



# Brochure

# Retiring on a pension



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## Introduction

Retirement on the horizon! Not only is your everyday life about to change. Your finances will be structured differently, too. Instead of wages, you'll be receiving your state and company pension. Before that time arrives, you'll probably have to make some important choices.

This brochure sets out the choices you can make when you retire, and what you need to know about your monthly pension benefit. You will receive your state pension from the Social Insurance Bank (SVB) once you reach the state retirement age and thereafter. SPF also provides you with a supplementary pension.

If you don't want to fully retire, you can also opt for part-time pension. If you would like more information, please see the '[Pension alternatives...Part-time pension](#)' section on SPF's website.

There are also some changes to tax deductions and health insurance when you retire. This brochure explains these changes in general terms as well.

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## Indexation

Indexation ensures that pensions retain their purchasing power. Indexation is also referred to as 'increase.' Indexing pensions annually preserves the purchasing power of a pension, which is something SPF strives to ensure.

However, this depends on the fund's financial situation. For more information, please see the '[Indexation](#)' brochure on our website.



## State retirement age

The Dutch General Old Age Pensions Act (*Algemene Oudersomswet*, AOW) regulates the state retirement pension in the Netherlands and serves as a general starting point for income after the state retirement age. Dutch residents as well as Dutch non-residents who enjoy certain income in the Netherlands are entitled to a state pension.

The state pension starts on the day you reach the state retirement age and is paid out by the Social Insurance Bank. Your state retirement age depends on your year of birth.

More information about the AOW is given at [svb.nl](https://svb.nl). Here you can find your state retirement age and the payment dates of your state pension.



## BASIC PENSION SCHEME



### Retirement pension

The retirement pension is the pension you receive from the chosen retirement date for as long as you live. You can draw the pension at your State Pension Age (AOW age), but also before or after your State Pension Age (AOW age).



### Partner's and orphans' pension

On your retirement date you will also have accrued a partner's pension for your partner and orphan's pension for your children.

For more information see '[What happens if... Death and pension](#)' on the SPF website.

The amount of the retirement pension, partner's pension, and orphan's pension is shown on the Uniform Pension Statement (UPS).



### Drawing retirement pension before State Pension Age (AOW age)

The earliest you can receive a pension from SPF is from your 55<sup>th</sup> birthday. In this case, you request that the accrued retirement pension starts earlier. This is referred to as 'early retirement'. The retirement pension will then be lower than the retirement pension stated on the UPS. This is because you are having the pension paid out over a longer period of time.

If you retire more than ten years before the State Pension Age (AOW age), you must comply with certain statutory regulations. You

must declare that you will no longer perform any paid work after retirement.

This does not apply if you retire less than ten years before the State Pension Age (AOW age).

If you want to draw retirement pension before the State Pension Age (AOW age), you must **apply for this yourself**. In that case, you must send the 'retirement pension application form' to SPF no later than three months before the desired pension start date. You can download this form from the SPF website ([spf-pensioenen.nl](https://spf-pensioenen.nl)).

You will receive an application letter from SPF a few months before the start date. Forms to indicate your individual choices will be enclosed with this letter. You can make choices regarding aspects such as varying the amount of the pension and converting the partner's pension. More information on this is given below.

If SPF has received the necessary documentation from you in time, you will receive the confirmation letter no later than in the month of retirement.

The first pension payment can be expected at the end of the month in which the pension starts.

#### Please note:

If you have a PPS balance, you can have it converted into a PPS benefit. This is not covered in this brochure. For information on this subject, go to the SPF website and click on 'PPS scheme'.

## Drawing part-time pension before State Pension Age (AOW age)

You can also choose to have part of the accrued pension paid out in advance (part-time pension). In that case, you'll be working less in the years before your full retirement. If you want to reduce your working hours, you should discuss this with your employer. If the employer agrees, you can submit a request to SPF for part-time pension. You can read more about this on the SPF website under '[Pension alternatives...Part-time pension](#)'.



