

**Pension regulations**  
**Stichting Pensioenfonds Caribisch Nederland**

**Defined benefit agreement**

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1 January 2020

This is an English translation of the original pension regulations, which have been drawn up in the Dutch language. Rights can only be derived from the original pension regulations and not from this English translation.

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## Description of pension terminology

Commutation	<p>The pension fund buys off small pensions upon the start of the benefit period. The pension amount should then be below a legally defined limit (which changes each year).</p> <p>The pension entitlements expire and instead the pension fund pays out a lump sum (the commutation value) to the pension beneficiary.</p>
Official income	<p>The official income plays a key role in the calculation of the pension. The pension regulations state which salary components of the official income are included in the pension calculation.</p>
AOV	<p>General Retirement Insurance Act BES.</p>
BES	<p>Bonaire, Sint Eustatius, Saba.</p>
Dutch Caribbean	<p>The Dutch islands Bonaire, Sint Eustatius and Saba together.</p>
Participant	<p>The employee as further defined in article 1, paragraph 2 of these pension regulations who participates in the pension scheme.</p>
Time of service	<p>The time of service expressed in years and months plays a key role in the determination of the pensions. The pension regulations state when years and months are calculated as time of service.</p>
Offset	<p>In the accrual of the pension, it is assumed that the participant will receive an AOV benefit from the government. In determining the pensions, this is allowed for by reducing the official income with an amount, which is called the offset.</p> <p>Subsequently, pension is accrued over the remaining part of the official income.</p>
Pensioner	<p>Person entitled to a pension benefit for whom the old age pension or disability pension has started.</p>
Former participant	<p>Person who no longer accrues pension based on the pension contract and who, upon termination of the participation, has kept the right to a non-contributory entitlement.</p>
Surviving dependant's pension	<p>Widow's or widower's pension. In these pension regulations the coverage in only applies to married participants. A registered partnership effected on the basis of the Civil Code that applies in the European part of the Netherlands equals a marriage.</p>
Dismissal	<p>Every termination of the status of employee, unless appears otherwise.</p>
Part-time percentage	<p>The ratio between the usual number of working hours and the actual number of working hours of the employee.</p>

Part-timer	The employee who works less than the usual number of working hours.
Pensionable date	The date on which the old age pension will commence in accordance with the normal starting points of the pension scheme. The actual pension date can be changed by advancing or deferring it. This implies that the actual pension date will be at an earlier or a later point in time, respectively.
Pension beneficiary	The person for whom a pension has started based on the pension scheme.
Pension base	When the offset has been deducted from the official income, the remainder is called the pension base.
Pension agreement	What has been agreed between the employer and the employee about the pension, as stated in article 1, paragraph 1.
Supplements	The board of the pension fund can decide to try to keep the pensions index-linked through supplements (indexation).
Defined benefit agreement	A defined benefit agreement is a pension agreement in which the pension to be acquired is determined in actual annual pension amounts.
Execution regulations	The employers have entrusted the execution of the pension scheme to an industry-wide pension fund. The relationship between the employers and the pension fund has been laid down in the execution regulations of the pension fund.
Redundancy allowance	The periodic payment intended in article 4 of the Redundancy decree for civil servants BES.
Receiver of Redundancy allowance	Person who is entitled to Redundancy allowance on account of dismissal.
Employer	A public or private entity as meant in articles 4 or 5 of the Pension law civil servants BES.

## General

### Article 1 Pension scheme

- 1 The Minister of Home Affairs, sector employer BES has agreed to a pension scheme with the unions of civil servants admitted to the sector consultation BES.

For the execution of the pension agreement, the employer has joined the *Stichting Pensioenfonds Caribisch Nederland*, hereafter referred to as the pension fund.

The objective of the pension fund is to execute the pension agreement as an industry-wide pension fund, on behalf of the sector government, education, healthcare and affiliated bodies in the Dutch Caribbean, for the associated bodies on the basis of the execution regulations of the pension fund. The pension fund has determined pension regulations in accordance with the pension agreement and the execution regulations. The pension agreement for which these regulations have been drawn up has the nature of a defined benefit agreement.

- 2 Participants in this pension scheme are all employees listed below, provided they have not yet reached the AOV age, as stated in article 5, paragraph 1, and provided they have passed a medical examination for their employment conducted by a doctor appointed by an associated body not earlier than within six months prior to the start of their employment:
  - a. Civil servants appointed by the crown, working in the civil service in Bonaire, Sint Eustatius or Saba;
  - b. The civil servants in the sense of the Act Material Civil Servants Right BES;
  - c. The employees who, on the basis of their employment contract, are in the service of the central government or the public entity Bonaire, Sint Eustatius or Saba, in as far as they are not laborers in the sense of the Laborers Act 1944 BES;
  - d. Persons, appointed by the Minister concerned or by an executive council, who do not belong to the categories of employees mentioned under b and c, but for whom the established arrangements for the employees under b and c have been stated to apply wholly or partially;
  - e. The staff members of special schools for whom the Act Material Civil Servants right BES has been stated to apply accordingly;
  - f. The management and other staff of the pension fund;
  - g. The personnel of the institutions established in Bonaire, Sint Eustatius and Saba with which the Medicare office BES has made an agreement as meant in article 8, first paragraph of the Decree medical insurance BES, as it applies on 27 May 2010;
  - h. The personnel of the guardianship boards and of the Institution for family guardianship financed by the Minister concerned;
  - i. The personnel of the youth care institutions financed by the Minister concerned;
  - j. Employees employed by a legal entity, which in view of its objective and its financial relationship with the Netherlands or Bonaire, Sint Eustatius or Saba by decision of the Minister of Home Affairs has been designated as a entity whose personnel are considered employees in the sense of the civil servants BES Pension Law.
- 3 Employees who cannot participate are those who because of exceptional conditions of their employment or because of the special nature of their work are excluded on account of the Arrangement designation non-employee in the sense of the Pension Law civil servants BES. Exempted from participation on the basis of this are employees who have been employed for no longer than six

months and employees whose official income is lower than the offset.

