

Cash payment of vested benefits on departure to an EU or EFTA country

(Agreement on the Free Movement of Persons between Switzerland and the EU / EFTA Agreement)

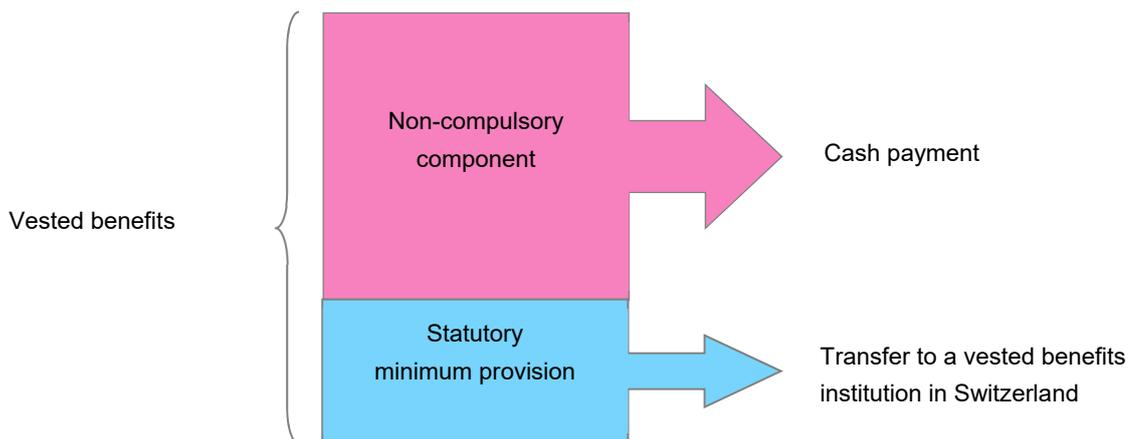
Since 1 June 2007, cash payment of the entire vested benefits due to persons leaving Switzerland permanently can only be made if the person concerned is no longer subject to mandatory retirement, surviving dependants' and disability insurance in an EU member state, Iceland or Norway.

Who is affected?

The regulations apply to anyone, regardless of their nationality, who is leaving Switzerland permanently to take up residence in an EU member state, Iceland or Norway. Special rules apply to those moving to Liechtenstein; see the end of this information sheet for details. Those leaving Switzerland permanently for any other country can in all cases receive their entire vested benefits in cash.

In what form are vested benefits paid out?

If you move to an EU member state, Iceland or Norway, you can only receive cash payment of your vested benefits under the compulsory (BVG/LOB) occupational pension scheme if you can demonstrate that you are not subject to mandatory state retirement, surviving dependants' and disability insurance in the country concerned. If you are not able to do this, only that part of your vested benefits that exceeds the statutory minimum (non-compulsory component) can be paid out in cash. The remaining benefits must be transferred to an account in your name at a vested benefits institution in Switzerland. They may not be transferred to a foreign social insurance scheme.



❏ **How can I find out whether I am subject to the insurance requirement abroad?**

If you are moving to an EU member state, Iceland or Norway, you can contact the central office in Switzerland, known as the Liaison Office. Its address is as follows:

Liaison Office LOB Guarantee Fund
Eigerplatz 2
P.O. Box 1023
3000 Bern 14

Telephone: + 41 31 380 79 71
Fax: + 41 31 380 79 76
E-mail: info@verbindungsstelle.ch
www.verbindungsstelle.ch

The website www.verbindungsstelle.ch contains application forms for determining your insurance requirement in the foreign country concerned as well as information notes on other procedures coordinated by the Liaison Office.

Please bear in mind that this procedure can take some time, and we will not transfer your entire vested benefits (compulsory and non-compulsory components) until we have received the decision as to whether or not you are subject to the mandatory state insurance requirement.

If you have made buy-ins into your occupational pension scheme less than three years before leaving, Article 79b para. 3 of the Swiss Federal Act on Occupational Old Age, Survivors' and Disability Pension Provision (BVG) stipulates that the resulting component of your vested benefits may not be paid out in cash until three years have elapsed since the buy-in. This component of your retirement capital must be transferred to a vested benefits institution at least until then.

❏ **What happens if I become self-employed in an EU or EFTA state?**

Even if you move to an EU member state, Iceland or Norway in order to set up your own company, the statutory minimum component of your vested benefits will only be paid out in cash if you are not subject to mandatory retirement, surviving dependants' and disability insurance in the country concerned.

❏ **What about cross-border commuters?**

The vested benefits of those who move to, or are already resident in, another country but who continue to be gainfully employed in Switzerland and subject to the occupational pension requirement there cannot be paid out in cash. They must be transferred to the pension scheme of the new employer in Switzerland.

❏ **Which countries are affected?**

(status as at 1 January 2011)

- Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, the United Kingdom: departures [after 31 May 2007](#)
- Bulgaria and Romania: [departures after 31 May 2009](#)

☰ **What rules apply to those moving to the Principality of Liechtenstein?**

There are three different scenarios:

- If the person concerned moves to the Principality of Liechtenstein to take up new employment, the entire vested benefits are transferred to the pension scheme of the employer in Liechtenstein.
- If the person concerned is not taking up gainful employment, the entire vested benefits must be transferred to an account in that person's name at a vested benefits institution in Switzerland.
- If the person concerned is taking up self-employment in the Principality of Liechtenstein, only that part of the vested benefits that exceeds the statutory minimum can be paid out in cash. The remaining benefits must be transferred to an account in that person's name at a vested benefits institution in Switzerland.

☰ **Where can I obtain further information?**

Please address any questions you have directly to your contact at PUBLICA. You can find their telephone number and e-mail address at publica.ch (under 'Ihre Vorsorge'/'Votre prévoyance'/'La vostra previdenza' > 'Ihre Ansprechperson'/'Votre interlocuteur'/'La vostra persona di contatto' on the German, French or Italian pages). Useful general information on departures (currently in German, French and Italian only) can also be found under Ihre Vorsorge/'Votre prévoyance'/'La vostra previdenza' > 'Vorsorgethemen'/'La prévoyance, thème par thème'/'Temi previdenziali' > 'Austritt'/'Sortie'/'Uscita').