

## FAQs regarding the new external membership

### What changes due to the new regulation of the external membership?

The main changes are:

- The external membership can last for more than 2 years, if the old-age benefits are paid out as a monthly pension payment. This means that the capital option at retirement is no longer possible when the external membership lasts longer than 2 years.
- Savings contributions are voluntary, only risk contributions are still a must: the insured salary for "Risk" and "Savings" can be chosen independently of each other within the certain limits.

### What are the criteria for external membership?

The only condition for external membership is that your employment contracts has been terminated by the employer.

### Can I stay as an external member when I have a new employer?

No, as soon as you have a new employer and enter his pension fund, the external membership must be terminated. The only exception is when a full buy-in into the new pension fund uses less than 2/3 of your pension fund savings.

### How long can I stay as an external member?

If you are 55 or older when starting an external membership, you can stay an external member until age 65, if you choose a monthly pension payment at retirement. The capital option is no longer available when the external membership last for more than 2 years.

If you want to take out all or a part of your savings as a lump sum payment of at retirement, the external membership is limited to 2 years.

If you are below 55 years old when starting an external membership, the duration is limited to 2 years.

### How much does the external membership cost me?

As an external member, you need to pay all contributions (employer and employee contributions) yourself. These contributions are defined as a percentage of the insured salary. The savings contributions depend on your age and savings plan, the risk contributions are currently fix at total 3%.

Savings contributions are voluntary, only risk contributions are still a must: the insured salary for "Risk" and "Savings" can be chosen independently of each other within the following limits:

- The annual insured salary "Risk" has to be between CHF 3'585 and your previous salary and must not exceed 10 times the maximum OASI pension (currently CHF 28'680)
- The annual insured salary "Savings" has to be between CHF 0 and your previous salary and must not exceed 30 times the maximum OASI pension (currently CHF 28'680)
- The underlying annual salary for the insured salary "Risk" must be at least the same than for the insured salary "Savings"

### How do I become an external member?

Please send the completed request form to our administration [hp@avadis.ch](mailto:hp@avadis.ch) 3-4 weeks before your employment contract ends.

### **I already am an external member, what do I need to do?**

- If you would like to extend your current external membership beyond 2 years, please fill in the request form before your membership reaches the 2-year-limitation and send it to our administration [hp@avadis.ch](mailto:hp@avadis.ch). Please note that the capital option at retirement is then no longer available! After an extended external membership, your old-age benefits must be paid out as monthly pension payments.
- If you would like to change your insured salary (risk or savings), please contact our administration: [hp@avadis.ch](mailto:hp@avadis.ch)
- If you would like to keep your external membership as it is, i.e. you do not want to extend it beyond 2 years, as you plan to take a capital option, there is no need to do something.

### **Can I terminate the external membership?**

You can terminate the external membership at any time by writing to our administration [hp@avadis.ch](mailto:hp@avadis.ch) with a notice period of 2 months. The pension fund can terminate the external membership if the contributions are not paid.

### **What are my options when the external membership ends?**

You can

- have the termination benefits paid to the pension fund of a new employer or a vested benefits account
- retire (early) if you meet the criteria, and choose a monthly pension payment, a lump sum (if the external membership didn't exceed 2 years), or a deferral of a monthly pension payments

### **Do I still get the interest credit during the external membership?**

You do still get the annual interest credit as every other active member when you are still a member as of 31 December.