- 4 Participation in the pension scheme begins when the employee meets the conditions set out in paragraph 2, but not earlier than the date on which these regulations enter into force.
- 5 The participation ends:
  - a. With the death of the participant;
  - b. Upon the start of the old age pension;
  - c. Upon dismissal, unless this dismissal is followed by a redundancy allowance and the participant becomes a receiver of a redundancy allowance;
  - d. Upon the start of the disability pension.

## Article 2 Information

- 1 The pension fund ensures that participants be in possession of a copy of the applicable statutes and regulations of the pension fund. This is done by publication of these texts on the website of the pension fund. A copy in writing can be made available to participants and other interested parties upon their request.
- 2 The pension fund supplies the employer with an entry confirmation for each new participant. The participant receives a copy of this.
- 3 The pension fund supplies the employer with a confirmation of termination upon termination of the participation. The participant receives a copy of this.
- 4 Participants, former participants, other persons entitled to benefits and employers are obliged to supply all data to the pension fund that the pension fund requires to properly execute the pension regulations. If this obligation is not met, the pension fund is authorized to officially determine the required information.

## Article 3 Pension entitlements

The (former) participant is, with observation of the conditions in these regulations, entitled to the following pensions:

- Old age pension. This pension is a monetary benefit for the (former) participant to serve as an income provision in old age;
- Surviving dependant's pension. This pension is a monetary benefit for the (former) husband/wife because of the death of the (former) participant or the pensioner;
- Orphan's pension. This pension is a monetary benefit for a child because of the death of the (former) participant or pensioner;
- Disability pension. The pension is a monetary benefit for a (former) participant in compensation for loss of income in connection with occupational disability.

## Article 4 Calculation principles

- 1 The time of service and the pension base determine the level of the old age pension, the surviving dependant's pension, the orphan's pension and the disability pension.

- 2 The time of service includes the time after the day on which these regulations become valid:
  - a. As employee as meant in article 1, paragraph 2;
  - b. As conscript in actual service other than under a voluntary extra long-term or short-term contract

and with the exception of the time spent not in actual service by a member of the national reserve of the armed forces.

For the determination of the time of service, a period of less than one month is regarded as a full month.

- 3 Time as meant in paragraph 2, sub b, only applies as time of service if:
  - a. The interested person has requested this in writing to the board of the pension fund;
  - b. This time is spent immediately or with an interruption of not longer than one year following the time spent as employee as meant in article 2, sub a; and
  - c. If this time does not end after time spent as employee as meant in article 2, sub a.

Time as meant in paragraph 2 sub b is viewed in its entirety for the application of this paragraph unless an interruption of more than one year occurred during that time.

If the request meant in this paragraph is made after the pension has been granted, the time meant in this paragraph can only be valid as time of service starting from a date not earlier than one year prior to the first day of the month in which the request has been made.

- 4
  - a. The time spent by the person receiving a redundancy allowance counts for half the time of service of an employee;
  - b. Time spent simultaneously as recipient of a redundancy allowance and as an employee in another sense than as a recipient of a redundancy allowance counts only once for the calculation of the pension. If, by applying the part-time percentage, the time of service is less than 50% of the time of service that would have been calculated for a participant who would work full-time, the time as recipient of a redundancy allowance and the time as employee are divided by half for calculating the time of service;
  - c. Time during which the redundancy allowance has been reduced or withdrawn based on the applicable legal regulations, only counts for such a part as the remainder of the redundancy allowance relates to the entire redundancy allowance.
- 5 The time of service does not count for the pension calculation:
  - a. During which the employee has been relieved from the execution of his/her position for more than twelve months without an interruption of longer than two months;
  - b. During which the employee has been suspended from his/her function without pay or partial pay;
  - c. During which the employee has not executed his/her function because of fulfilling :
    - The office of Minister or Secretary of State;
    - The office of Governor;
    - The office of Commissioner;
    - An office which offers the employee a perspective of a pension after termination of this office;
    - An office as meant in paragraph 2, sub b.
  - d. For which a pension, a benefit intended as a pension or a relief intended as a pension has been granted charged to the European part of the Netherlands, Aruba, Curacao, Sint Maarten, a public entity in the European part of the Netherlands or in one of the above-mentioned countries of the fund or another pension fund vested by the public authority in one of these

countries;

- e. Time in which an employee is exempt from duty without payment.

If the relief of the employee, as meant in sub a of this article, has taken place in view of his/her employment in another employment relationship in which he/she is an employee, then the time during which he/she has been relieved, irrespective of its duration, does not count for the pension calculation.

