CERN Pension Fund

Emilie Clerc / Pilar Herguedas
Summary

1) The Fund
   • Introduction
   • Who for? / What for?
   • Resources

2) Benefits
   • Retirement
   • Disability
   • Surviving Spouse
   • Orphans
   • Transfer value
THE FUND
Introduction

• CERN is not subject to national laws
  o For example: no capital withdrawal for buying a property, no pension fund splitting in case of divorce, etc.

• CERN created its own social security

• The Pension Fund is an integral part of CERN

• Defined-benefit scheme
  o Benefits based on reference salary
Reference salary

Staff members

- Basic salary * Coefficient C

  Basic salary = percentage of a midpoint of a grade

Example:

<table>
<thead>
<tr>
<th>Grade 1</th>
<th>Grade 2</th>
<th>Grade 3</th>
<th>Grade 4</th>
<th>Grade 5</th>
<th>Grade 6</th>
<th>Grade 7</th>
<th>Grade 8</th>
<th>Grade 9</th>
<th>Grade 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Min</td>
<td>3858</td>
<td>Min</td>
<td>4592</td>
<td>Min</td>
<td>5464</td>
<td>Min</td>
<td>6503</td>
<td>Min</td>
<td>7738</td>
</tr>
<tr>
<td>Midpoint</td>
<td>4630</td>
<td>Midpoint</td>
<td>5510</td>
<td>Midpoint</td>
<td>6557</td>
<td>Midpoint</td>
<td>7803</td>
<td>Midpoint</td>
<td>9286</td>
</tr>
<tr>
<td>Max</td>
<td>5462</td>
<td>Max</td>
<td>6428</td>
<td>Max</td>
<td>7650</td>
<td>Max</td>
<td>9104</td>
<td>Max</td>
<td>10834</td>
</tr>
</tbody>
</table>

97.00% 4451 97.00% 5345 97.00% 6360 97.00% 7569 97.00% 9007 97.00% 9909 97.00% 11791 97.00% 14052 97.00% 16699 97.00% 19871
98.00% 4537 98.00% 5400 98.00% 6426 98.00% 7647 98.00% 9100 98.00% 11913 98.00% 14177 98.00% 16871 98.00% 20076
99.00% 4584 99.00% 5455 99.00% 6491 99.00% 7725 99.00% 9193 99.00% 12034 99.00% 14321 99.00% 17043 99.00% 20281
100.00% 4630 100.00% 5510 100.00% 6557 100.00% 7803 100.00% 9286 100.00% 12156 100.00% 14466 100.00% 17215 100.00% 20486
101.00% 4676 101.00% 5565 101.00% 6623 101.00% 7881 101.00% 9379 101.00% 12278 101.00% 14611 101.00% 17387 101.00% 20691
102.00% 4723 102.00% 5620 102.00% 6688 102.00% 7959 102.00% 9472 102.00% 12399 102.00% 14755 102.00% 17559 102.00% 20896
103.00% 4769 103.00% 5675 103.00% 6754 103.00% 8037 103.00% 9565 103.00% 12521 103.00% 14900 103.00% 17731 103.00% 21101
Reference salary

Staff members

• Coefficient C (based on the basic salary)

C factor calculator app

Enter basic salary
8876

C factor: 1.2415
Reference salary

Staff members

Salary calculator

Reference salary = 8’876 x 1.2415 = 11’020 CHF
Reference salary

Fellows
(junior or senior)

6’034 CHF
Reference salary

Décompte de paye

Identifiant :
Statut : TITULAIRE

Unité
Position salariale : 06+86.892
Horaire hebdomadaire : 40,00

Période concernée : 01/09/2016 au 30/09/2016

<table>
<thead>
<tr>
<th>Mois de référence</th>
<th>Libellé</th>
<th>Nb ou Base</th>
<th>Taux</th>
<th>A payer</th>
<th>A déduire</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>TRAIT. DE BASE</td>
<td></td>
<td>8 876,00</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>REMUNERATION BRUTE</td>
<td></td>
<td>8 876,00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CONTRIB. PENSION</td>
<td>11 020,00</td>
<td>12 640</td>
<td>1 393,00</td>
<td></td>
</tr>
<tr>
<td></td>
<td>CONTR. ASS. MALADIE</td>
<td>8 870,00</td>
<td>4 800</td>
<td>431,00</td>
<td></td>
</tr>
</tbody>
</table>

Traitement net*   CHF  7 052,00
Who for?

- Staff
- Fellow
- Staff/Fellow

What for?

CERN PENSION FUND
Resources

• Monthly contributions from and

• Monthly contributions from the

• Income from the investment of assets

• Transfers from other schemes
Members who joined the Fund since 01.01.12:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Monthly Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>CERN</td>
<td>18.96% of the reference salary</td>
</tr>
<tr>
<td>ESO</td>
<td>12.64% of the reference salary</td>
</tr>
</tbody>
</table>
Transfers from Other Schemes

- **Who:** worldwide *private* pension schemes (if they agree)

- **How:** bank transfers

- **Purpose:** - higher benefits
  - entitlement to pension
BENEFITS
Benefits

Benefits are paid in Swiss francs in Switzerland
Retirement Pension
Retirement Pension

Members who joined the Fund on or after 01.01.12 with at least 5 years of service:

• the official retirement age is 67

• pensions are calculated on the basis of 1.85% of the average of the last 3 years’ reference salary* per year of membership (maximum 37 years and 10 months)

* Based on the salary scale at the end of the contract
Disability Pension

• Paid to a member whose disability is recognised by the Organization

• Equal to the retirement pension the member would have received at the applicable retirement age*

• It can be total or partial

*no matter the duration of the contract
Surviving Spouse Pension

• Paid to the **spouse/partner** of a **member** whose marriage/partnership dates from at least 1 year:
  ➢ From the 1\textsuperscript{st} day following the member’s death
  ➢ Until the death/remarriage of the spouse/partner

• Equal to **1.1% of the last reference salary** per year of membership until **the applicable retirement age**

*no matter the duration of the contract*
Orphan´s Pension

• Paid to unemployed and unmarried dependent children until 20 years old or until 25 if they are in full-time education

• Equal to:
  - 24%* for 1 orphan
  - 34%* for 2 orphans
  - 40%* for 3 orphans...

*of the member’s last reference salary
Transfer Value

• Equal to:

- **14.7%** of the last reference salary for the first 10 years of service

- **22%** of the last reference salary for each further year of service
Leaving CERN < 5 years

the transfer value can be paid into another private pension scheme (in any currency)

the transfer value can be paid to the member
5 years ≤ Leaving CERN < 10 years

For information: periods of Unpaid Leave (without contributions to the Fund) are not considered as periods of service

- The member is entitled to a deferred retirement pension
- The transfer value can be paid to the member
- The transfer value can be paid into another private pension scheme (in any currency)

For information: periods of Unpaid Leave (without contributions to the Fund) are not considered as periods of service.
Leaving CERN ≥ 10 years

- the member is entitled to a **deferred retirement pension**
- the transfer value can be paid into **another private pension scheme** (in any currency)
Other Information

• Web site: http://pensionfund.cern.ch
  - Rules and Regulations of the CERN Pension Fund
  - Annual report and Financial statements

• Annual Pension Fund information meeting (October)

• Benefits Service (5/5-019-021-023)
  pension-benefits@cern.ch
THANK YOU FOR YOUR ATTENTION

Disclaimer: The information included in this presentation is not legally binding

CERN Pension Fund - Benefits Service