Summary sheet Retirement

General

Full or partial retirement is possible between the ages of 58 and 70. Retirements always take effect as per the first of the month following termination or reduction of the employment relationship.

Full early retirement

Full retirement prior to the attainment of the statutory reference age (retirement age) also requires full termination of the employment relationship.

Partial retirement

You can withdraw retirement benefits in a maximum of 3 steps. The 3rd retirement step triggers full retirement. The maximum possible benefits to be drawn are calculated on the basis of the percentage salary reduction.

The following applies for each partial withdrawal of retirement benefits:
- The proportion of retirement benefits taken early may not exceed the proportion of the reduction of the annual salary.
- The first partial withdrawal must amount to at least 20% of the retirement benefits.
- The continued insurance of the previously insured salary is no longer possible following a partial withdrawal.
- If the pension plan acceptance conditions are no longer fulfilled as a result of the partial withdrawal, this partial withdrawal will trigger full retirement.

Deferral of retirement benefits or continuation of pension insurance (pension fund)

In the event of partial or complete continuation of the employment relationship beyond the AHV reference age, you can choose from the following variants.
- Deferred withdrawal of retirement benefits
- Continuation of pension insurance
- Termination of pension insurance and withdrawal of retirement benefits

The deferral of retirement benefits and continuation of pension insurance is possible until the end of the employment relationship, but up to a maximum age of 70. In the event of deferral, interest is paid on retirement assets and risk and cost contributions are levied, as are contributions to the Guarantee Fund. Additional savings contributions must be made in the event of continuation.

In the event of either deferral or continuation beyond the AHV reference age, **no disability benefits** are insured, and any lump sums payable in the event of death are limited to the available retirement assets. The partner's pension equates to 60% and the orphan's pension 20% of the provisional retirement pension without interest at the age of 70.

Taxes

In the event that purchases of retirement benefits in the pension fund were made in the 3 years prior to retirement, the lump sum withdrawal may have tax consequences. Rules on the maximum lump sum withdrawal differ from canton to canton. Please ask your local tax authority for information on the rules that apply to you.

Lump sum withdrawals are taxed separately from your other income at a reduced rate.

Important note

It is essential that the tax consequences of each desired lump sum withdrawal and each partial retirement step be clarified with the tax authority beforehand. The onus is on you to obtain clarification on this point; the Foundation rejects any liability in respect of taxes.

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Your options, with the respective advantages and disadvantages in each case:

General

You have the choice between a monthly **retirement pension** (annuity), a one-time **lump sum withdrawal,** or a **combined form**. You should give considerable thought to this decision, as it has far-reaching consequences and cannot be reversed.

Retirement pension (annuity)

The retirement pension is calculated using the conversion rates valid at the time of retirement.

The advantages for you

- High level of security: Lifelong payment of annuity
- Reliability of planning: Regular monthly payments in advance
- Benefits in the event of death: Payment of a partner's pension (as a rule 60% of the retirement pension) and orphan's pensions, if covered

The disadvantages for you

- Benefits in the event of death: In the absence of a spouse or partner or orphans entitled to benefits, all benefits lapse

Lump sum withdrawal

In the event a full lump sum withdrawal, the retirement benefit is due as a one-time payment at the point of retirement. With this payment, all claims vis-à-vis the Foundation lapse.

The advantages for you

- Financial flexibility: Flexible use (e.g. freedom to invest, pay off mortgage, make an inheritance advance etc.)
- Upon death: When you die the capital becomes part of your estate

The disadvantages for you

- Managing your capital: You bear full responsibility for investing it
- Benefits in the event of death: No payment of partner's or orphan's pension

Combined form

With the combined form, you can take part of your retirement pot in the form of a lump sum, and have the remaining part paid out as a monthly pension (annuity) for the rest of your life. You can also tell us what you would like the annuity to be, and the remainder retirement assets will then be paid out as a lump sum.

Further information

You can find more information in our
blog "Annuity or lump sum: Which is better?".

AXA.ch/annuity-or-lump-sum