## Drawing retirement pension at State Pension Age (AOW age)

Your employment contract ends automatically on the date on which you reach State Pension Age (AOW age). A few months before your State Pension Age (AOW age), you will **automatically** receive an application letter from SPF. Forms to indicate your individual choices will be enclosed with this letter. You can make choices regarding aspects such as varying the amount of your pension and converting the partner's pension. More information on this is given below.

If SPF has received the necessary documentation from you in time, you will receive the confirmation letter no later than in the month of retirement.

The first pension payment can be expected at the end of the month in which the pension starts.

If your State Pension Age (AOW age) (in 2024: 67 years) is before SPF's pension age (in 2024: 68 years), the retirement pension is brought forward. In that case, the amount of the retirement pension will be lower than the retirement pension stated on the UPS. This is because SPF pays the pension over a longer period.



## Drawing retirement pension after State Pension Age (AOW age)

If, in consultation with the employer, you conclude a new employment contract at your State Pension Age (AOW age), the pension accrual stops. You can then choose to draw the pension later than the State Pension Age (AOW age) (five years at the latest after the State Pension Age [AOW age]). In case, your accrued retirement pension starts later than SPF's pension age (in 2024: 68 years). The pension is referred to as a 'deferred pension'. If you want the retirement pension to start later than the State Pension Age (AOW age), you must **apply for this yourself**. You will need to send the 'retirement pension application form' to SPF at least three months before the desired pension start date. You can download this form from the SPF website ([spf-pensioen.nl](https://www.spf-pensioen.nl)).

You will receive an application letter from SPF a few months before the deferred start date. Forms to indicate your individual choices will be enclosed with this letter. You can make choices regarding aspects such as varying the amount of your pension and converting the partner's pension. More information on this is given below.

If SPF has received the necessary documentation from you in time, you will receive the confirmation letter no later than in the month of retirement.

The first pension payment can be expected at the end of the month in which the pension starts.



### Choice: vary the amount of your pension (high/low or low/high)

You can choose to vary the amount of your retirement pension. Your income needs may vary over time from the chosen retirement date. For example, you may not receive a state pension or you may have to pay a mortgage for several years to come. The pension payment is then divided over two periods, as it were. For example, the payment in the first period is higher than the payment in the second. This is why this payment is also referred to as a 'high/low payment'. The other way around is also possible.

The amount of these payments is based on the accrued pension at the time you retire.



#### ***Example calculation for high/low payment***

Gerard Ploum has chosen to receive a higher retirement pension from 68 to 71 years. In that case, the lifelong pension will be lower from the age of 71.

Retirement pension reached at 68:	€25,000
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Choice for high/low:

Retirement pension high (115%) from retirement date to the age of 71:	€28,750
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Retirement pension lifelong (96,17%) from the age of 71:	€24,043
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All amounts specified are gross per annum. The percentages used are approximate.





## Choice: conversion of partner's pension for extra retirement pension

When you retire, you have accrued both your retirement pension and your partner's pension. You can choose to use some of the accrued partner's pension for a higher retirement pension. If you no longer have a partner, the partner's pension will automatically be converted into an extra retirement pension on the retirement date.

If your partner has sufficient income, you can opt for a full or partial conversion. In that case, the partner must agree to this.

The partner will in that case receive either no or less partner's pension.

If your partner does not have sufficient income, it is inadvisable to convert the partner's pension.

For partners who have not yet reached the state age of retirement, the partner's pension may be increased by a temporary partner's pension and/or a supplementary partner's pension up to the partner's state age of retirement at the latest. In the event of a full conversion of a partner's pension into a retirement pension, the temporary and supplementary partner's pension will also lapse.

**See attachment 2 for an overview of all advantages, disadvantages, and risks associated with your choices.**

### *Example calculation of converting a partner's pension into retirement pension*

#### **Situation 1**

You retire at 68 and do not have a partner; the partner's pension will automatically be converted into extra retirement pension.

Or

You retire at 68, but do have a partner and convert the full partner's pension for extra retirement pension.

Before conversion	Retirement pension 68 years	€10,000
	Partner's pension	€7,000
After conversion	Retirement pension 68 years	€11.740
	Partner's pension	€0

#### **Situation 2**

You retire at 68, have a partner and want to convert half of your partner's pension.

