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Voluntary extra contributions to the pension fund to finance early retirement

As you know, it is in principle possible to pay voluntary extra contributions into the retirement plan of Novartis Pension Fund 1 to finance early retirement. This option is only applicable when the other maximum possible contribution sums in the retirement plan and the savings plan, as stipulated in the regulations, have already been exhausted.

We also point out that for this kind of advance funding for early retirement there are basic legal restrictions in place that only allow the benefit target stipulated in the regulations to be exceeded to a very limited extent.

To take account of these requirements, Article 8 Paragraph 6 of the regulation of Novartis Pension Fund 1 stipulates that the extra a contributions paid in to finance early retirement, including interest, must not exceed a certain maximum sum (as defined in Annex 1 of the regulations) in the case of retirement after the age of 60; otherwise the existing retirement assets will be reduced by the excess amount.

This rule means that the retirement benefit may not be higher than 105 % of the retirement pension at ordinary retirement age. The excess is forfeited, i.e. it remains in the assets of the Novartis Pension Fund 1.

We further recommend contacting the tax authorities responsible to enquire whether voluntary extra contributions are recognized as tax deductible. It is possible that tax deductibility is only recognized subject to certain requirements.

Personnel details

Name

Firstname

Date of birth

Number personnel

I confirm that I have taken note of the contents of this letter.

Datenschutzmanagementsystem SQS GoodPriv@cy® und VDSZ

Zertifiziertes Managementsystem SQS ISO 9001

Place, date

Signature