- 6 The pension base in any year equals the official income less an offset.  
The pension base is determined upon entry in the pension scheme. Subsequently, the pension base is determined again on 1 January each year. Changes on other dates will not be taken into consideration. For a person who receives a redundancy allowance, the pension base equals the pension base as this had been determined at the latest point in time before the moment that the Redundancy allowance started.
- 7 The official income equals:
  - a. For the participants meant in article 4 under b of the Pension law civil servants BES who are paid in accordance with a generally determined remuneration scheme: the applicable payment, including the holiday allowance and the end-of-year allowance, with addition of fixed supplements, however without indemnities, personal perquisites, changeable or temporary income or other similar advantages;
  - b. For the other participants: the salary comparable to the remuneration mentioned in sub a, including the holiday allowance and the end-of-year allowance, with addition of fixed supplements, however without indemnities, personal perquisites, changeable or temporary income or other similar advantages.
- 8 The fixed supplements are identified as the allowances that are directly related to the function are enjoyed monthly, and that are fixed amounts or expressed as a fixed percentage of the salary. The fixed supplements are determined by an additional pension agreement between the employer and employee which will be supplied by the employer to the pension fund.
- 9 As of January 1, 2013, the monthly offset equals 10/7 times 13/12 times of the highest amount of AOV without supplements within the Dutch Caribbean. The AOV benefit is without any possible supplements and compensations. The monthly offset is rounded off upwards in full US dollars. The offset equals 12 times the rounded off monthly offset. The amount of the offset is included in Annex I
- 10 If a participant works part-time:
  - The pension base is determined on a full-time basis;
  - The time of service in which the participant worked part-time is included proportionally. For future time of service, it is assumed that the latest part-time percentage remains the same until the pensionable age.



## The level of the Pensions

### Article 5 Old age pension

- 1 The old age pension starts on the first day of the month in which the (former) participant reaches his/her AOV age, unless the starting date is advanced or deferred as referred to in article 10. The old age pension does not start earlier than five years before the first day of the month in which the application was handed in or in which the pension was officially granted.

The old age pension is not paid out if the participant concerned already receives a disability pension in accordance with article 8.

The AOV age depends on the year in which the (former) participant was born, in accordance with the schedule listed below.

Born before January 1, 1953:	age 60
Born in 1953:	age 62
Born in 1954:	age 63
Born in 1955:	age 64
Born as of January 1, 1956:	age 65

- 2 The old age pension is paid out until the end of the month in which the pensioner passes away. In case, the pensioner goes missing the old age pension ends on a day to be determined by the board of the pension fund.
- 3 The annual old age pension equals 1.75% of the pension base for every year of service between the beginning and ending of the participation.

### Article 6 Surviving dependant's pension

- 1 The surviving dependant's pension starts on the first day of the month in which the (former) participant or pensioner passes away. The surviving dependant's pension does not start earlier than five years before the first day of the month in which the application for a pension was handed in or in which the pension was officially granted.
- 2 The surviving dependant's pension is paid out until the end of the month in which the surviving dependant passes away. In case the surviving dependant goes missing, the surviving dependant's pension ends on a date to be determined by the board of the pension fund.
- 3 The surviving dependant is the man or woman to whom the (former) participant or pensioner was married on the day of his/ her death.
- 4 The surviving dependant's pension amounts to 70% of the old age pension that the participant would receive on the pensionable age - provided the participation would have been continued unchanged - or 70% of the old age pension to which the former participant or pensioner remained entitled upon the end of his/her participation.
- 5 Contrary to the above, the rules applies that if the participant dies during the period of receiving a redundancy allowance, the surviving dependant's pension is not calculated over the period between the moment of death and the pensionable age.

- 6 For the person who is entitled to a disability pension, the surviving dependant's pension equals 70% of the disability pension as calculated according to what is stated in article 8, paragraph 4, allowing for what is stipulated in article 8, paragraph 6.
- 7 The surviving dependant does not have a right to a surviving dependant's pension if the marriage was concluded after the (former) participant or pensioner had reached the AOV age, unless the marriage partners had already been married before that time.
- 8 If a surviving dependant remarries, the level of the surviving dependant's pension is re-determined in such a way that no allowance is made for the period between the moment of death of the participant and the pensionable age.
- 9 If upon the death of the (former) participant or pensioner, there is a right to one or more extraordinary surviving dependant's pensions as meant in article 13 of these pension regulations, the surviving dependant's pension is reduced with the amounts of these extraordinary surviving dependant's pensions in accordance with this article.
- 10 All rights to a surviving dependant's pension are lost by a surviving dependant who has been convicted for killing the person from whose death he/she could derive the entitlement to a pension.