Before conversion	Retirement pension 68 years	€10,000
	Partner's pension	€7,000
After conversion	Retirement pension 68 years	€10.870
	Partner's pension	€3,500

All amounts specified are gross per annum. The amounts of retirement pension **after** conversion are approximate.

Please note: in the event of a divorce, a former partner may be entitled to a special partner's pension, in which case it is not possible to fully convert the partner's pension.

## NET PENSION SCHEME



### Net pension payment

The Net Pension Scheme (NPS) is a voluntary scheme in which you accrue net pension capital over the pensionable salary above the tax threshold. This threshold is adjusted each year. For more information, please see '[Net Pension Scheme \(NPS\)](#)' on SPF's website.

### Net pension capital

On your retirement date, you have to choose whether to convert the net pension capital into a fixed net retirement pension (with net partner's pension) or a variable net retirement pension (with net partner's pension).

If no partner is registered with SPF on the retirement date, you will only receive a fixed or variable net retirement pension from the net pension capital.

### Conversion risks

You face conversion risks when converting net pension capital into a lifelong payment. When you retire, you have to choose between purchasing (conversion of) the pension capital accrued up to that date to purchase a fixed pension payment or a variable pension payment.

The three most important conversion risks in converting from pension capital to a lifelong payment are:

#### *Interest rate risk*

The purchase rate depends on the interest rate when the purchase is made. The higher the interest, the more pension you can purchase with your pension capital.

#### *The risk of long life*

The higher the life expectancy, the less pension you will get. This is because the same capital is used to purchase a pension benefit that SPF expects to have to pay out for longer.

#### *Funding level risk*

The purchase rate for a fixed pension depends on SPF's funding level. The higher SPF's funding level, the less fixed pension you will get. Conversely, the pension you purchase is likely to be increased earlier (indexation); it is then also less likely that your pension will be reduced (curtailment).

## Fixed net pension payment

If you choose to purchase a fixed net retirement pension, you also purchase a fixed net partner's pension (unless no partner is registered with SPF).

A fixed net pension payment falls under SPF's indexing and curtailment policy, as also applies in the basic pension scheme.

Each year, SPF tries to increase the pensions of pensioners and deferred members in line with price developments. However, this depends on the fund's financial situation. For more information, see the '[Indexation](#)' brochure on our website.

On the other hand, SPF will reduce (curtail) your pension payment if the fund makes a curtailment decision because it is struggling. SPF has so far not had to take a curtailment decision.

When converting the net pension capital into a fixed net retirement pension and a fixed net partner's pension, you pay a surcharge on the purchase rate, so that the risks of major pension payment changes are transferred to the pension fund.

## Variable net pension payment

If you choose to purchase a variable net retirement pension, you also purchase a variable net partner's pension (unless no partner is registered with SPF).

A variable pension payment is not the same every year. You form part of a group of pensioners who receive a variable payment. The achieved results as a consequence of return on investments, changes in market interest, and death are shared together in this group. The annual results achieved form the foundation for adjustments to the variable payments. The payment fluctuates and changes annually on 1 January, based on the

results achieved and the previous years' results.

Indeed, the annual results achieved form the foundation for adjustments to the variable net pension payments. SPF then spreads these results over the following five years. For more information, see the '[Indexation](#)' brochure.

In an extreme situation, a variable payment can change annually by 5%. This means that SPF may reduce a payment of €100 to €95 or increase it to €105.

A variable net pension payment is expected to provide a higher pension than a fixed net pension payment. However, if investment results are disappointing or if there is another negative event, the variable net pension payment may be lower than the fixed net pension payment at a given time.

## What else you should know when your net retirement pension starts

The net retirement pension must also start when you have the retirement pension start in the basic pension scheme. The choices you make in the basic scheme ('high/low' or 'low/high' and conversion of partner's pension) also generally apply to the net retirement pension.



## Choices for a fixed net retirement pension

If you opt for a fixed net retirement pension on the retirement date, the same choices apply as those you made in the basic pension scheme.

