



MAIN PROVISIONS OF THE PENSION AND INSURANCE SCHEME FOR PROFESSIONAL AIRCREW

The CRPN additional mandatory pension scheme is governed by the provisions of the French Civil Aviation Code (*Code de l'aviation civile*). Membership of the fund is compulsory for aircrew based in France, who is ordinarily engaged in such activity as their principal occupation.

The fund is administered by a Board of Trustees (*conseil d'administration*) composed of 22 members comprising:

- 11 representatives of employers and 11 alternates, appointed by order of the French Minister of Transport, based on nominations from AIR FRANCE, the employers' organisations and the ministries employing professional aircrew.
- 11 representatives of affiliated members (8 representatives of aircrew trade unions and 3 representatives of pensioners) and 11 alternates, elected for a term of five years.

The Chairman and Vice-Chairman are elected from among the board members for a term of five years. A government commissioner (*commissaire du gouvernement*) appointed by ministerial order representing the ministry responsible for the social security and a representative of the ministry responsible for civil aviation participate in the board's deliberations.

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The CRPN administers **four funds**:

- a Pension Fund (*fonds de retraite*)
- a Special Fund (*fonds spécial*)
- an Insurance Fund (*fonds d'assurance*)
- a Social Fund (*fonds social*)

CONTRIBUTIONS

The first three funds are financed by contributions on gross earnings as defined by Article R 426-5 of the Civil Aviation Code, up to a maximum of eight times the Social Security ceiling.

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The **Social Fund** is financed by a levy on contributions made to the Pension Fund.



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BENEFITS

- *Pension Fund benefits*

Conditions of entitlement to a retirement pension are summarized in the booklet “Conditions of entitlement”.

1. Pension calculation

The pension is calculated on the basis of career-average indexed earnings and the number of years/days validated within the scheme, i.e. periods of contributions (periods of work, periods of military service, unpaid internships, etc. and increases for flight tests and acceptance personnel) and "free" credited periods (periods of war duty or compulsory military service).

When the employee has completed more than 25 years of contributions (after replacement of "free" military service periods by paid periods), the pension increases as a function of two parameters:

- The career-average daily earnings calculated on the 25 best years
- The percentage factor applied to the remaining years of contributions, which depends on the age at which the employee retires and his length of service.

Pensions are adjusted twice yearly on 1st January and 1st July according to the INSEE consumer price index (excluding tobacco and for the whole of France).

2. Periods taken into account for pension calculation purposes:

- Periods of work as a professional aircrew (employer's and employee's contributions)
- Periods of military service (buyback of employer's and employee's contributions)
- Periods of war service ("free" credits) up to a maximum of half the aggregate periods of work
- Periods of receipt of unemployment benefit (buyback of employer's and employee's contributions or contribution by the French unemployment system, UNEDIC)
- Certain periods (buyback of employer's and employee's contributions)

3. Qualifying conditions for entitlement

See table “Qualifying for a CRPN pension”.

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- ***Special Fund benefits***

1. **Pension increase** (final paragraphs of articles R 426-16-1 and 19-3 of the Civil Aviation Code)

A temporary pension increase is payable to beneficiaries aged between 50 and 60, and to dependants between the date from which the payment of the pension is effective up to their 60th birthday or that of the deceased beneficiary.

Depending on the beneficiary's circumstances, the increase is calculated as follows:

- If the beneficiary is covered by a statutory health insurance scheme other than the CMU (Universal Medical Coverage programme), either in their own right or as a dependant:

$$\mathbf{M1 = PSS \times 0.8\% \times TT/360}$$

- If the beneficiary is covered by the CMU (Universal Medical Coverage programme), either in their own right or as a dependant:

$$\mathbf{M2 = PSS \times 0.8\% \times TT/360 \times P \times 5\%}$$

- If neither of the above situations apply:

$$\mathbf{M3 = PSS \times 1.12\% \times TT/360}$$

PSS: Social Security ceiling

TT: total period of contributions in days (days validated) up to a maximum of 9,000 days

2. **Additional benefits** (Article R 426-17 of the Civil Aviation Code)

For the calculation of the pension, pension increase and pension enhancement, additional years of contributions are credited in the following cases:

- Death in an air accident while on duty or illness attributable to flying duty, in which case the pension is calculated based on a contribution period of 25 years.
- Permanent unfitness as a result of performing flying duty, with permanent total incapacity, in which case the pension is calculated based on a contribution period of 25 years.

In both cases however, the number of years of contributions taken into consideration may not exceed the maximum number of contribution years that the employee would have completed by the time they were 60 years old.

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- In the event of permanent unfitness as a result of an air accident while on duty or an illness attributable to the performance of flying duty, the number of credited additional contribution years will be half [25 years - number of contribution years], while not exceeding half [60 years - age at which the employee became permanently unfit].

3. **Benefits paid before age 50** (Article R 426-27b of the Civil Aviation Code)

For additional contribution years, the benefits and pensions paid before the normal retirement age and up to age 50 are expended from the Special Fund.

- ***Insurance Fund payments***

The Insurance Fund provides lump-sum payments in the event of death or loss of licence as a result of an air accident while on duty, or as a result of an illness attributable to the performance of flying duty.

The *Conseil médical de l'Aviation civile* (civil aviation medical council) has sole authority to determine whether the illness is attributable to the performance of flying duty.

The lump-sum payment is payable to:

- In the event of the death of the employee, the dependants as defined by articles R 424-2 to R 424-5 of the Civil Aviation Code:
 - The spouse, provided the couple were neither legally separated nor divorced.
 - The employee's dependent children, subject to certain conditions.
 - The employee's ascendants, subject to certain conditions.
- In the event of a permanent loss of licence, the employee himself (herself).

The basic payment is equal to:

- Three years' normal salary but no lower than three times the annual Social Security ceiling and no higher than 12 times that ceiling.
- Plus an increase equal to the value of the annual Social Security ceiling for each dependent child.

The lump-sum payment is equal to:

- **100% of the basic payment** in the event of death in an air accident on duty or an illness deemed attributable to the performance of flying duty, or in the event of permanent unfitness

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due to the performance of flying duty and "total permanent incapacity" as recognised by the Social Security system.

- **The amount corresponding with the Social Security disability rating** in the event of permanent unfitness due to the performance of flying duty and if the Social Security disability rating is higher than 50%.
- **50% of the basic payment**, in the event of permanent unfitness due to the performance of flying duty, with no Social Security disability rating or a rating below 50%.

If the employee is declared permanently unfit after the age of 50, the payment is reduced by 1% for each month over the age of 50 but may not be lower than 20% of the basic payment.

N.B.: Lump-sum payments made to ascendants will vary according to the annual Social Security ceiling.

- ***The Social Fund***

The Social Fund provides financial assistance to aircrew pensioners and their dependants.

REVERSION PENSION

The reversion pension is payable to a surviving, current or divorced spouse (subject to certain conditions). The reversion pension for an eligible surviving spouse is equal to 60% of the pension of the deceased employee. The reversion pension increase for each dependent child under 21 is equal to 12% of the employee's pension. If the deceased employee has both an eligible surviving spouse and one or more eligible divorced spouses, the reversion pension is split between spouses in proportion to the length of each marriage

This English translation is meant to serve as an aid for non-French readers. It is in no way legally binding on the CRPN. The only official legal document is the original French text.