#### **Article 7 Orphan's pension**

- 1 After the death of the (former) participant or pensioner, each of the children of the (former) participant is entitled to an orphan's pension provided:
  - a. The children to whom the deceased stood in family law relationship have not yet reached the age of 21 and are not or have not been married;
  - b. The children of a male participant with whom the deceased did not stand in family law relationship, who have not yet reached the age of 21 and who are or have not been married, if a maintenance obligation on account of article 394 of Book 1 of the Civil Code of BES had been imposed on the participant or if the participant had acknowledged the maintenance obligation through an authentic deed;
  - c. The children who have not yet reached the age of 21 and who are not or have not been married and for whom the deceased had the foster care at the time of his/her death;
  - d. The children mentioned under a up to and including c who have reached the age of 21, but not yet the age of 25 and who are not or have not been married and whose time is, except in case of illness or holiday, largely occupied by following education;
  - e. The children mentioned under a up to and including c who have reached the age of 21, but not yet the age of 25 and who are not or have not been married and who, in the opinion of the board of the pension fund, due to illness or handicaps are permanently unable to earn with work suited to their abilities one third of what physically and mentally healthy children of the same age would be able to earn with such work.
- 2 The orphan's pension starts on the first day of the month in which the (former) participant or pensioner passes away. If the child is born after the death of the (former) participant, the orphan's pension starts on the first day of the month in which the birth takes place.

The orphan's pension does not start earlier than five years before the first day of the month in which the

application for the pension was handed in or in which the pension was officially granted.

- 3 The orphan's pension is paid out until the end of the month in which the child dies. Furthermore, the orphan's pension ends at the end of the month in which:
  - a. The child has reached the age of 21 or has married or has reached the age of 25 in case of paragraph 1 sub b and e;
  - b. The child no longer meets the conditions stated in paragraph 1 sub d and e with respect to following education or being disabled.

If the child goes missing, the pension ends as of a date to be determined by the board of the pension fund.

- 4 The annual orphan's pension amounts to:
  - For each above-mentioned child for which the one parent derives the entitlement to a pension due to the death of the other parent: 14% of the old age pension;
  - For each other above-mentioned child: 28% of the old age pension.

The old age pension is equal to the old age pension as described in article 5, paragraph 3.

Contrary to the above, the rule applies that if the participant dies during the period of receiving a redundancy allowance, the orphan's pension is not calculated over the period between the moment of death and the pensionable age.

For those entitled to a disability pension, the orphan's pension equals respectively 14% or 28% of the disability pension which has been calculated according to article 8, paragraph 4, also taking article 8, paragraph 6, into consideration.

Parent also includes the husband or wife of the (former) participant or pensioner who at the time of death had the foster care for the child who has not yet reached the age of 21 and who is not or has not been married.

- 5 If children derive the entitlement to a pension from the death of each of the parents, the highest of these pensions is granted.
- 6 All entitlements to an orphan's pension are lost for the orphans who have been convicted for killing the person from whose death they would derive entitlement to a pension.

## Article 8 Disability pension

- 1 The entitlement to a disability pension starts at the first of the month on which the entitlement starts:
  - a. For the participant at the time of dismissal if he/she is permanently unable to perform his/her function due to illnesses or handicaps;
  - b. For the person receiving a redundancy allowance: if within the time span that he/she is entitled to a redundancy allowance is permanently unable to perform his/her function due to illnesses or handicaps, but not earlier than the time at which the entitlement to a redundancy allowance ends;

- c. For the former participant: if he, within the time span in which he, after the start of the time at which he was dismissed due to illness, was entitled to continuation of the salary payment charged to the entity from whose service he was dismissed, has become permanently unable to perform that function due to illnesses or handicaps.

The disability pension does not start earlier than five years before the first day of the month in which the application was handed in or in which the pension was officially granted.

- 2 The entitlement to a disability pension depends on a decision of the pension fund. This decision is taken after a medical examination. The pension meant in article 8 paragraph 1 under b and c first starts on the day on which the result of the medical examination is determined and provided that permanent occupational disability has been determined.
- 3 The disability pension ends at the end of the month in which the pensioner passes away. In case the pensioner goes missing, the pension ends as of a date to be determined by the board of the pension fund.
- 4 The disability pension equals the old age pension on the assumption that the time of service equals the number of years that the employee concerned could have fulfilled until the age in which he would become entitled to AOV if he had not been dismissed due to occupational disability.
- 5 In applying what has been stated in paragraph 4, as long as the pensioner has not yet reached the AOV-age, the disability pension is increased with a temporary pension that equals 1.75% of the latest offset that applied before the starting date of the disability pension, multiplied by the number of years of service that the employee concerned has fulfilled and could have fulfilled according to what is stated in paragraph 4. This also includes the time of service of the employee concerned before October 10, 2010. For this calculation, a maximum time of service of 40 years applies.
- 6 From the amount of the disability pension as calculated in accordance with this article, the income from conducting business and from work as meant in article 6 of the Act income tax BES, which the pensioner who has not yet reached the AOV-age receives, is deducted in as far as this income, together with the pension, surpasses the pension base with addition of the offset in the year in which the entitlement to a disability pension has started.

## Article 9 Supplements

Each year the board decides if and in how far pension rights and pension entitlements can be adjusted. The consumer price development is taken as starting point for this. No reserve has been created for this conditional indexation, nor is any premium paid for it. The indexation is financed from the investment income and/or available capital of the pension fund.

