

**Extra-mandatory occupational  
pension scheme**

**Bespoke  
supplementary benefits**

**Occupational pension schemes**, also called 2<sup>nd</sup> pillar provision, are designed to supplement basic state pensions (known as the 1st pillar). When you retire, the combination of these two systems ought largely to preserve your existing standard of living. This is often the case for people earning less than CHF 90,000 per year. However, retirement, incapacity and survivor benefits tend to diminish substantially for individuals who earn higher salaries and have occupational pension coverage near the legal minimum.

In their occupational pension schemes, many SME owners and self-employed persons have a pensionable income that is well below their actual earned income. This pension gap must be covered to maintain your standard of living after retirement.

## 1. What is an extra-mandatory scheme?

This flexible solution consists of setting up an extra-mandatory pension fund on behalf of your company to supplement statutory occupational pensions in order to improve benefits for retirement, disability and death while also optimising your tax-saving potential.

## 2. Who is this plan for?

- **self-employed persons and sole practitioners**, even if they already have an occupational plan (2<sup>nd</sup> pillar) or personal retirement savings (3<sup>rd</sup> pillar)
  - **business leaders and salaried executives**
- who work in Switzerland and who have not yet reached retirement age.

## 3. Benefits

### For plan members

- improved coverage for retirement, incapacity and death: the pension capital is entirely reimbursed (including missing years purchased) if the plan member becomes incapacitated or passes away, in addition to the insured risk benefits
- personalised management: you choose your investment strategy and benefit directly from Bordier's wealth management expertise
- a significant increase in potential for purchasing missing insurance years
- tax optimisation: contributions and purchases of missing insurance years are deductible from your taxable income. For example, a self-employed person with a taxable income of CHF 200,000 who pays pension contributions of CHF 10,000 and a further CHF 50,000 to purchase missing years will ultimately have a taxable income of CHF 140,000
- tax-efficient returns, as contributions and fees are not counted in taxable income
- zero taxation on your capital during the plan's vesting period
- flexible: you can invest in your own real estate assets in Switzerland
- transparent: returns generated are credited to you in full

### For companies

- tax-efficient returns, as contributions and costs are fully deductible as business expenses
- employer pension contributions are not subject to AHV/AVS
- increased employee retention thanks to enhanced benefits
- can be implemented for a select group of employees

**Enhance your retirement benefits and optimise your tax bill thanks to our bespoke management of your supplementary pension.**

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