

Product information The Zwitserleven i-Pensioen Middelloon/Eindloon pension scheme

The 'Zwitserleven i-Pensioen Middelloon/Eindloon met RendementsCorrectie' (Average/Final Pay with Yield Correction) scheme is a group pension scheme based on salary and term of service.

Target group

The Zwitserleven i-Pensioen Middelloon and Eindloon scheme is suitable for employers that:

- wish to offer their employees certainty regarding the amount of benefit they will receive from their old-age, partner's and orphan's pensions;
- accept that the pension charges depend on the increase of age and on the level of interest rates via the Yield Correction (see: 'Yield Correction'). The pension charges will therefore vary;
- wish to insure the option for a mandatory survivor's bridging pension (NOVP) and a mandatory occupational disability pension and/or wish to offer the option of voluntarily insuring an NOVP to its employees;
- are not subject to mandatory participation in an industry-wide pension fund;
- wish to operate a pension scheme with an insurer without the risk of a reduction of pensions that applies with a pension fund.

AgreementGross defined benefit agreement (Salary/Term of Service) **Middelloon (average pay) scheme**

The basis of the pension scheme is a percentage accrual of old-age pension per year of service on the pensionable earnings. In this scheme, the pension that the employee receives as of their retirement date is based on the pensionable earnings for each separate year that the employee participates in this pension scheme. The pension is the sum of the pension accrued in each year of participation.

Gross defined benefit agreement (Salary/Term of Service) **Eindloon (final pay) scheme**

The basis of the pension scheme is a percentage accrual of old-age pension per year of service on the pensionable earnings. In this scheme, the pension that the employee receives as of their retirement date is based on their pensionable earnings at the end of their participation. Please note: in the Eindloon (final pay) scheme, we charge a one-off extra service charge for each contract period. See 'Other charges'.

Cover

The pension scheme provides for old-age pension, partner's pension and orphan's pension and may provide for survivor's bridging pension and occupational disability pension. Contribution waiver in case of occupational disability is always included in the insurance.

Survivor's pension

- The standard cover for partner's pension is for 70% of the old-age pension.
- Orphan's pension is a percentage of the partner's pension, final age 18 or 21 years, doubled for full orphans. Each child receives an orphan's pension, provided that they are aged less than the final age of 18 or 21 years when the benefit comes into payment. We sometimes pay orphans' pensions also after the final age. We do so if a child receives a Wajong benefit at the final age. We pay orphan's pension as long as a child receives this Wajong benefit until a maximum age of 27. Does a child study before or after the final age? Then the orphans pension is being paid as long as the child is studying until the maximum age of 27.
- Partner's and orphan's pension may be covered on a risk basis or an accrual basis according to choice.
- The partner's and orphan's pensions can be insured at a constant level or with an annual increase after commencement of 3%.
- Survivor's bridging pension: the employer may choose any insured sum between a minimum of € 10,000.- and a maximum of € 18,269.-, or the standard sum of € 15,985.- (amounts in 2021). By default, we insure the payment of the survivor's bridging pension up to the partner's statutory retirement date. The employer may also choose for payment until the standard retirement date or the earlier state pension (AOW) age. The standard insured sum can be insured on constant level after coming into payment or with an annual increase of 2%. Higher amounts can be insured with a maximum annual increase of 1% after coming into payment.

Occupational disability cover

- Insurance of waiver of contribution in case of occupational disability is mandatory, according to the WIA class system, qualifying period of 104 weeks as standard, assessment on the basis of normal work according to the decision by the UWV. Insurance of contribution waiver ceases on the employee's standard retirement date or statutory retirement age, if earlier. If the employee is also insured for occupational disability pension, insurance of contribution waiver will cease on the employee's standard retirement date.
- Occupational disability pension can also be insured. If the employer chooses this option, cover is mandatory. The employer may choose 10% or 20% of salary up to the maximum WIA daily wage annualised (€ 58,307.- in 2021). And/or 70%, 80% or 90% of salary above the maximum WIA daily wage annualised. The maximum insured sum for occupational disability pension is € 150,000.-.