## Choices for a variable net retirement pension

If you opt for a fixed or variable net retirement pension on your retirement date, then the choices you make for the basic pension scheme apply. The application of 'high/low' or 'low/high' is an exception to this, as this is not available in the case of a net retirement pension.



*Please note: there are various options to vary 'high/low' or 'low/high' and convert partner's pension. These options are calculated using periodically determined factors. Separate factors apply to the basic pension scheme and the net pension scheme. The Board may adjust these factors annually in response to matters such as changes in the law, interest rates, or different life expectancies. This means that projected calculations made at a certain point in time may turn out differently at another time. This also applies to the projected calculations you have previously made with the pension planner.*

**Don't be caught by surprise when you retire!**

## **WHAT DO YOU NEED TO CONSIDER?**

### **Payment**

Unlike what you may be used to, you will not receive a thirteenth or fourteenth month bonus in addition to the monthly pension payment. These payments are already included when calculating the monthly payment. The payment date of your pension payment is no later than the 27th of each month. For the current payment schedule, please click [here](#).

### **Indexation**

If you are not yet retired, you will receive (the financial situation of the fund permitting) a supplement to your accrued pension equal to the general increase in wages under the CLA. If you are retired, your pension will be adjusted in line with price developments as far as possible. The fund takes the CBS price index 'CPI all households, derived' into account when calculating indexation. This maintains your pension's purchasing power. This indexation is conditional. The SPF Board decides each year whether to index pensions and by how much. They base their decision on the pension fund's financial situation. If the Board does not grant indexation in a given year, you may receive 'catch-up indexation' in the following years. It is also possible that your pension may be reduced. Both possibilities depend on the fund's financial situation.

### **Health insurance**

The payment of health insurance premiums has also changed. You pay two types of contribution under the Dutch Healthcare Insurance Act. These are the '*income-dependent contribution*' and the '*nominal premium*'. We deduct the income-related contribution from your pension payment. You pay the nominal premium yourself to your health insurer. Your collective health insurance (and that of



your co-insured family members) ends on termination of your employment contract. On termination of your employment due to retirement, you can still continue to make use of the collective health insurance. This also applies to the surviving relatives who receive a pension from SPF. If you want to continue using the collective health insurance, you must inform Zilveren Kruis Achmea yourself, specifying the following collectivity number: 207 070 912.

If you already receive a payment from SPF (e.g. a PPS payment) when you retire, you do not need to notify Zilveren Kruis Achmea of any changes.

More detailed information about the health insurance can be obtained from Zilveren Kruis Achmea (+31 [0]71 7510052).

In addition to the nominal premium, you also pay the income-related contribution for the health insurance. The income-related contribution is 5.32% (2024) of your pension up to and including a maximum of €71,628 (2024). The maximum annual contribution in 2024 is €3,810.60. SPF deducts this contribution from your monthly payment. If your pension and state pension together exceed €71,628 (2024) per year, you may be paying too much income-related contribution. This is because different agencies calculate the contribution over your state pension and your pension benefit. If this results in you paying too much, the excess payment will be reimbursed later via the Dutch

Tax and Customs Administration.

## Taxes

The pension fund deducts tax from your pension.

### Concurrent benefits/income

If you receive other benefits/income in addition to your retirement pension, you can only have the wage tax credit applied at one institution. Even then, you may be paying too little tax. This is because the various benefit agencies do not let each other know who deducts what amounts. If you have not paid enough tax, you will receive an additional tax assessment from the Dutch Tax and Customs Administration. Depending on the amount of your pension, this can run up to a considerable sum. An attachment to this brochure explains how a subsequent tax assessment could arise and how you can avoid it, at least in part.

### Taxes on net pension benefits

No tax deductions are due on net pension benefits in the Netherlands.

If you live abroad, consult the tax authorities in your country of residence or an advisor about possible tax deductions on your pension payment.

### Living abroad

#### *Foreign account*

If you live abroad, we can transfer your pension payments to a foreign account. We do this in euros. Within the European Union, banks do not charge any fees for this. Banks in other countries may have different arrangements.

