

as per 2017

These legal provisions are valid for all employment agreements which were concluded from 1. January 2003. fair-finance keeps an account for each employee and invests the contributions profitably for the employee.

The contribution rate is 1,53 % of the monthly gross wage including possible special payments. No contributions are due for the first month of employment, as long as no subsequent employment relationship begins during the next twelve months.

You keep the accrued balance no matter how the employment was terminated (vested benefits). However, certain conditions have to be met before you can access/dispose of your balance from the severance pay fund, the "Vorsorgekasse". Your account has to contain contributions from a period of at least 36 months from one or several employers and certain terminations of employment lead to certain options for disposal (see overview). V means that you have options for disposal.

Type of termination	Contribution period *	
	0-35 month(s) of contributions	from 36 months of contributions
Resignation	-	-
Dismissal because of misdemeanor	-	-
Unjustified early termination	-	-
Termination given by the employer	-	v
Amicable agreement to terminate employment	-	v
Termination of temporary employments (end of period)	-	v
Resignation during a part-time employment in accordance with maternity or paternity leave	-	v
Justified early termination	-	v
Reaching early retirement age when the employment was terminated	v	v
Five years without employment liable for contributions	v	v
Retirement	v	v
Death (100% go to the surviving dependants)	v	v

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As soon as there is an entitlement for disposal we will inform you via mail about the options for disposal ("Verfügungsmöglichkeiten").

If there is no entitlement for disposal your balance is not lost. We will continue to invest it.


*Attention: self-employment and employment are calculated separately. Once you opt for payout the 36-month period starts afresh.

Options for disposal

Tax free:

-  Continued investment of your balance in the fair-finance Vorsorgekasse AG
-  Transfer of the balance to a new Vorsorgekasse in case of changing employers or into your Vorsorgekasse chosen in case of self-employment
-  Transfer of your balance into a supplementary pension plan for a lifelong pension
-  Transfer of your balance to an Austrian Pensionskasse or a collective occupational insurance plan ("Betriebliche Kollektivversicherung") where you already have an account

Taxable:

-  Payout as severance pay onto an account of your choice less 6% income tax (reduced tax rate)

FAQs (Info hotline: 0810 810 061 (local call) or e-mail: info@fair-finance.at)

Account statement by fair-finance

The account statement ("Kontonachricht") is only an information about your balance as per 31 December of the previous year. Please keep the account statement for transparency.

An employment is terminated and you receive a letter about disposal options

We will send you a letter as soon as we receive information by the health insurance about termination of an employment including the reasons for termination and if you are entitled to dispose of your assets.

Vorsorgekasse as supplementary pension

Full tax advantages can be achieved by leaving your assets in the Vorsorgekasse to be invested without having to pay capital gains tax (KESt) to eventually transfer it to a lifelong supplementary pension plan or Pensionskasse in Austria. This way income tax is not applicable.

When do you receive the money in case of payout

We will receive your last contributions via the regional health insurance provider ("Gebietskrankenkasse") at the end of the next month after termination of the employment at the latest. As soon as your notification of disposal is available, we have to transfer your balance to your account by the end of the second month following the termination of employment within 5 business days. This means the maximum waiting period is 3 months and 5 business days

Attention: If you do not dispose of your balance within 6 months we will continue to invest your assets and you will only have access to the money again with the next entitlement to disposal.

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Merging several accounts to the active current Vorsorgekassen account

In case you already have several accounts with different Vorsorgekassen which have not received contributions for at least 3 years (i.e. 3 years have passed since the last day of employment), you can transfer the balances to your current Vorsorgekassen account. Should you wish to do so, please send an informal, signed letter with a copy of your ID to the appropriate Vorsorgekasse stating your name and social insurance number.

We would recommend the following German text for merging your non-contributory accounts in accordance with § 17 (2a) BMSVG to your account with the fair-finance Vorsorgekasse AG:

Sehr geehrte Damen und Herren, nachdem sich mein Konto bei Ihrer Vorsorgekasse 36 Monate in einem beitragsfreien Zustand befindet, ersuche ich Sie gemäß § 17 (2a) BMSVG um Übertragung meiner Abfertigungsanwartschaft auf die fair-finance Vorsorgekasse AG, die mein aktueller Arbeitgeber als Vorsorgekasse ausgewählt hat.

Alternatively you can simply download the form for merging accounts: www.fair-finance.at/wp-content/uploads/2016/01/Muster-Kontenzusammenlegung.pdf

Employees without entitlement to payout who are moving abroad

Should an employee move abroad or immigrate and if no contributions are made to the severance pay system, this person gets entitlement to disposal five years after the last contributions were made. For disposal, a letter with the chosen disposal option for the accrued balance is needed, also containing the social insurance number as well as a copy of a valid, current photo ID and information on the account the money is to be transferred to.

Note: Employees should inform fair finance about their place of residence