Allianz

FAQ on continued insurance under Article 47a BVG

General information

What is Article 47a BVG about?	Persons aged 58 or over whose employment relationship has been terminated by their employer have the option of remaining insured in their previous employer's pension fund. By doing so, they can continue to accumulate retirement assets and draw a retirement pension upon reaching retirement age. The option of continued insurance is not available to people who have terminated their employment relationship themselves.

Requirements for continued insurance

Which requirements must be met for continued insurance under Article 47a BVG?	The insured person must meet all of the following requirements: • he/she is aged 58 or over • the employment relationship was terminated by the employer • he/she does not have a degree of disability of 70% or more • he/she has active retirement assets in the Collective Foundation BVG of Allianz Suisse Life Insurance Company or in the Collective Foundation Allianz Pension Invest • he/she has not yet reached normal retirement age • he/she is not receiving retirement benefits
Which Allianz collective foundations are affected?	The Collective Foundation BVG of Allianz Suisse Life Insurance Company and Allianz Pension Invest – Semi-Autonomous Collective Occupational Pension Foundation are affected. The Collective Foundation for Supplementary Occupational Benefits is not affected.
In which cases is the employment relationship deemed to have been terminated by the employer?	When the employment relationship was terminated by the employer. The applicant must provide evidence when registering for continued insurance under Article 47a BVG (in the event of termination by mutual consent, the insured person must prove that the initiative came from the employer).
What does an insured person have to do to make use of Article 47a BVG?	The insured person must register for continued insurance with the Foundation no later than 30 days after termination of the employment relationship or, in the event of previous incapacity for work, no later than 30 days after leaving the insurance, using the form «Termination notice / registration for continued insurance (Article 47a BVG)». During registration, the insured person must indicate whether he/she also wishes to pay savings contributions or whether only the risks of death and disability should be insured. Proof of termination by the employer must also be enclosed with the registration. The form can be downloaded at: **www.allianz.ch/bvg-insureds**

Start / end of continued insurance

When does the continued insurance come into force?	The continued insurance commences on the day after the termination of the employment relationship. If the insured person was incapable of working at the time of the termination of the employment relationship, the continued insurance commences after he or she leaves the insurance.
When does continued insurance under Article 47a BVG end?	Continued insurance ends in the following cases: • with effect from the end of any month following termination by the insured person • if the insured person joins a new pension fund and more than two-thirds of the departure benefits can be incorporated into the new pension plan • upon the insured person's death or disability (in the event of partial disability, the insurance shall remain in force for the active component) • in the event of termination by the Foundation because the insured person is in arrears with his/her payments • at the latest when the insured person reaches normal retirement age
The insurance ends when more than two-thirds of the departure benefits are transferred to a new pension fund. What happens to the remainder?	The remaining departure benefits are transferred to the vested benefits institution chosen by the insured person and can be drawn as a lump-sum retirement benefit upon retirement.
What happens to people who are insured under Article 47a BVG when the previous employer terminates its enrolment with the Foundation?	These people switch to the previous employer's new pension fund at the same time as and together with the other active insured persons.

Pension plan and insured benefits

Which benefits will be insured under the continued insurance?	The insurance will remain in force unchanged for the previous death and disability benefits and the retirement benefits. The only difference is that the waiting period for the disability pension will be 12 months in all cases. The insured person can choose at the start of the period of continued insurance whether or not to continue paying savings contributions. The insured salary can no longer be adjusted during the period of continued insurance with the Foundation.
Can the insured person include savings contributions and then exclude them again multiple times?	No. Upon registration, the insured person must inform us whether he/she wishes to continue making savings contributions or not. The savings process cannot be resumed at a later point in time. If the insured person continues paying savings contributions, he/she can stop doing so at a later point in time. Afterwards, however, it is no longer possible to include them again.
Will a change to the pension plan for the previous contract also affect insured persons with continued insurance under Article 47a BVG?	No. A change to the pension plan by the previous employer will not affect insured persons with continued insurance under Article 47a BVG.
Can a person with continued insurance under Article 47a BVG still make purchases?	Yes, the regulations on this will remain unchanged.
Are withdrawals for home ownership still possible and can such withdrawals that have already been made still be repaid?	Yes, in principle, people with continued insurance under Article 47a BVG have the same rights as other insured persons. However, early withdrawals and pledges for home ownership purposes are only possible during the first two years after the start of the period of continued insurance.
What happens if the insured person becomes partially disabled during the period of continued insurance?	The retirement assets will be divided into an active and a passive component. Disability benefits will be paid for the passive component. Contributions will still be payable for the active component.