## Article 10 Advancing and deferring retirement

- 1 The (former) participant can request to advance his/her actual retirement date in respect of the pensionable age, provided the employment with the employer has ended. This request has to be handed in to the pension fund at least six months before the envisaged actual retirement date and has to be co-signed by the husband/wife of the (former) participant. The actual retirement date must not be earlier than five years before the entitlement to AOV starts and also not before the moment at which the recalculated surviving dependant's pension, with observance of paragraph 4, possibly reduced with special surviving dependant's pension, is zero. In any case, the advancement cannot be earlier than the age of 60.
- 2 The (former) participant can request to defer his/her actual retirement date in respect of the pensionable age if and in as far as the legal requirements for such a deferral are met. The maximum period of deferral is 5 years from the AOV-age that applies to the (former) participant. The last possible retirement date is the age of 70.  
If due to the desired deferral the maximum old age pension as meant in article 17 paragraph 1 is reached, the old age pension will start not later than the moment at which the maximum old age pension as meant in article 17 paragraph 1 is not exceeded by the deferral.
- 3 The person who upon reaching the pensionable age is still a participant in the pension scheme due to deferral continues to build up a pension that will start at the newly chosen pension date. The built up pension at the standard retirement date will be recalculated according to the calculation rules that have been determined by the board on the basis of the new starting date of the old age pension.
- 4 In case of advancing or deferring the retirement date, the level of the annual old age pension is recalculated on a neutral actuarial basis with observation of the recalculation factors included in Annex II. The pension is adjusted in such a way that the ratio between the old age pension and the surviving dependant's pension before the selected date is equal to the ratio after this date.
- 5 In case of advancement of the actual retirement date, the level of the old age pension must not be lower than the commutation amount as included in article 14 of these pension regulations.

## Special events and situations

### Article 11 Premature termination of the participation

- 1 Upon terminating his/her participation other than through death or reaching the pensionable age, the participant maintains a non-contributory entitlement to pension. The old age pension equals the pension built up until the date of termination based on the time of service until the date of termination. The surviving dependant's pension is equal to 70% of the non-contributory entitlement to old age pension. The orphan's pension is equal to 14% of the non-contributory entitlement to the old age pension. The disability pension is zero, unless the former participant meets the conditions set in article 8, paragraph 1, subparagraph b or c.
- 2 If a former participant becomes entitled to the disability pension as determined in article 8 of these regulations, then his/her entitlement to an old age pension is cancelled.
- 3 If a former participant has made sufficiently plausible to the board of the pension fund that he will soon emigrate or has migrated outside the Kingdom, the board of the pension fund will, after a request of the former participant, decide to replace the non-contributory entitlement as meant in paragraph 1 by a lump sum payment. The board of the pension fund can make further demands before making the lump sum payment. As a result of the commutation, all entitlements to old age pension and to surviving dependant's pension are cancelled.

### Article 12 Value transfer

- 1 Upon entry in the pension scheme, the participant has the possibility to transfer the value of pensions accrued in one or more previous employments to the pension fund. The pension fund can receive the transfer value when:
  - The participant submits a written dated and signed statement of the transfer value and the underlying data;
  - The pension fund submits a statement to the participant about the new entitlement in connection with the value transfer;
  - The participant agrees to the value statement.

Based on the available transfer value, the pension fund determines the extra pension entitlements. These extra entitlements are subsequently treated in the same way as entitlements that are built up in this pension scheme.

- 2 At the request of a former participant, the pension fund is authorized to transfer the value of his/her pension entitlements to the pension provider of the new employer of the former participant not later than two years after termination of the participation provided that the pension provider of the new employer is:
  - a. A pension fund;
  - b. An insurer that conducts life insurance and owns a license as meant in the Act supervision insurance industry BES;
  - c. An institution that executes a pension arrangement of an international organization in which the Kingdom of the Netherlands participates;
  - d. A pension provider that has been given the same rights by the Minister of Social Affairs and Employment as an institution mentioned in the subparagraphs a, b and c.

Upon making the request, the former participant will submit a written statement that the receiving pension provider wishes to cooperate in the value transfer.

Within two months after receiving the request, the pension fund submits a written, dated statement of the transfer value and the underlying data to the former participant. The value transfer can take place after the former participant has agreed in writing to the statement.

### **Article 13 Consequences of the termination of a marriage**

- 1 The husband/wife whose marriage with a participant ends due to a divorce or dissolution after separation from bed and board, obtains at least such a non-contributory entitlement to a surviving dependant's pension as the participant would have maintained for him/her at the same time upon premature termination in accordance with article 11. At his /her request, the husband/wife receives a written evidence of his/her entitlement. If, after the first dissolution, there should be more dissolutions of a marriage of the participant as meant in this paragraph, the determination of the level of the entitlement to a surviving dependant's pension is based only on the time of service during the marriage concerned.
- 2 The husband/wife whose marriage with a former participant ends due to a divorce or dissolution after separation from bed and board, obtains such a non-contributory entitlement to a surviving dependant's pension as the former participant would have maintained for him/her at the same time upon premature termination in accordance with article 11. At his /her request, the husband/wife receives a written evidence of his/her entitlement.
- 3 The husband/wife whose marriage with a pensioner ends due to a divorce or dissolution after separation from bed and board, obtains such a non-contributory entitlement to a surviving dependant's pension as the pensioner has maintained upon the start of the old age pension or disability pension. At his /her request, the husband/wife receives a written evidence of his/her entitlement.
- 4 The conditions stated in the first three paragraphs do not apply if the marriage partners agree otherwise via a notarial deed or if the judge in his decree of divorce or decree of dissolution of the marriage after separation from bed and board decides otherwise at the joint request of the marriage partners. In this case, the parties will submit to the notary or the judge, respectively, a statement of the pension fund in which the pension fund declares that it is prepared to cover a pension risk resulting from the deviation.
- 5 The entitlement to a surviving dependant's pension for the (ex) husband/(ex) wife of a participant, former participant or pensioner cannot be reduced without his/her permission by way of an agreement between his/her (ex)husband/(ex) wife and the pension provider or the employer. Each condition that is in conflict with what has been stated in the previous sentence is null and void.
- 6 If the termination of a marriage took place before August 1, 1990, the conditions of this article do not apply. The husband/wife will therefore not receive a non-contributory entitlement to a surviving dependant's pension.

