

Special accounts

Information sheet for the employer

March 2014

Special accounts include special measures accounts, employer contribution reserve accounts and foundation disposable assets accounts. The use of these assets is only possible subject to certain conditions.

Foundation disposable assets

Disposable assets are defined as the component of the foundation's assets that is not reserved for meeting its obligations to beneficiaries as provided for in the regulations.

The use of disposable assets is subject to the discretion of the pension committee. The following principles must be observed:

- The assets may only be used for measures relating to pensions (e.g. to increase retirement savings).
- All insured persons (including pensioners) must be treated equally.
- The criteria by which the disposable assets are distributed to the insured must be objective (age, years of service, salary amount, retirement savings, etc.)

Special measures

Until the end of 2004, special measures included special savings credits that were paid to the "entry generation" (persons older than 25 years of age on 1 January 1985) in the situations prescribed by law. The special measures were abolished on 1 January 2005 in connection with the first review of the occupational pension (BVG) regime. Existing special measures accounts will continue to exist, but will no longer allow contributions.

The intended use of the balance is in line with that for the free disposable assets of a foundation.

Employer contributions reserve

The employer can build up a contributions reserve for the years ahead. Deposits to the employer contributions reserve can be accounted for by the employer as expenditure. The amount of the employer contribution reserves may not exceed three to five times the amount of the annual employer contributions due in accordance with the rules of the pension plan.

The standard employer contribution amount or non-recurring deposits made by the employer can be charged to the contributions account and credited to the contributions account of the pension provider, subject to written instruction from the employer. Restitution to the employer is not possible.