Is it still possible for an insured person with continued insurance under Article 47a BVG to draw their retirement benefits as a lump sum?	If the period of continued insurance has lasted less than two years, the retirement benefits can still be drawn as a lump sum. If it lasts any longer than that, the benefits must be drawn as a pension.
Do the statutory minimum benefits also apply to persons with continued insurance under Article 47a BVG?	Yes. The minimum BVG benefits also apply to continued insurance. With regard to interest on retirement assets and the conversion rate, for example, people with continued insurance pursuant to Article 47a BVG must be treated in the same way as other insured persons.
Is early, deferred or partial retirement possible?	Partial retirement and the continuation of pension cover after reaching normal retirement age are not possible for insured persons with continued insurance under Article 47a BVG. Full early retirement is possible, however.

Financing / invoicing / consequences of default

Which contributions does the insured person have to pay?	The insured person must pay the following contributions himself/herself: • the entire contributions for the risks of death and disability • the contributions towards administrative costs • the contributions for the BVG Guarantee Fund and inflation If the person would like to continue saving, he/she must also pay the full savings contributions himself/herself. These contributions will no longer be part-financed by the employer.
By when do contributions have to be paid?	For the first insurance year, the full contributions must be paid by no later than 90 days after the termination of the employment relationship / 90 days after departure from the insurance in the event of previous incapacity for work. For subsequent years, the full contributions must be paid by 31 January.
What happens if the contributions are not paid?	If the contributions are not paid on time, the Foundation is entitled to terminate the continued insurance.
What happens if only part of the contributions are paid?	If the insured person does not pay the contributions in full and on time, he/she will be in arrears. The Foundation will be entitled to terminate the contract with immediate effect.
Are contributions and purchases tax-deductible?	Yes, all contributions and purchases are tax-deductible in accordance with Article 33 of the Federal Act on Direct Federal Taxation.

Transfer to the pension fund of the new employer

Is it possible to reduce the previous insured salary in the event of a partial transfer of less than two-thirds of the vested benefits to a new pension fund?	Yes.
In the event of a transfer to a new pension fund, can the insured person request to draw the retirement benefits instead of having his/her departure benefits transferred?	Yes, if the insured person terminates his/her continued insurance with the Foundation, he/she can draw the retirement benefits. In this situation, the insured person must apply to the Foundation for full early retirement at the same time as terminating the continued insurance under Article 47a BVG. If the insured person switches to the new pension fund without terminating the continued insurance, the procedure for vested benefits with transfer of the departure benefits to the new pension fund shall apply.

Other

Who will inform affected persons of their right to continued insurance under Article 47a BVG?	The pension fund is obliged to make insured persons aware of this right. Allianz shall inform the insured person of changes via the form «Termination notice / registration for continued insurance (Article 47a BVG)», which will be sent to the insured person. The «Termination notice / registration for continued insurance (Article 47a BVG)» also refers to the information sheet and Annex 8 of the Pension Rules (GTC), which detail the regulatory principles for continued insurance under Article 47a BVG.
What are the payments by the previous employer or third parties referred to in paragraph 5 of Article 47a BVG?	These can be deposits that the employer makes in connection with restructuring or in order to cushion the effects of a reduction in the conversion rate.
Can Article 47a BVG also be invoked if the insured person receives unemployment insurance benefits after the termination of his/her employment relationship?	Yes, it is still possible to make use of Article 47a BVG in this situation.
Are people who were incapable of working before the termination of the employment relationship also entitled to continued insurance?	People who are incapable of working before the termination of the employment relationship can only become entitled to continued insurance once they have become fully capable of working again. In such cases, the 30-day registration period does not already begin when the employment relationship is terminated but on the date on which the person leaves the compulsory insurance.