#### *Wage tax*

Wage tax is deducted from the pension payment. You can apply to the Dutch Tax and Customs Administration (Belastingdienst) for exemption from Dutch tax if you live abroad. This will prevent double taxation, i.e. paying tax both in the Netherlands and in the country in which you are residing. The application form for this exemption can be

found on the Dutch Tax and Customs Administration ([belastingdienst.nl](https://belastingdienst.nl)) website. You can fill in this form and send it to the Tax and Customs Administration. If you are entitled to an exemption, the Dutch Tax and Customs Administration will send the original exemption to you and a copy of the exemption to the pension fund. The pension fund will then withhold no income tax and social insurance contributions from your pension.

#### *Citizen Service Number (BSN)*

When paying pension payments, SPF is obligated to include pensioners' Citizen Service Number (BSN) in its records. Without this number, we cannot pay out a pension to you. Your BSN will be stated on your passport, identity card, or driver's license, if these were issued in the Netherlands.

If you do not have a BSN or if you do not know your BSN, you can request it from the Belastingdienst Particulieren / Ondernemingen buitenland, Postbus 2865, 6401 DJ Heerlen.

#### *CAK*

The pension fund will also be notified if you still owe a contribution towards your health insurance. In that case, the pension fund will register you with Zorginstituut Nederland (CAK). CAK determines the contributions you pay for your health insurance; this is a fixed contribution and an income-related contribution. You should bear in mind that we are instructed by CAK to deduct these monthly contributions from your disability pension. You can find more information on the [CAK's website](https://www.cak.nl).

#### *Life certificate (in Dutch: 'attestatie de vita')*

At the start of your retirement pension, you must also arrange for an annual form (an 'attestatie de vita') to be completed to show that you are still alive. You will be notified of this by the pension fund.

## Report changes

Even if you are retired, you may have to contact your pension fund. For example, you must notify us if your bank account number changes. If you live abroad, you will need to report matters to us more often. If you move abroad to a different address, you must let us know. And there are even more things you have to report to SPF. You must inform us if your marriage, registered partnership, or notarial cohabitation contract ends. If you live abroad, you must also arrange for an annual form (an 'attestatie de vita') to be completed that shows that you or your partner are still alive. You will be notified of this by SPF. Of course, it is also important that we are informed if you or your partner dies. You must inform us of this.

## ATTACHMENT 1: Notes on subsequent income tax assessments

### Additional income tax assessment: why?

SPF's Pension Desk is regularly called by pensioners with a question about additional income tax assessments. Why does this happen? The most frequently heard comment of callers is: 'Surely a monthly wage tax is deducted from the pension payment?'. We explain below how it is possible that, despite the deduction via the wage tax, you may receive an additional income tax assessment.

Four aspects play an important role here: wage tax, wage tax credit, income tax return, and the progressive tax system.

### Wage tax

This is the tax that is deducted from your salary or pension payment.

### Wage tax credit

This is the discount on the wage tax payable (the part of your income on which you do not pay tax). If you receive payments from various agencies, only one of these agencies can apply the wage tax credit.

### Income tax return

The total amount of wage tax withheld is reported and checked.

### Tax rate

The higher your income, the higher the tax rate. If you choose to draw your SPF pension before your State Pension Age (AOW age), you will be subject to a higher tax rate up to your State Pension Age (AOW age) than after it. After your State Pension Age (AOW age), with the same gross pension, the net part that remains after deductions will therefore be higher. Unlike income tax, wage tax does not take personal circumstances into account. When filing your income tax return, you must declare the total income you have received in a certain year.

### At least two sources of income

As a pensioner or surviving relative, you often receive two or more payments: for example, a payment from the government and a pension from SPF (and possibly other funds). When determining wage tax, no account is taken of the fact that you have multiple incomes. Each benefit agency, including SPF, determines the wage tax independently on the basis of the tax tables. Because of the progressive nature of the tax system, a situation can arise in which you have paid too little wage tax on an annual basis.