#### **Article 14 Commutation of pension**

- 1 If on the starting date of the pension the accrued pension entitlements are lower than the statutory limit applying for this at that time, the pension fund will surrender the pension entitlements.  
The pension fund makes the commutation value available to the person entitled to the pension.
- 2 The amount meant in the first paragraph has been included in Annex I.
- 3 Commutation is not possible:
  - With respect to a surviving dependant's pension if due to the death from which the entitlement to the pension is derived there is also an entitlement to an orphan's pension charged to the pension fund;
  - With respect to a temporary pension.



## **Financial provisions**

### **Article 15 Financing of the pension scheme**

- 1 Each employer has to pay a pension contribution to the pension fund for every employee that he employs. This condition also applies for the employer who pays a redundancy allowance to a person receiving this allowance.
- 2 The participants pay a contribution to the costs of the pension scheme. One-third part of the pension contribution is for the account of the participant, with a minimum of 1% of the official income. The contribution that the participant is due is deducted by the employer from the salary of the participant and paid to the pension fund.
- 3 The pension contribution is levied over the pension base. The level of the pension contribution has been included in Annex I. The pension contribution for a part-timer is levied over the full-time pension base multiplied by the part-time percentage.  
The pension contribution is determined on a cost-covering basis and amounts to a maximum of 22% of the official income.
- 4 During the time that, in conformity with article 4 paragraph 5, does not count for the pension calculation, the pension contribution amounts to one fourth of the pension contribution as determined in this article. If an employer has paid more, the surplus is refunded by the pension fund upon a written request by the employer.
- 5 If the employer does not or not fully pay the pension contributions, the pension fund will send the employer concerned a first reminder not later than one month after elapse of the term of payment. If thereafter, the payment has not or not fully been made within one month, the pension fund will inform the employees about this.
- 6 If the required pension contribution with respect to any calendar year is higher than the maximum pension contribution as meant in paragraph 2 or if the contribution is not cost-covering, the board of the pension fund, after consultation of the actuary, can determine the accrual of the pension entitlements in that year at a lower amount than has been determined in these pension regulations. In this case, the pension regulations will be changed accordingly.

### **Article 16 Payment of the pensions**

- 1 The pension fund retroactively pays the pensions to the pensioners in US dollars in monthly terms.
- 2 Before paying out a pension the board is authorized to request a proof of life of the pensioner, and/or a statement about civil status, and/or a proof of enrollment in a school and/or a disability declaration
- 3 The right to payment of a claimable pension term expires after five years after the moment that this right is established.
- 4 Pension benefits wrongly paid by the pension fund are reclaimed.

## **Other Provisions**

### **Article 17 Maximum and minimum level of the pensions**

- 1 The old age pension and the disability pension, including any supplements granted, are not higher than what has been fiscally allowed. If this maximum is surpassed, there will be no further pension accrual and no further payment of contributions. The accrual and the payment of contributions will only be resumed if and in as far as the maximum level is no longer surpassed.
- 2 The aggregate amount of the surviving dependant's pension and the orphan's pension is never higher than the old age pension or the life-long disability pension. If, as a result, the surviving dependant's pension and/or the orphan's pension need to be reduced, the reduction is made proportionally over the respective pension amounts.  
If a reduction is applied and one or more pensions are no longer paid, a reassessment will be made if a reduction is necessary.
- 3 If, after the start of a pension on the basis of these pension regulations, a pension, a benefit intended as a pension or relief intended as a pension as meant in article 4, paragraph 5, sub d of these regulations is granted, in which time of service is considered that is also already considered in calculating the pension according to these pension regulations, the pension according to these regulations is recalculated or withdrawn starting from the time that the other pension, benefit or relief takes effect.
- 4 The surviving dependant's pension and the orphan's pension are minimally equal to the monetary benefits that would have been enjoyed on the basis of the Act Accident Insurance BES.

### **Article 18 Temporary pension related to going missing**

- 1 If in the opinion of the board of the pension fund, a participant, former participant or pensioner has gone missing, the persons who would derive a pension entitlement from his/her death, are entitled to a temporary pension in the same way as the surviving dependant's pension and the orphan's pension have been described in these pension regulations.
- 2 The temporary pension starts on a date to be determined by the board of the pension fund.
- 3 The temporary pension will be transferred into a surviving dependant's pension of/or orphan's pension as soon as the death of the missing person has been ascertained.
- 4 When the missing person appears to be alive the temporary pension ends as of a date to be determined by the board of the pension fund. The temporary pension already paid out will be reclaimed unless the board of the pension fund decides otherwise.

