asga

Rosenbergstrasse 16
Postfach, 9001 St.Gallen

T +41 71 228 52 52
F +41 71 228 52 55

info@asga.ch
www.asga.ch

Leaflet Optional Possibilities on Retirement Plans (Optional Plan)

Terms and contents

The amount of vested retirement assets at the time of retirement depends significantly on the monthly benefit contributions by both, employer and employee. With the implementation of an Optional Plan, employers (respectively their staff welfare scheme commissions) can offer their employees a contemporary retirement plan option where they can make a choice between three different provision solutions and determine the optimal saving contribution amount. As a result, employees are offered individual options within the Pension Fund and are able to impact the amount of future pension assets.

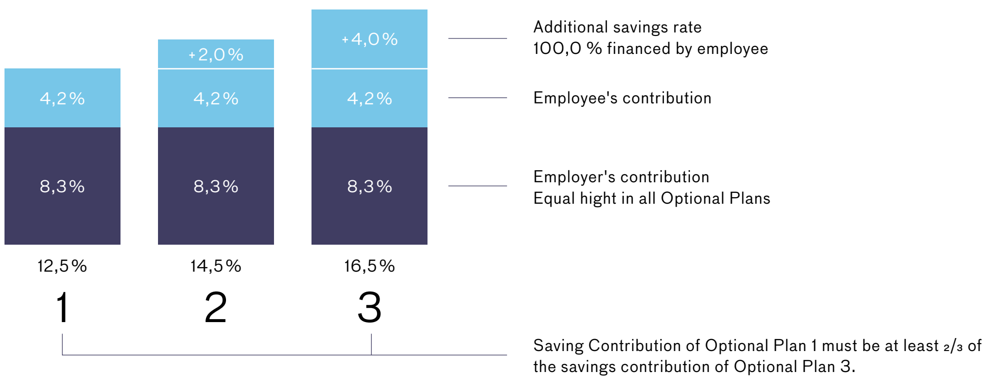
Conditions for the proposal of Optional Plans and paradigm

The possibility of choice must be foreseen in the provision plan or the connexion agreement, respectively. This requires, on the one hand, that the employer's contribution is as least of equal hight as the total contributions of all employees (Federal Law on Occupational Retirement, article 66 paragraph 1). This means that the Optional Plan solution cannot be offered for a parity financing scheme (50 % each by employer and employee).

Furthermore, the possibility of choice must fulfill the following legal principles (Regulation 2 on Occupational Retirement, article 1d):

- maximal offer of three Optional Plans per category of persons
- the employer's contribution is the same in each Optional Plan
- the saving contribution of the provision plan with the lowest contributions must be at least equal to 2/3 of the contributions of the provison plan with the highest saving contributions

The following paradigm illustrates this connection:



Benefits for insured persons

The offer of Optional Plans is characterized by the following attributes

- free choice for the insured person based on the personal provision requirements
- active impact on the future pension assets
- possibility of taxable deduction of the additional saving constribution to its full extent
- maximal flexibility thanks to the annual change possibility

▾ *please have a look at the following page*

Further financial impacts on Optional Plans

The offer of Optional Plans has no impact on the employer's contributions. The higher pension assets, however, have an impact on slightly higher risk premiums which have to be financed 100 % by the insured person.

Administrative Procedures

The insured persons can opt for their personal Optional Plans upon entrance into the Pension Fund or annually as per January 1st. The choice is valid for an entire calendar year. The employer confirms the option via AsgaOnline or via mutation announcement towards Asga.

▸ *We are gladly available at your disposal for any questions you might have: P +41 71 228 52 52, info@asga.ch*