



Your investment for life

Your pension in the Netherlands



Contents

	page
Your pension in the Netherlands	4
Transfer existing pension to ABP?	12
How do you transfer your pension?	14
If you leave the Netherlands again?	16
More information	18
ABP service for you	18
Indexation	19

Your pension in the Netherlands

You are coming to work in the Netherlands. That means you have many things to organise: your papers, your accommodation, your financial affairs – and your pension. This brochure tells you about your pension fund, ABP, and the pension you will build up in the Netherlands. You have various options for this.

About ABP

ABP is the pension fund for employers and employees in the public sector and education. ABP works for 2.4 million clients, providing income security for their old age, on their death or if they become unfit for work. The pension scheme is based on the solidarity principle. ABP is a non-profit organisation.

What is your pension cover?

You are required to pay contributions towards different types of pension at ABP. These pensions supplement statutory benefits such as old age pension, surviving dependants pension and incapacity benefits. If you stop work between the ages of 60 and 70, you will receive the ABP Multi-Option Pension. If you die, your partner and children may receive an ABP Survivor's Pension. If you become unfit for work, the government will pay you incapacity benefits under the Work and Income (Ability to Work) Act (WIA). ABP can supplement these benefits with an incapacity pension.

Are you a member of the armed forces? Then you will receive the ABP Retirement Pension from the age of 65.



The Dutch pensions system is based on three pillars:

1. Statutory basic pensions	2. Supplementary pensions	3. Individual supplements
AOW	ABP Multi-OptionPension/ ABP RetirementPension	For example: ABP ExtraPension Life insurance (insurer)
ANW	ABP SurvivingDependants Pension	ABP PartnerPlusPension
WIA	ABP IncapacityPension	Incapacity insurance (insurer)

AOW

Everyone who lives or works in the Netherlands between the ages of 15 and 65 is automatically eligible for a state pension under the General Old Age Pensions Act (AOW). You will receive an AOW pension from the Social Insurance Bank (SVB) from the age of 65.

ABP Multi-OptionPension and ABP RetirementPension

Each month you will pay contributions, which will be deducted from your salary, for one of these pensions. In this way, you build up an entitlement. The amount of pension you receive later depends on your personal situation, such as the number of years for which you have paid pension contributions and your salary.

ANW

The General Surviving Dependants' Benefits Act (ANW) is the basic statutory scheme providing benefits for your surviving dependants on your death. If you die, your partner will receive these benefits subject to certain conditions. For details, ask the SVB.

For more information on the AOW or ANW pensions, see www.svb.nl. This site also provides information in English and other languages.

**ABP Surviving
DependantsPension**

If you die while you are building up a pension with ABP, your partner will receive the ABP SurvivingDependants Pension, even if you are already receiving a pension from ABP at the time of your death. The Surviving Dependants Pension is subject to certain conditions. You and your partner must have been married or had your partnership registered with your municipal authority or your partner must have been registered with ABP before you reached the age of 65. The Surviving Dependants Pensions is available both for your partner and for your children up to the age of 21.

If you want to register your partner with ABP, you can download the registration form from abp.nl, or call our Customer Helpdesk, who will send you a form.

WIA

If you become unfit for work, you will receive WIA benefits from the government. These benefits are paid out by the Employee Insurance Administrative Authority (UWV). For more information, see www.uwv.nl.



ABP Incapacity Pension

The ABP Incapacity Pension can supplement the WIA benefits. If you receive this pension, you will continue to build up entitlement until you reach the age of 65, at half the rate that applied when you were working, without having to pay any contributions.

Contributions

You and your employer pay monthly contributions for ABP pensions. Your employer will deduct your contribution from your salary, before tax is deducted. As a result, you pay less tax. Your salary slip will show how much you pay.

How much will you receive?

You will receive a pension statement from ABP each year, showing how much pension entitlement you have built up until that date. You will also see how much pension you will probably receive if your situation remains unchanged. If your situation changes, for instance because you earn more, or start to work more or fewer hours per week, the amount of pension you can expect will also change.

Since 1 January 2004, ABP pensions have been based on average salaries during the course of the pensioners' careers. This is known as an average-salary scheme. Only members of the armed forces now have pensions based on their final salaries: to be precise, on their salaries in January of the year before the one in which they retire.

Surviving dependants

Your partner and children may receive ANW benefits from the government. These are paid by the SVB. The amount of these benefits depends on your partner's situation. If your partner has an income of his or her own, he or she may not receive any ANW benefits, or only part of the full benefit amount. ABP can make up part or all of the gap. Your partner and children may also receive a Surviving Dependants Pension from ABP. The amount of this pension depends on the age at which you die. If you die before you reach the age of 65, your partner will receive about 50 percent of your ABP Multi-OptionPension. If you die on or after reaching the age of 65, the Surviving Dependants Pension will be lower. If you do not transfer any other pension to ABP from a different pension insurer and start your pension build-up now, the Surviving Dependants Pension will be about 35 percent of your ABP Multi-OptionPension.