### **Article 19 Lump-sum payment to a partner of a deceased participant**

- 1 As soon as possible after the death of a pensioner, or after a pensioner has gone missing, the pension fund pays a lump sum to the partner to the amount of the pension of this deceased person for a period of three months.
- 2 If there is no such partner, the payment of the lump sum is made to the children to whom the deceased stood in family law relationship and who have not yet reached the age of 21 and who are not or have not been married or to children who have not yet reached the age of 21 and who are not or have not been married who were in the foster care of the deceased at the time of death.
- 3 If there are no such children either and if the deceased was breadwinner for other children, parents, brothers or sisters, the lump sum payment is made to the benefit of these persons.
- 4 If the deceased did not have any relationships as meant in paragraph 3 either, the board of the pension fund can use the amount concerned either fully or partly for paying the necessary expenses of the last illness and of the funeral.
- 5 The payment of a lump sum in connection with death does not apply if a lump sum has been paid to a pensioner in respect of commutation of his/her pension.
- 6 All rights to a lump-sum payment are lost for the partner or other beneficiary who has been convicted for killing the person from whose death he/she would derive the entitlement to a lump sum payment.

### **Article 20 Purchase of pension entitlements**

- 1 An employer can purchase extra pension entitlements in accordance with these pension regulations on behalf of a participant in case of missing time of service in as far as this fits within the framework of the pension scheme as allowed within the Act on the income tax BES.
- 2 There is also missing time of service if pension has been accrued over fewer years than the number of years the participant has worked with the employer. Years worked are the years actually spent with the employer before 10 October 2010 or the moment the employer joined the pension fund on the basis of the Pension Law civil servants BES. For both times mentioned, the condition applies that the pension contributions reserved by the employer must have been transferred to the pension fund during this period.
- 3 The board, after consultation with the actuary, determines the (other) conditions for the purchase of the pension entitlements.

### **Article 21 Unforeseen cases and settlement of disputes**

- 1 The board of the pension fund decides in all cases for which these pension regulations do not provide.
- 2 In cases, not being of a general nature, in which the application of the pension regulations would lead to unreasonableness or unfairness towards a (former) participant, other person entitled to a benefit or pensioner, the board is authorized to deviate from these regulations in a favorable sense for this person.

- 3 All complaints and disputes regarding these pension regulations will be treated in accordance with what has been determined in the regulations of the Appeals Committee of the pension fund.

### **Article 22 Final Provisions**

- 1 These regulations take effect on October 10, 2010. They have been changed most recently on January 1<sup>st</sup> 2019.
- 2 The pension fund can only reduce acquired pension entitlements and pension rights if all the conditions stated in article 13e of the Pension Law BES have been met.

### **Article 23 Transitional Provisions**

The pension entitlements or pension rights towards APNA on October 9, 2010 of those who have become entitled to pension entitlements or pension rights towards the pension fund on October 10, 2010, have been converted into equal entitlements or rights according to the underlying pension regulations towards the pension fund. The cost of living allowance has also been included in this conversion.

Chairman

Secretary

Mr. H.W.T. Linkels

Mr. G.H. Bergsma

## Annex I Offset, Pension Contribution and Commutation amount

### Offset

The offset as intended in article 4, paragraph 9 is:

Year	USD
2010	7,662
2011	8,988
2012	9,977
2013	11,316
2014	11,496
2015	11,892
2016	12,444
2017	13,428
2018	14,100
2019	14.952
2020	15.360

### Pension contribution

The pension contribution as meant in article 15 is:

Pension contribution as percentage of the pension base

Year	employer	employee	total
2010 *	14.7	7.3	22.0
2011	21.0	10.5	31.5
2012	17.4	8.7	26.1
2013	17.4	8.7	26.1
2014	17.4	8.7	26.1
2015	20.0	10.0	30.0
2016	22.93	11.47	34.4
2017	23.4	11.7	35.1
2018	23.4	11.7	35.1
2019	23,4	11,7	35,1
2020	23,7	11,8	35,5

\* The contributions for 2010 are a percentage of the salary.

### Commutation amount

The amount as meant in article 14 is:

As of 1 January 2020:

- a. USD 1.606, if the interested person is living in the public body Bonaire;
- b. USD 1.593, if the interested person is living in the public body Sint Eustatius;
- c. USD 1.580, if the interested person is living in the public body Saba;
- d. USD 1.580, if the interested person is living outside the public bodies Bonaire, Sint Eustatius and Saba.

The amounts included in the Arrangement Pension Law BES are leading.

## Annex II Recalculation factors as of 1 January 2020

The board of the pension fund reserves the right to adjust the factors in this annex.