### Avoiding additional tax assessments

How can you avoid being confronted with an additional tax assessment? If the additional tax is higher or almost equal to the general wage tax credit per year (this depends on your income), you can consider not having the wage tax credit applied by the payment agencies. In most cases, the payroll tax credit is applied by the government benefit agency. In that case, you can ask the SVB not to apply the general tax credit.

You can also choose to have SPF deduct more wage tax each month. You can send a written request for this to SPF, Poststraat 1, 6135 KR Sittard, the Netherlands or by email [info.PensioenfondSABIC@dsm.com](mailto:info.PensioenfondSABIC@dsm.com). SPF cannot calculate the adjustment you need to make to your tax and social insurance contributions. You must calculate the adjustment yourself or with the assistance of a financial advisor, and specify this to SPF by letter or by email. Another way of avoiding an additional tax assessment is to have a provisional assessment by the tax authorities already take into account the fact that the deductions from your pension are too low.



## ATTACHMENT 2



### Retiring on a pension the advantages, disadvantages, and risks at a glance

#### What choices are open to you?

You face many choices on your retirement date. The following table will help you make these choices. Think about your choices carefully, as you cannot change them once the payments have started.

#### When should you make your choices?

You make your choice on your retirement date. Before your state pension age, on your state pension age, or after your state pension age are shown in order in the table. After that, there are other choices you can make.

#### Choice to retire before your State Pension Age (retire early) in basic pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. You retain your maximum payment of additional partner's pension if you work until the day that you retire early (only important if your partner still has not reached their state pension age).</li> <li>2. You may have more entitlement to benefits due to your lower income.</li> <li>3. Fewer obligations, new challenges, more time for hobbies, family, friends, and voluntary work, etc.</li> <li>4. Another daily routine, less pressure (no more waking up to an alarm when you retire!).</li> <li>5. Although you will not yet be in receipt of a state pension from the SVB, you can still supplement your pension at the pension fund (high/low payment) to the desired level within the tax regulations (see also advantages and disadvantages of variation in payment level).</li> <li>6. You can draw your pension partially or fully up to ten years before your state pension age while also continuing to work part or full-time (for more information, see also part-time pension).</li> </ol>	<ol style="list-style-type: none"> <li>1. You accrue less retirement pension, partner's pension, temporary partner's pension, and orphan's pension if you stop work earlier.</li> <li>2. Your retirement pension will be lower because when you retire early, the fund will have to pay out your retirement pension earlier and for longer.</li> <li>3. If you retire fully or partially more than ten years before your state pension age, you must stop all full or part-time work (tax requirement).</li> </ol>	



## Choice to retire on your state pension age in the basic pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. You leave the company on your state pension age (your employment contract then ends by law) and the employer's payment of your salary ends. Instead of this, you will receive both your state pension from the SVB and your retirement pension from the fund.</li> <li>2. You accrue the maximum retirement pension if you work until your state pension age.</li> <li>3. You accrue the maximum partner's pension, temporary partner's pension, and orphan's pension if you work until your state pension age .</li> <li>4. You retain your maximum payment of additional partner's pension if you work until your state pension age as well as a temporary partner's pension. This is only important if your partner has not yet reached their state pension age .</li> <li>5. You may have more entitlement to benefits due to your lower income.</li> <li>6. Fewer obligations, new challenges, more time for hobbies, family, friends, and voluntary work, etc.</li> <li>7. Another daily routine, less pressure (no more waking up to an alarm when you retire!).</li> </ol>		

## Choice to retire after your state pension age (postpone retirement) in the basic pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. You accrue the maximum retirement pension if you work until your state pension age.</li> <li>2. You accrue the maximum partner's pension, temporary partner's pension, and orphan's pension if you work until your state pension age .</li> <li>3. Your retirement pension will be higher because when you postpone the payment of your retirement pension, the fund will have to pay this out later and for not as long.</li> <li>4. You will receive your state pension from the SVB starting from your state pension aAge.</li> <li>5. You may have more entitlement to benefits due to your lower income.</li> <li>6. Fewer obligations, new challenges, more time for hobbies, family, friends, and voluntary work, etc.</li> <li>7. Another daily routine, less pressure (no more waking up to an alarm when you retire!).</li> </ol>	<ol style="list-style-type: none"> <li>1. Your payment of additional partner's pension stops if you stop work and do not draw your retirement pension immediately. This is only important if your partner has not yet reached their state pension age (AOW age).</li> <li>2. You cannot postpone your pension indefinitely. Your pension must be start within five years of your state pension age.</li> </ol>	