Save extra

If you wish, you can increase the Surviving Dependants Pension your partner will receive if you die on or after your 65th birthday by opting for the PartnerPlusPension. There is no obligation to do so. You can register for this with your employer up to six months after receiving the Dutch-language letter headed 'Welkom bij ABP'. If you do decide to do so, contributions for the PartnerPlusPension will be deducted from your salary.

If you do not have a partner at present, you should still consider joining the PartnerPlusPension scheme. After all, you may have a partner in future, and you can only opt for this supplementary pension now.

**PartnerPlusPension
scheme**

- It supplements your collective pension.
- It is index-linked on the same terms as the other ABP pensions.
- Anyone can join, with no medical questions asked.
- Membership commences on the date on which you enter employment in the public and semi-public sector or education. If you register later, you will pay the contributions retroactively.
- The contributions will be deducted from your gross salary. The pension benefits will be subject to tax.
- You can decide to discontinue contributions at any time. If you do, you cannot opt to rejoin the PartnerPlusPension scheme.
- The results will be shown in your annual pension statement.

**Exchanging for a higher
ABP Multi-OptionPension**

Your retirement may still be far off. If you do not have a partner when you retire or if your partner has an income of his or her own, the Surviving Dependents Pension may not be needed. In that case, you can exchange it for a higher ABP Multi-OptionPension. You do not need to make a decision now. We will explain everything at a later date.

Extra security

You can take out supplementary insurance with an insurance company. Many employers have agreements with insurers, under which individual policies are offered at a discount. Ask your employer about your options.

Transfer existing pension to ABP?

You will now start to build up a pension entitlement in the Netherlands via your job. You may already have a pension entitlement elsewhere. How do these relate to each other? And can you save for a higher pension?

Transfer your pension

If you have already built up a pension entitlement elsewhere and do nothing about it now, you will later receive two separate pensions. You can avoid this by transferring your old pension to ABP. This is known as a value transfer. It is only possible with the co-operation of your previous pension insurer. The advantage is that you will only have to deal with ABP for your pension. You will have one point of contact, one pension statement and, later, one payment.

Differences

Pensions come in all shapes and sizes. Schemes can differ considerably. Before you decide to transfer your pension to ABP, it would be wise to compare your old pension scheme with ABP's. In particular, check the points that you regard as important:

- *When do the schemes allow you to retire?
At 65, or before? Do the retirement ages differ?*
- *What form of index-linking is applied?*
- *Do you have options and, if so, which?*
- *What are the arrangements for surviving dependants?*
- *Will future salary increases be taken into account in your 'old' pension scheme after a value transfer?*



How do you transfer your pension?

You ask your new employer for a value transfer form. You can also download this from abp.nl. Complete the form and send it to ABP. We will contact your former pension insurer. It can take several months before we have all your details.

Assess your pension

We will tell you the value of the pension you built up with your former pension insurer and how that would be converted into pension entitlements with ABP. You can then see what a transfer would mean for you.

Is it worthwhile? Only you can decide. Consider the points that are important to you.

You let us know when

Do you actually want to have your pension transferred?

Then sign the form you receive with the statement and return it to us as soon as possible. ABP will arrange the rest for you. We will notify you as soon as your former pension insurer deposits the value transfer in our account.

Extra savings

Do you want a higher pension when you retire? You can save additional amounts for this with the ABP ExtraPension scheme. Your contribution is then deducted from your gross salary and paid to ABP. You decide how much yourself. We invest that money, in the same way as the pension contributions. Your return is the same as the return on the overall ABP investment portfolio. You also get a contribution guarantee: you will be repaid at least the amount you have contributed as part of your pension, even if the returns are disappointing.



If you leave the Netherlands again?

If you leave the Netherlands again to continue your career in another country, there are various possibilities for your pension. In some cases, you can take it with you. And of course, you can always leave it with ABP.

Leave your pension entitlement with us

If a value transfer is not an option for you or you choose not to transfer it, your pension entitlement will remain with ABP. We will notify you well before your 65th birthday of the amount of your pension and will arrange for payment of pension benefits.

Personal details change

You must inform us of your emigration and send us the correct address details. The same applies for other changes in your personal situation, such as:

- If you marry or cohabit
- If you divorce or separate
- If your address changes
- If your partner dies.

Notify us of the changes in good time. We can then immediately adjust your pension to your new situation. If you die, your surviving dependants should notify us as soon as possible.

Transfer to other countries You can transfer the pension you built up at ABP to a new insurer, including a foreign insurer, subject to certain conditions. For international value transfers without tax deductions:

- Permission must be obtained from the tax authorities
- ABP must be released from any tax liability by the tax authorities.