### DEFERRAL AND ADVANCEMENT

Deferral factors of retirement age 60 to:			
Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60	1.0000	1.0000	1.0000
61	1,0517	0,9963	1,0469
62	1,1074	0,9923	1,0969
63	1,1676	0,9883	1,1504
64	1,2329	0,9840	1,2077
65	1,3038	0,9795	1,2692

Deferral factors of retirement age 62 to:			
Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60			
61			
62	1.0000	1.0000	1.0000
63	1,0548	0,9955	1,0493
64	1,1143	0,9908	1,1022
65	1,1789	0,9859	1,1589
66	1,2493	0,9808	1,2198
67	1,3262	0,9757	1,2855

Advancement factors of retirement age 62 to:			
Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60	0,9034	1,0080	0,9115
61	0,9497	1,0043	0,9541
62	1.0000	1.0000	1.0000
63			
64			
65			
66			
67			

Deferral factors of retirement age 63 to:			
Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60			
61			
62			
63	1.0000	1.0000	1.0000
64	1,0566	0,9950	1,0507
65	1,1181	0,9898	1,1050
66	1,1852	0,9845	1,1635
67	1,2585	0,9791	1,2266
68	1,3389	0,9736	1,2946

Advancement factors of retirement age 63 to:			
Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60	0,8570	1,0124	0,8690
61	0,9008	1,0088	0,9094
62	0,9483	1,0047	0,9529
63	1.0000	1.0000	1.0000
64			
65			
66			
67			
68			

Deferral factors of retirement age 64 to:

Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60			
61			
62			
63			
64	1.0000	1.0000	1.0000
65	1,0585	0,9945	1,0521
66	1,1222	0,9889	1,1082
67	1,1920	0,9832	1,1686
68	1,2685	0,9774	1,2339
69	1,3528	0,9713	1,3045

Advancement factors of retirement age 64 to:

Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60	0,8119	1,0170	0,8277
61	0,8531	1,0136	0,8660
62	0,8979	1,0097	0,9072
63	0,9467	1,0052	0,9517
64	1.0000	1.0000	1.0000
65			
66			
67			
68			
69			

Deferral factors of retirement age 65 to:

Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60			
61			
62			
63			
64			
65	1.0000	1.0000	1.0000
66	1,0605	0,9941	1,0536
67	1,1267	0,9880	1,1115
68	1,1994	0,9818	1,1740
69	1,2795	0,9755	1,2417
70	1,3679	0,9689	1,3151

Advancement factors of retirement age 65 to:

Retirement age	Old age pension started	Surviving dependant's pension started	Combination (OOP en 70% SDP)
60	0,7680	1,0218	0,7876
61	0,8068	1,0186	0,8237
62	0,8490	1,0150	0,8627
63	0,8949	1,0107	0,9048
64	0,9450	1,0057	0,9504
65	1.0000	1.0000	1.0000
66			
67			
68			
69			
70			





**SURRENDER FACTORS SMALL PENSION**

Leeftijd = age

Ingegaan OP = Old age pension started

Latent NP = Deferred surviving dependant's pension

Ingegaan NP = Surviving dependant's pension started

Leeftijd	Ingegaan OP	Latent NP bij OP	Ingegaan NP	Leeftijd	Ingegaan OP	Latent NP bij OP	Ingegaan NP
15			36,9070				
16			36,6881	66	16,9835	2,9663	16,8858
17			36,4645	67	16,4017	2,9646	16,3031
18			36,2355	68	15,8140	2,9597	15,7147
19			36,0013	69	15,2239	2,9497	15,1241
20			35,7617	70	14,6305	2,9354	14,5306
21			35,5164	71	14,0336	2,9172	
22			35,2650	72	13,4369	2,8934	
23			35,0074	73	12,8387	2,8652	
24			34,7435	74	12,2412	2,8322	
25			34,4478	75	11,6457	2,7943	
26			34,1702	76	11,0539	2,7508	
27			33,8857	77	10,4681	2,7013	
28			33,5939	78	9,8901	2,6458	
29			33,2951	79	9,3213	2,5851	
30			33,0110	80	8,7621	2,5194	
31			32,6977	81	8,2193	2,4469	
32			32,3769	82	7,6934	2,3678	
33			32,0483	83	7,1833	2,2853	
34			31,7120	84	6,6932	2,1989	
35			31,3289	85	6,2214	2,1103	
36			30,9756	86	5,7731	2,0193	
37			30,6139	87	5,3498	1,9255	
38			30,2439	88	4,9531	1,8294	
39			29,8653	89	4,5791	1,7337	
40			29,5308	90	4,2320	1,6387	
41			29,1366	91	3,9138	1,5441	
42			28,7340	92	3,6146	1,4538	
43			28,3228	93	3,3390	1,3681	
44			27,9029	94	3,0861	1,2867	
45			27,5047	95	2,8548	1,2074	
46			27,0686	96	2,6438	1,1322	
47			26,6246	97	2,4532	1,0610	
48			26,1726	98	2,2815	0,9940	
49			25,7121	99	2,1277	0,9308	
50			25,2781	100	1,9902	0,8728	
51			24,8019	101	1,8679	0,8200	
52			24,3182	102	1,7595	0,7723	
53			23,8268	103	1,6639	0,7301	
54			23,3272	104	1,5803	0,6919	
55			22,9379	105	1,5086	0,6574	
56			22,4270	106	1,4498	0,6252	
57			21,9084	107	1,3984	0,5967	
58			21,3825	108	1,3536	0,5719	
59			20,8501	109	1,3147	0,5510	
60	20,3514	2,9023	20,3096	110	1,2807	0,5319	
61	19,8068	2,9205	19,7176	111	1,2511	0,5136	
62	19,2556	2,9356	19,1642	112	1,2250	0,4937	
63	18,6971	2,9481	18,6038	113	1,2014	0,4671	
64	18,1320	2,9575	18,0370	114	1,1787	0,4222	
65	17,5604	2,9639	17,4639	115	1,1531	0,3353	