



Company Pensions

Information for employees

Company pensions. Flexible. Fair. Secure.

PKDW

Pensionskasse für die Deutsche Wirtschaft (PKDW) is a service provider specialising in occupational pension schemes (BAV) and is open to employees and employers from all sectors. For more than 90 years, we have been providing pension benefits for old age, disability and surviving dependants in the legal form of a mutual insurance company (VVaG). As a regulated pension fund, PKDW charges neither acquisition costs nor commissions. Thus, we offer you as a member a fair price-performance ratio with flexible tariff structure and high securities.

Your choice of tariff - our benefits:

Tariff A...

> lifelong pension

The old-age pension can be accessed flexibly between the ages of 62 (for members with insurance commencement before 01.01.2012 already from age 60) and 68.

At the age of 65, you have reached the regular retirement age with us and can claim your old-age pension without deductions.

> Survivors' benefits

Widows, widowers or registered partners receive a survivor's pension of 60%, children an orphan's pension of 15 % or 30 %.

> Optional occupational invalidity cover

If you wish, you can include occupational invalidity cover. The amount of this pension is not fixed, but results from the sum of the pension modules achieved at the time of occupational invalidity.

> Optional lump-sum or partial lump-sum payment

You always have the option of drawing a lifelong old-age pension. In addition, you can choose one of two other benefit options at the beginning of your membership:

> the **lump sum payment**

or

> the **partial lump-sum payment** (30 %) plus a lifelong retirement pension (70 %) starting at the same time).

The (partial) lump-sum payment must be applied for three years prior to the payment date.

Contribution structure - fair and flexible

Tariff A offers you, as a member, the opportunity to structure your contributions as you wish. Contribution adjustments (increases, reductions or waivers) are possible at any time.

Already with the first contribution payment you achieve an immediate, vested entitlement to our benefits. All contributions paid in are converted into a pension module.

Take advantage of tax and social security benefits

In 2021, you can pay up to 3,408 euros, i.e. 284 euros per month (4 % of the BBG *), into the BAV through your employer free of tax and social security contributions. A further 4 % of the BBG can be converted annually tax-free, but subject to social security contributions. Therefore the maximum tax-subsidised limit for 2021 is 6,816 euros.

* BBG = Contribution assessment ceiling of the statutory pension insurance West

The deferred compensation can be paid out of monthly income, holiday pay or Christmas bonuses, capital-forming benefits or other (collectively agreed) income components.

Example: Gross deferred compensation

30 years, single, tax class I / 0, subject to church tax

Monthly income:	3,000 euros
Contribution to BAV:	284 euros
Saved tax / social security contributions:	132 euros
Net expense:	152 euros

In order to pay a total monthly contribution of **284 euros** into your pension scheme, you spend just **152 euros** per month from your current net salary.

In the case of regular retirement at the age of 65, the above example results in the following tariff-compliant benefits in tariff A without occupational invalidity cover:

monthly, lifelong old-age pension: **344 euros** (monthly)

or

lump sum payment: **98,900 euros** (once)

or

partial lump sum payment (30 %) **33,063 euros** (once)
+ monthly pension: **241 euros** (monthly)

In order to further build up your old-age pension, you can also make contributions from your taxed income, for example during parental leave. You also have the option of claiming the Riester allowance via net deferred compensation.

The benefits of your company pension scheme are only taxed when they are paid out, i.e. in old age when your taxable income is regularly lower.

Sample calculation

Benefits* in tariff A **without occupational invalidity cover** with a **monthly contribution of 284 euros**

Entry age	Monthly pension in accordance with the tariff	Monthly pension in accordance with the tariff (70%)	Partial capital according to tariff (30%)
20	445.79 euros	312.05 euros	42,890.26 euros
30	343.67 euros	240.57 euros	33,063.23 euros
40	243.36 euros	170.35 euros	23,412.45 euros
50	144.75 euros	101.33 euros	13,925.60 euros

* assumed date of birth: 01.07.; assumed start of pension: 01.07.; tariff-based interest rate: 0.25 %; retirement age: 65

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Tariff calculator

With our tariff calculator at www.pkdw.de, you can easily find out your tariff-based benefit by mouse-click! To do so, enter a monthly premium, your age and gender, the start date of the insurance and your desired retirement age and click on the »Calculate« button.

You can see the generally very small impacts on the amount of your benefit if occupational invalidity cover is included by selecting »without occupational invalidity cover« if the payment remains the same and »with occupational invalidity cover« for comparison.

Taking your pension with you

If you change employer, your pension scheme will be made non-contributory free of charge.

You have the option at any time to continue your PKDW pension account with your new employer or, if necessary, to transfer it to another pension institution.

Surplus participation

Any surpluses accrue to the benefit of our members and pensioners, as PKDW does not allocate any profits to shareholders. Each pension entitlement and each current pension is regularly adjusted by the economic results of the respective financial year of our pension fund.

Security of PKDW

As a solid provider of occupational pensions, we focus on sustainable, commitment-oriented capital investments. Pension funds are also subject to state supervision by the Federal Financial Supervisory Authority (BaFin). The assets of the cover pool are monitored by external trus-

tees. In addition, your occupational pension is safe from Hartz IV access during the savings phase.

How to become a member

You register for membership of the pension fund through your employer. You select the desired tariff options and conclude a corresponding deferred compensation agreement with your employer.

In this way, you determine which salary components you contribute to the PKDW. You have the option to reduce, increase or stop your contribution payment at any time.

You can find our forms and further information on BAV with PKDW at www.pkdw.de in the section »Für Versicherte«.

Your advantages at a glance:

- > Free contribution design
- > Flexible pension commencement
- > Survivors' benefits
- > Life-long retirement pensions
- > Lump-sum or partial lump-sum payments
- > Optional occupational invalidity cover
- > Transfer in the event of a change of employer
- > Convert income tax-free
- > Commission free tariff

You trust in the competence and efficiency of a fast-growing, long-standing provider.

As of: 01/2021



Further information can be found on the Internet at www.pkdw.de.

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