combination. Determine advantages and disadvantages
- Registration of life partners with the pension fund, if this has not yet been done
- Purchases into the pension fund including employer contributions. The 3-year blocked period for capital withdrawals must be observed.
- In the event of early retirement - Is an AHV bridging pension an option?
- In the event that the employer terminates the employment relationship between the ages of 58 and 65: Ask the pension fund to examine the options for continued insurance
- Investment strategy for private securities solutions (Pillar 3a/Pillar 3b): review of investment strategy adjustment in case of changed risk capacity
- Ensure that different Pillar 3a accounts are managed in order to be able to make staggered withdrawals (tax optimization)

#### // At least one year before retirement

- Private assets and budget planning after retirement. Updating the inventory and planning
- In the event that the employer terminates the employment relationship between the ages of 58 and 65: Ask the pension fund to examine the options for continued insurance
- Set retirement date
- Clarify the effects of a possible early retirement with the AHV and pension fund
- Observe the registration deadline with the pension fund for any capital withdrawal (capital option period 3 months)
- Re-examination of investment strategy for private securities solutions (Pillar 3a/Pillar 3b): examination of adjustment of investment strategy in the event of changed risk capacity
- Regulate inheritance (will, pension plan, living will, etc.)

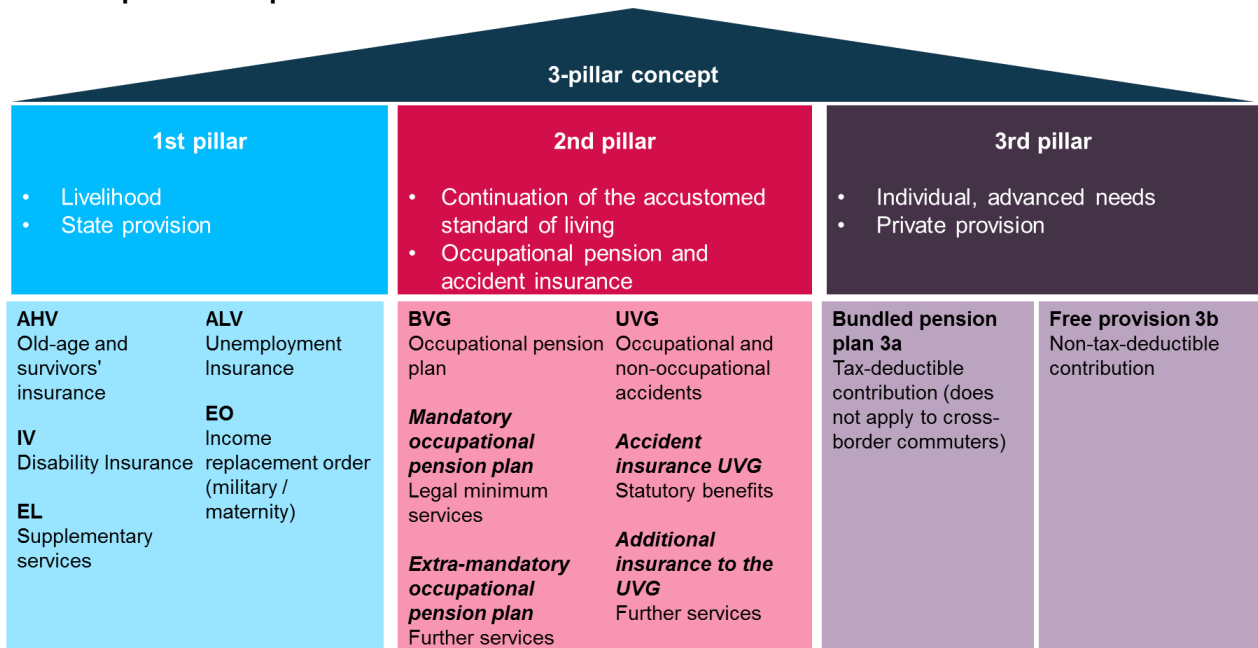
#### // About four months before retirement

- Submit an application to the AHV for the payment of the AHV pension
- In the case of a lump-sum payment with the pension fund, please observe the formal requirements. For married couples, both signatures must be notarized. For unmarried persons, official proof of civil status is required



- Accident coverage: After retirement, accident coverage is no longer covered by the employer's accident insurance UVG. The accident coverage is therefore to be included in the private health insurance

// **The 3-pillar concept**



// **Old age and survivors' insurance AHV**

On [www.ahv-iv.ch/de](http://www.ahv-iv.ch/de), the homepage of the AHV, you will find some information sheets on the benefits and contributions of the AHV. Among other things, there are instructions on how to estimate the future amount of the AHV pension using the ESCAL online calculator or how to make a more precise pension calculation. The calculation results of the AHV are not binding, as the basic principles may change.

The AHV pension is not paid automatically. The claim must be registered with the AHV about four months in advance for the payment of the AHV pension.

The normal retirement age is 64 for women and 65 for men. The retirement pension can be drawn one year or two whole years in advance (advance withdrawal for individual months is not possible). If you withdraw one year in advance, the life-long reduction is 6.8%, or 13.6% if you withdraw two years in advance. It is therefore worthwhile examining whether financing an AHV bridging pension through Bayer Pensionskasse Schweiz is a better alternative. The receipt of the AHV pension can be deferred for up to five years - with corresponding pension increases.

In the event of early retirement, the AHV contribution obligation continues to apply until the normal retirement age. No contributions are due if the spouse is gainfully employed within the meaning of the AHV and pays at least twice the minimum contribution (CHF 992.00, as of 2020).



### // **Occupational pension plan - Pension fund**

The pension fund regulations of Bayer Pensionskasse Schweiz contain flexible retirement provisions. Early retirement is possible from the age of 58. The normal retirement age for both men and women is 65. The conversion rates for women and men differ slightly and are regulated in the pension fund regulations. In the event of continued employment beyond the regular retirement age, deferment is possible until the age of 70. Partial retirement is also an option.

If you are interested in making a purchase, please have the purchase amount checked and confirmed by the office of Bayer Pensionskasse Schweiz, KESSLER VORSORGE AG. If you are planning to make a purchase, any advance withdrawals made earlier for home ownership must be repaid first. If you are not subject to tax in Switzerland (cross-border commuters), please note that such purchases are generally not tax-deductible - this also applies to employer contributions, which are treated as purchases into your pension fund. In case of doubt, we recommend that you clarify your tax situation.

Further information on prevention is available in the separate information sheet on prevention.

KESSLER VORSORGE AG is at your disposal for all questions in connection with the pension fund regulations and for ordering simulation calculations.

### // **Private pension plan - pillar 3a**

Ordinary withdrawal is permitted at the earliest five years before the ordinary AHV retirement age (women 59 and men 60). Ordinary withdrawal is mandatory at the latest when the regular AHV retirement age is reached (women 64, men 65). If you continue to work beyond the regular AHV/AVS retirement age, you may defer receipt of pillar 3a benefits for a maximum of five years until you stop working.

Keep several Pillar 3a accounts. This allows you to plan a tax-optimized, staggered withdrawal of the Pillar 3a accounts. Pillar 3a accounts can only be closed out completely (no partial withdrawals of capital possible).

If you are not subject to tax in Switzerland (cross-border commuters), payments into a pillar 3a account are generally not tax-deductible in your country of residence or are only tax-deductible within certain limits. We recommend that you clarify your tax situation in good time.

### // **Organise your estate**

Make sure you think about how your estate is to be settled. Check how you want to protect yourself legally. Important topics are: Wills, prenuptial agreements, inheritance contracts, living wills and advance directives.