Joining age	Choice of 18 or 21 years of age (or later date of joining).
Reference date	January 1st.
Pensionable salary	<ul style="list-style-type: none"> • 12 times fixed monthly salary (+ 8% holiday allowance if applicable); • 13 times fixed monthly salary (+ 8% holiday allowance over 12 or 13 months if applicable). <p>The tax limits set out in the Dutch Wage Tax Act 1964 may not be exceeded. The employer may cap the pensionable salary. The statutory maximum is € 112,189.- (2021).</p>
Statutory offset	<p>Minimum: For Middelloon (Average Pay) 100/75 of the state pension (AOW) (including supplements, € 14,544.- in 2021 for a married person) or an annual amount to be specified by the employer. For Eindloon (Final Pay) 100/66.28 of the state pension (AOW) (including supplements, € 16,458.- in 2021 for a married person) or an annual amount to be specified by the employer.</p> <p>The statutory offset is adjusted annually on 1 January.</p>
Standard retirement date	The first day of the month in which the participant or inactive participant reaches 68 years of age. 67 years of age is also possible on request.
(minimum) Premium	The minimum annual premium is €1,500.-.
Premium payment	Annually or monthly.
Payment method	Monthly in arrears.
Contract period	Default five years.
Collection	Via invoices. The employer can access the current financial status online. The employer has 15 days from the value date to pay the invoice. After that, we will charge interest.
Principles and charges	<ul style="list-style-type: none"> • Mortality table: ZL 2018, 2.5% actuarial interest rate. • Disbursement mark-up: 1.5% of the net single premium. • Mark-up for insurance of contribution waiver: 2.9% (successive single premiums, retirement age 68 years) 2.9% (risk premiums, retirement age 68 years). • Service charges: 18%, less the percentage volume discount.
Yield correction	<p>With yield correction, the premium is adjusted depending on the yield correction measure (the 20-years point on the euro swap bid rate curve).</p> <p><u>Features of yield correction</u></p> <ul style="list-style-type: none"> • Yield correction provides a mark-up or discount to the actuarial rate premium. There is no sharing of surplus interest ex-post, also not after termination of the administration agreement. • The discount or mark-up is determined on a daily basis depending on the yield correction measure (the 20-years point on the euro swap bid rate curve). • Yield correction is not granted or claimed with respect to insurance of occupational disability pension (if applicable). • Yield correction has two variants: fixed and variable. • The survivor's bridging pension, if insured, always has its own yield correction: 'Fixed yield correction for NOVP' (with its own percentage of yield correction).
Fixed yield correction	<p>Fixed yield correction is determined on one occasion on the creation of the agreement on the basis of the yield correction measure (the 20-years point on the euro swap bid rate curve) and the average age of the participants. The percentage applies for the whole term of the agreement.</p> <p>Zwitserleven uses the fixed yield correction to adjust the periodic pension premium. This increases or reduces the actuarial rate premium. The fixed yield correction does not apply to:</p> <ul style="list-style-type: none"> • the purchase of years of past service at the start of the administration agreement; • single contributions for indexation; • inward and outward individual transfers of accrued benefits. <p>Zwitserleven determines the current price of the guarantee in these cases. Zwitserleven uses variable yield correction in such cases.</p>

Variable yield correction Variable yield correction is established monthly on the basis of the yield correction measure (the 20-years point on the euro swap bid rate curve) and the average age of the participants. If survivor's bridging pension is also insured, it always has its own yield correction: 'Fixed yield correction for NOVP' (with its own percentage of yield correction).

Costs of yield correction Solvency and management fees:

- contributory pension contract: 0.25% margin on the market interest rate (the 20-years point on the euro swap bid rate curve)
- Non-contributory pension contract: no solvency and management fees*.

* Exceptions are supplements and individual outward transfers of accrued benefits. Variable yield correction is used in these cases. This includes the solvency and management fees stated above as a margin on the market interest rate.

Resolution for individual transfers of accrued benefits (insured as standard) An outward individual transfer of accrued benefits entails a risk that the employer may have to make an additional (sometimes substantial) payment. The resolution insures the employer against this risk. With the Zwitsersleven i-Pensioen Middelloon/Eindloon scheme, this is insured as standard. The employer pays a mark-up for this of 0.9% of the gross single premium. An employer may decide not to take this insurance on request. Entitlements previously accrued with Zwitsersleven are not covered by this insurance. If you would like to know the options available for insuring entitlements accrued in former pension schemes, contact us for further information. The cover also applies after termination of the administration agreement for pensions accrued during the term of this administration agreement.

Supplements No goal-oriented supplement policy on pensions as default. An employer may make additional payments as a one-off single premium. In the average pay scheme, an employer may grant supplements to participants, inactive participants and pensioners. In the final pay scheme, an employer may grant supplements to inactive participants and pensioners.