**Choice to vary amount of payment using the high-low option (first more pension and then permanently less pension) in the basic pension scheme**

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. You receive a higher pension in the first years.</li> <li>2. It is easier to adjust your pension to your income requirements (for example, you can take into account a pension you have elsewhere or an annuity policy).</li> <li>3. You will receive your money sooner and can save it by putting it in a savings account. Your assets go to your legal heirs in the event of your death; your retirement pension does not.</li> <li>4. In the first years of your pension, you have more money to spend than later on; it has been shown that pensioners need less money when they are older.</li> <li>5. If you retire before your state pension age (you will then not yet receive a state pension), you may be able to ensure that you receive approximately the same net inkomen both before and after your state pension age (AOW age).</li> </ol>	<ol style="list-style-type: none"> <li>1. As you receive more pension in the first years, you may pay more tax if you end up in a higher tax band.</li> <li>2. It is possible that you will have no or less entitlement to benefits due to the higher pension in the first years.</li> <li>3. Your payment will be lower at the end of the high period, so you will have less money to spend. Check whether this will still be enough to live from.</li> <li>4. Your outgoings are likely to be higher in the first years. You need to be able to adjust your spending patterns when the low payment period starts.</li> </ol>	<ol style="list-style-type: none"> <li>1. Always consider all the payments (pension, state pension, annuities etc.) that you will receive from a certain point, as well as your outgoings. If you do not do this, you will run the risk that you do not have enough income from a certain point (for example from the low payment period).</li> </ol>

**Choice to vary payment level using the low-high option (first less pension and then permanently more pension) in the basic pension scheme**

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. You will receive a lower payment in the first years and will possibly pay less tax if you end up in a lower tax band. You may also pay less tax over your total income.</li> <li>2. It is easier to adjust your pension to your income requirements (for example, you can take into account a pension you have elsewhere or an annuity policy).</li> <li>3. The lower payment in the first years may mean you are entitled to more benefits.</li> <li>4. At the end of the low payment period you will receive a higher payment permanently.</li> </ol>	<ol style="list-style-type: none"> <li>1. It is possible that you will have no or less entitlement to benefits due to the higher pension after the end of the low payment period.</li> </ol>	<ol style="list-style-type: none"> <li>1. Always consider all the payments (pension, state pension, annuities etc.) that you will receive from a certain point, as well as your outgoings. If you do not do this, you run the risk that you do not have enough income from a certain point and may end up having financial difficulties.</li> <li>2. At the end of the low payment period, your payment will be higher. If you end up in a higher tax band you may have to pay more tax than you thought.</li> </ol>

## Choice of converting the partner's pension into retirement partner's pension in the basic pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. If you do not or no longer have a partner on your retirement date, we will convert the partner's pension into more retirement pension. We do this because any new partner that you have after your retirement date no longer has any entitlement to a partner's pension.</li> <li>2. If you have a partner and you opt for full conversion of the partner's pension, you will receive more retirement pension.</li> <li>3. If you have a partner and you opt for partial conversion of the partner's pension, you will receive more retirement pension. This will be less than in the full conversion situation. Your partner will still receive part of the partner's pension in the event of your death.</li> </ol>	<ol style="list-style-type: none"> <li>1. If you have a partner and you convert the partner's pension fully for more retirement pension, your partner will not receive any partner's pension in the event of your death.</li> <li>2. If you have a partner and you convert the partner's pension partly for more retirement pension, your partner will receive less partner's pension in the event of your death.</li> </ol>	<ol style="list-style-type: none"> <li>1. If you have a partner, discuss together whether you wish to opt for full or partial conversion of the partner's pension. Also work out what your partner's outgoings would be, should you no longer be around. If you do not do this, you will run the risk that your partner does not have enough income after your death.</li> <li>2. You will receive more retirement pension with partial or full conversion but do not forget to consider your partner's income should you die. Be aware that if you opt for full conversion of your partner's pension, your partner will not receive any partner's pension in the event of your death. If you opt for partial conversion of your partner's pension, your partner will receive less partner's pension in the event of your death.</li> </ol>

## Net Pension Scheme

If you also take part in the net pension scheme, the choices you make in the basic pension scheme usually also apply to the net pension scheme. The advantages, disadvantages, and risks are the same for this scheme.