Pensions can only be transferred to the following foreign parties:

- A recognised pension institution from another Member State of the European Union or the European Economic Area
- A foreign pension insurer that is licensed to insure pensions in the Netherlands
- International organisations such as the European Community, the European Central Bank, the Council of Europe, NATO and the United Nations
- Another recognised foreign institution.

Take your pension with you Ask your new foreign pension provider if a transfer is possible and, if so, how best to do this. If the new pension provider accepts transfers from the Netherlands, ask ABP for an international value transfer. Your foreign pension provider can also do this for you. ABP must be given the exact name and address details of the foreign pension provider. ABP will ask your new pension provider to state whether it complies with all international transfer conditions. If necessary, ABP will present the details to De Nederlandsche Bank (the Dutch central bank) for assessment. ABP will state the amount of pension you have built up. You compare this with the statement you receive from your new insurer and see what the transfer will mean for you. Only you can decide whether a transfer is worthwhile. If you agree to a transfer, we will contact the tax authorities for their consent.

More information

Visit our website abp.nl

Our website contains an explanation of our pension schemes and our brochures, which you can view and print out. The 'MijnABP' pages show you your pension position at a glance. You can view the amounts from your pension statement translated into net amounts and in graphic form. You can see the relationship between your present income and your pension when you retire, and whether your pension will be enough. You will need a password to access MijnABP, which you can request via abp.nl.

ABP Magazine

You will receive our Dutch-language ABP Magazine twice a year, to keep you up to date on issues concerning your pension and your pension fund.

Online newsletter

If you can read Dutch and want to be kept informed of the latest developments concerning your pension, register for our Dutch-language online newsletter via abp.nl.

Call our Customer Helpdesk

If you have any questions concerning your pension, the Customer Helpdesk staff will be happy to assist. You can call us on weekdays, between 8.00 a.m. and 7.00 p.m., on +31 45 579 6070.

ABP service for you

If you have a difference of opinion with ABP, you can send us a written complaint. If we cannot resolve your complaint, you can appeal to the Appeals Commission ('Commissie van Beroep').

If you have complaints about how we administer the pension scheme

You should first contact us. If you are not satisfied with the response, you can contact the Pensions Ombudsman at
 P.O. Box 93560
 2509 AN The Hague
 Tel: +31 70 333 8965
 website: www.ombudsmanpensioen.nl.

Your representatives at ABP

ABP is a foundation whose Board of Governors comprises representatives of the trade unions and the employers' organisations in the public sector and education. As well as the Board of Governors, there is also a Participants' Council and an Employers' Council, which constitute the main advisory bodies of the ABP Board. These two Councils advise the Board on the pension fund's policy, both at the Board's request and on their own initiative.

Participants' Council

The Participants' Council represents the organisations that look after the interests of employees and pensioners in the public sector and education. Membership of the Participants' Council is divided proportionally between employees' representatives (24) and pensioners' representatives (12). The members are appointed

by the four trade unions for public-sector personnel (ACOP, CCOOP, CMHF and AC) and the Dutch Association of Pensioners' Organisations (NVOG). The Participants' Council meets three times a year on average. If you have Internet access, you can read its reports at abp.nl.

If you have any questions:

Our website provides a great deal of information. Visit abp.nl regularly to keep up to date with current issues relating to your pension. You can also call our Customer Helpdesk on weekdays between 8.00 a.m. and 7.00 p.m. on +31 45 579 6070.

Indexation

ABP seeks to increase your pension each year in accordance with the average increase of wages in the sectors government and education. This is referred to as indexation. Each year, the Board of Directors of ABP assesses whether your pension can follow the development of the wages in the government and education sectors. Indexation is only acceptable if the Board of Directors of ABP is of the opinion that the financial position of the fund can allow for this. The Board of Directors can decide to increase your pension fully, partially or not at all.

If the Board of Directors decides to apply a full indexation, then it can also decide to apply indexations that were not allocated or not fully allocated in the past.

ABP determines the future increases of your pension based on the return on investment and on the pension contributions. This increase and the expectations for the coming years do not also automatically imply that you are entitled to increases in the future. In the future as well, a decision to increase your pension will be based on the financial position of the fund.

You can find more information on the annual increase of your pension, the indexations applied by ABP in the past and on indexation in general in the Uniform Pension Overview and on Internet at <http://indexatie.abp.nl>. (only available in Dutch)

Security based on solidarity

ABP is the pension fund for employers and employees in service of the Dutch government and the educational sector. All of our 2,6 million customers have the assurance of income security in the following events: disability, death and pension. All of it based on solidarity and non-profit

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To avoid any possible misunderstanding, we must point out that this brochure gives only a summary of the regulations. No rights can be derived from this brochure. The rules are presented in full in the ABP Pension Regulations.

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