Volume discount We adjust our service charges according to a volume discount. The percentage of this volume discount depends on the total annual premium amount in the pension contract and the average contribution per participant. The threshold amounts are tested by Zwitsersleven annually on 1 July and adjusted on the basis of wage and price index figures if appropriate. The premiums for the independent orphan's pension and the survivor's bridging pension are not included in the annual premium amount when calculating the percentage of this discount. We do however grant this established percentage of volume discount on the premiums for these pensions.

Average premium per participant (from - to) in EUR	Total annual premium volume (from - to) in EUR								
	< € 20,000	€ 20,000 – € 40,000	€ 40,000 – € 60,000	€ 60,000 – € 80,000	€ 80,000 – € 120,000	€ 120,000 – € 300,000	€ 300,000 – € 750,000	€ 750,000 – 1,500,000	> € 1,500,000
0 – 2,000	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1,75%	2,25%	3,50%
2,000 – 3,000	0.00%	0.00%	0.00%	0.00%	0.50%	4,25%	6,00%	6,50%	7,75%
3,000 – 4,000	0.00%	0.00%	0.00%	0.75%	2,25%	6,25%	7,75%	8,25%	9,75%
4,000 – 5,000	0.00%	0.00%	0.00%	1,75%	3,25%	7,25%	8,75%	9,50%	10,50%
5,000 – 6,000	0.00%	0.00%	0.00%	2,25%	4,00%	7,75%	9,50%	10,00%	10,75%
6,000 – 7,000	0.00%	0.00%	0.00%	2,75%	4,25%	8,25%	10,00%	10,50%	11,00%
7,000 – 8,000	0.00%	0.00%	0.00%	3,00%	4,75%	8,50%	10,25%	10,75%	11,25%
8,000 – 9,000	0.00%	0.00%	0.25%	3,25%	5,00%	8,75%	10,50%	11,00%	11,50%
9,000 – 10,000	0.00%	0.00%	0.25%	3,50%	5,25%	9,00%	10,75%	11,25%	11,75%
10,000 – 12,500	0.00%	0.25%	0.50%	3,75%	5,50%	9,25%	11,00%	11,50%	12,00%
12,500 – 15,000	0.00%	0.25%	0,75%	4,00%	5,75%	9,50%	11,25%	11,75%	12,25%
15,000 – 17,500	0.00%	0,50%	1,00%	4,25%	5,75%	9,75%	11,25%	12,00%	12,50%
17,500 – 22,500	0.00%	0,50%	1,25%	4,50%	6,00%	10,00%	11,50%	12,25%	12,75%
> 22,500	0.00%	0,75%	1,50%	4,75%	6,25%	10,25%	11,75%	12,50%	13,00%

Combinations You can combine several pension schemes into a single administration agreement, for instance:

- a different accrual percentage for different participant groups;
- a different personal contribution for different participant groups.

For more information, please visit zwitsersleven.nl/diensten.

Other charges

Divorce: No charges

Inward transfer of accrued benefits: No charges

Hourly rate: € 128.51 (2021) for exceptional changes or calculations.

We index this amount annually based on the average increase in the consumer price index figure and the CLA (collective labour agreement) wage index.

Eindloon (final pay) scheme: € 1,500.- additional service charges, once per (new) contract period.

For more information, please visit zwitsersleven.nl/diensten.

Distribution strategy

The Zwitsersleven i-Pensioen Middellood/Eindlood scheme is a complex product and requires advice. An employer should therefore take proper advice regarding the purchase of the Zwitsersleven i-Pensioen Middellood/Eindlood scheme. Zwitsersleven works with professional independent advisers who are able to assess whether the Zwitsersleven i-Pensioen Middellood/Eindlood scheme is suitable for the employer and its employees. If an adviser recommends the Zwitsersleven i-Pensioen Middellood/Eindlood scheme to parties outside the target market stated in this product card, they will be able to substantiate that this product is suitable for the employer and its employees.

More information or apply for an offer?

Go to mijn.pensioennavigator.nl. You can apply for an offer for the Zwitsersleven i-Pensioen Middellood here.

For a contribution volume of more than € 150,000 we will be pleased to make a specific offer for you. Your (Internal) Account Manager will be pleased to arrange this for you and can also make you an offer for the Zwitsersleven i-Pensioen Eindlood (Final pay) scheme.

The current levels of fixed and variable yield correction are available at zwitsersleven.nl/de_hoogte_van_de_rendementscorrectie.

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