

## **AIR CREW MEMBERS RETIRING THROUGH THE ALTERNATING WORK-RETIREMENT PROGRAM**

### **Partial claims for entitlements with an effective date on or after January 1st, 2019**

You have applied to claim your CRPN pension entitlements through the alternating work-retirement program or are planning to do so. Retirement through the alternating work-retirement program (or as parental leave taken in the form of alternate time) is governed by a body of decisions of the Board of Directors, and is based on a principle of claiming your entitlements in 2 stages: a partial claim for your entitlements through the alternating work-retirement program and, when you have fully retired as an air crew member, you will claim the remainder of your entitlements. Each claim comes under the regulatory provisions which are applicable on its effective date.

You can alternate work and retirement either on a full- month basis (a full month of work followed by a full month off work) or on a partial-month basis (by working the same number of days each month over the course of a calendar year – 6 days minimum – 15 days maximum). Below are the rules that must be adhered to so that you can draw your pension during your months off work.



- CRPN's obligations
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- Pension calculation for a partial claim for entitlements through the alternating work-retirement program
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#### **CRPN's obligations**

⇒ To check that your employer has a company agreement allowing for an alternating work-retirement program which incorporates the provisions set forth by the Board of directors

#### **Your employer's obligations**

⇒ To set up a company agreement allowing for an alternating work-retirement program incorporating certain provisions (\*) which have been set forth by CRPN's Board of Directors.

⇒ To provide CRPN each year with a schedule of the months or monthly number of days off work over a 12-month period beginning on January 1<sup>st</sup>.

⇒ Not to change the above schedule, except in cases of "force majeure" events or other circumstances listed in the company agreements, or if the member resumes full-time employment. At the latest, CRPN must be notified of any changes within the month prior to that change.

#### **Your obligations**

⇒ To check that you appear on the yearly schedule for alternating work and retirement at the time that you claim part of your CRPN retirement pension through the alternating work-retirement program.

⇒ To submit your application for a pension through the alternating work-retirement program to the CRPN no later than the month prior to the 1<sup>st</sup> month off work during which you are applying to draw your pension or days of pension.

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⇒ Report to the CRPN any case of force majeure or conventional case canceling or modifying the alternating work-retirement program as well as any resumption of full-time employment, in order to avoid the payment of an undue pension that we would be required to pay in collection.

N.B. CRPN does not allow you to change your work-retirement scheduling basis for the current calendar year (e.g. you cannot switch from a full-month to a partial-month basis once the year has begun).

⇒ Not to perform any air crew or cabin crew duties, in any of the following categories: acceptance testing, air transportation, or aerial work, whether in France or abroad, during your periods off work.

⇒ When you enter full retirement, you must ensure that, at the latest, your claim for the remaining entitlements which were not claimed through the alternating work-retirement program is received by CRPN during the month in which your air crew member's employment contract is terminated.

### **Important!**

Compliance with all of the provisions above is mandatory. Indeed, pursuant to decision No. 2017-79 modified by decision 2023-09 from the Board of Directors, "In the event of any violation of procedure, CRPN will not pay benefits to the air crew member and will suspend payment of benefits under the alternating work-retirement program."

### **Pension calculation for a partial claim for entitlements through the alternating work-retirement program**

This partial claim for entitlements is based on the career you have accrued up to the date on which your pension through the alternating work-retirement program becomes payable. The following factors, calculated or in force as of the same date, will apply:

- ⇒ **"TV"** (valuation rate for your years beyond 25): this is calculated based on your age and the time credited to your account as of the date on which your pension through the alternating work-retirement program becomes payable,
- ⇒ **Early-claim, decrease, or rate reduction factor**: this is calculated as of the date on which your pension becomes payable,
- ⇒ The current **"IVSC"** (Corrected wage variation index, used for entitlement claims) on the date on which your pension becomes payable. The amount of your entitlements will then be updated at the upward adjustment rate for pensions set forth by article R.426-16-2 of the French Code of Civil Aviation,
- ⇒ **Social security ceiling** (ceiling for the 1<sup>st</sup> and 2<sup>nd</sup> salary brackets as of the date on which your pension through the alternating work-retirement program becomes payable),
- ⇒ **Number of "a" days** as set forth by article R.426-5 d of the French Code of Civil Aviation.

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### Pensions paid while participating in the alternating work-retirement program

For as long as you draw a pension on the basis of your scheduled months or monthly days off work, your entitlements will be updated each year using the upward adjustment rate for pensions set forth by article R.426-16-2 of the French Code of Civil Aviation, with no change to the factors which apply to partial pension claims, listed in the previous paragraph.

### Pension calculation when you enter full retirement

The following will occur when you enter full retirement:

- ⇒ Your total career length and salaries will be counted toward the pension entitlement in connection with your first partial claim (with no change to the factors listed previously),
- ⇒ And you will claim the remainder of your entitlements not claimed through the alternating work-retirement program. This will be calculated using the same basis of your total career. When you claim the second portion of your entitlements, the following factors, which are calculated or in force on the date of your claim for this second portion of your entitlements, will apply:
  - ⇒ **“TV”** calculated on the effective date for this claim
  - ⇒ **Rate reduction**, calculated on this same date,
  - ⇒ **Current “IVSC”** on the effective date for this claim
  - ⇒ **Social Security ceiling** (ceiling for the 1<sup>st</sup> and 2<sup>nd</sup> salary brackets on this same date)
  - ⇒ **Number of “a” days as set forth by article R.426-5 d of the French Code of Civil Aviation.**

The first portion of your entitlements, which you will have claimed through the alternating work-retirement program and will have been updated as above on the effective date for the remainder of your entitlements, will be **weighted using a pro rating factor** corresponding to the ratio between the number of days paid under the alternating work-retirement program for the period beginning when your pension through the program became payable and the date you entered full retirement, and the total number of days in that same period.

The second portion of your entitlements, calculated as above, will be **weighted using a pro rating factor** that is equal to the difference between 100% and the percentage assigned to the portion of your entitlements that was claimed through the alternating work-retirement program.

The inclusion of the total career in calculating the pension corresponding to the entitlements claimed under the alternating work-retirement program, and the liquidation of the second portion of the entitlements, are undertaken promptly, taking account of the latest employment salaries and times indicated on the certificate of retirement produced when you stop working.

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### Provisions having to appear in the company agreement

(\*) Except of decision 2017-79 of the Board of Directors modified by decision 2023-09

**(\*) The Board of Directors has asked CRPN to check that company agreements allowing for an alternating work-retirement program include the provisions listed below:**

- The full-month basis must alternate periods of work with unpaid periods off work over the course of a calendar year. The percentages of time on and off work will be set by the employer based on company needs and stipulated in an amendment to the employment contract. The partial-month basis must consist of 6 to 15 days off work per month (the number of days off work must be the same each month for the entire year);
- No change to the scheduling of monthly off days defined for the year can take place solely because of the employer or the air crew member, except in cases of force majeure or cases listed in the company agreements. No change to your work pattern is possible during the calendar year, except for a return to full-time employment;
- Members participating in the alternating work-retirement program agree not to engage in any paid professional air crew employment during their scheduled periods off work;
- Qualifying members' schedules of months or monthly numbers of days off work must be submitted to CRPN in standard report format, sorted by air crew member category, by December 15 of the year prior to eligibility.