In the net pension scheme, you also need to opt for either a fixed or a variable pension.

### Choice for a fixed retirement pension in the net pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"><li>1. Depending on SPF's financial position, the fund will index all pension payments in the basic pension scheme as well as the fixed retirement pension. See the 'Indexation' brochure for more information. Your fixed retirement pension does change according to the adjustments of your pension in the basic pension scheme.</li><li>2. If indexation was not awarded in the past, this missed indexation may be compensated afterwards.</li><li>3. Your fixed retirement pension does not need to change annually. This means that the level of your retirement pension is more predictable than for a variable pension.</li></ol>	<ol style="list-style-type: none"><li>1. Depending on SPF's financial position, the fund may need to curtail the pensions of all pensioners, including the fixed pension.</li><li>2. Depending on SPF's financial position, the fund may decide <u>not</u> to index the pensions of all pensioners, including the fixed pension, or will do this only by a portion of the price index. This is referred to as missed indexation.</li><li>3. A fixed payment is expected to provide a lower pension than a variable payment.</li></ol>	<ol style="list-style-type: none"><li>1. If SPF decides not to increase or only partially increase or even reduce pensions, the purchasing power of your fixed retirement pension will fall.</li><li>2. You face conversion risks when converting capital into a lifelong payment on your retirement date (interest risks, the risk of a long life, and the funding level risk). What these risks mean was covered earlier in this brochure.</li></ol>

## Choice for a variable retirement pension in the net pension scheme

+ ADVANTAGES	- DISADVANTAGES	- RISKS
<ol style="list-style-type: none"> <li>1. The variable retirement pension changes each year on 1 January, according to the annual results (including investment returns and interest changes). See the 'Indexation' brochure for more information.</li> <li>2. As SPF spreads the annual investment result over the following five years, if the investment result for the previous year is negative, the fund may still increase the payment on 1 January, of this year.</li> <li>3. A variable retirement pension is expected to provide a higher pension than a fixed retirement pension.</li> </ol>	<ol style="list-style-type: none"> <li>1. As SPF spreads the annual investment result over the following five years, if the investment result for the previous year is positive, the fund may still reduce the payment on 1 January, of this year.</li> <li>2. If you opt for variation in payment level (high/low or low/high) in the basic pension scheme, this choice will not apply to your variable retirement pension.</li> <li>3. In the event of disappointing investment results, the level of the variable pension can be even lower than the fixed pension.</li> <li>4. A variable retirement pension changes annually on 1 January, making your pension payment less predictable than a fixed retirement pension.</li> </ol>	<ol style="list-style-type: none"> <li>1. If SPF increases your variable retirement pension by less than the price index or even decreases it, the purchasing power of your variable retirement pension will fall.</li> <li>2. You face conversion risks when converting capital into a lifelong payment on your retirement date (interest risks and risk of a long life). What these risks mean was covered earlier in this brochure.</li> </ol>



## Changing your email address in 'My SPF Pension' on time



If you have forwarded your e-mail address to your employer so that SPF can send you digital mail, then you will have to provide a new e-mail address if you change employer. If you do not provide a new e-mail address, SPF will not be able to send e-mail notifications about new mail in your digital mailbox in 'My SPF Pension' on SPF's website.

## Contact



If you have any questions about your pension, you are welcome to visit our website:

[spf-pensioenen.nl](https://spf-pensioenen.nl)

## Pension Regulations



Click on the icon for more information about retirement in the pension regulations.

## Net Pension Regulations



Click on the icon for more information about the Net Pension Scheme in the net pension regulations.

## Disclaimer

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