

CRPN, France's retirement pension fund which is supplementary to the basic salaried workers' schemes, is regulated by the French transportation code. CRPN membership is compulsory for all air crew members employed in this capacity on an ongoing basis as their main occupation and assigned to a base in France.

CRPN is governed by a 22-member Board of Directors made up of:

- ◆ 11 employer representatives and 11 alternates, proposed by the transportation and aerial work employers' organizations, the aeronautical industry's representative organizations, and the ministries which employ professional air crew members, and appointed by decree by France's Ministry in charge of civil aviation,
- ◆ 11 member representatives, including 3 pensioners, plus 11 alternates, elected for five years.

The president and vice-president are elected from among the members of the Board to serve a five-year term. A Government commissioner representing France's Minister in charge of Social Security as well as a representative of France's Minister in charge of civil aviation attend Board proceedings.

CRPN administers **four funds**:

- ◆ The Retirement pension fund
- ◆ The Top-up fund ("Fonds de majoration")
- ◆ The Insurance fund
- ◆ The Aid fund ("Fonds social")

CONTRIBUTIONS

The Retirement pension and insurance funds are financed through contributions based on each member's gross contribution-liable earnings, pursuant to article R6527-10 and R6527-11 of the French transportation code. This basis is capped at 8 times the French social security ceiling.

The Top-up fund ("Fonds de majoration") is financed by contributions based on each member's gross earnings liable to contributions, pursuant to article R6527-10 and R6527-11 of the French transportation code, up to a cap equal to the French social security ceiling.

How contributions are calculated is outlined in our informational guides "How to calculate your contributions" and "Contribution rates."

The Aid fund ("Fonds social") is financed by a withholding on Retirement pension fund contributions.

ENTITLEMENTS

The funds administered by CRPN and financed by contributions are used to pay the various entitlements set forth by the French transportation code.

1. Retirement pension entitlements

Pension claim rules are outlined in our informational guide "Rules for claiming your entitlements".

Years that count toward a CRPN pension are those accrued as follows:

- ◆ Actual civil service (dual contribution*),
- ◆ Military service (dual-contribution* buyback or, under certain circumstances, credited free of charge),
- ◆ Combat service (credited free of charge) capped at half the member's length of civil service, under certain circumstances,
- ◆ Periods of unemployment with benefits (dual-contribution buyback" or Unedic payment),
- ◆ Certain periods off work (dual-contribution* buyback).

* dual contribution = Employee's share + employer's share contributions

Pensions are updated on January 1st of each year based on the INSEE consumer price index excluding tobacco for all of France.

CRPN pensions can be made up of 3 components (the pension itself, a bonus, and a top-up), which are paid by the retirement pension and top-up funds.

Retirement pension fund entitlements

Pension (articles R6527-10, R6527-11, R6527-34, R6527-43 to R6527-46 of the French transportation code)

Pensions are calculated using the member's career average indexed earnings and their years accrued according to the list above, capped at their number of "a" days as determined by their pension effective year pursuant to this code.

When a member has accrued more than 25 years through contributions, their pension will increase according to two factors:

- ◆ Their career average daily earnings value for their 25 best earning years,
- ◆ The valuation rate for those years not included in the member's best 25 (rate determined by age at retirement and length of career).

Bonus (article R6527-34, R6527-43 to R6527-46 of the French transportation code)

Members who raised three or more children over a period of 9 years which coincided with a period of CRPN contributions may qualify for a bonus, as determined by the social security ceiling and their length of career up to a 25-year cap.

Top-up Fund entitlements

These are the **top-ups paid** pursuant to Article R6527-46 of the French transportation code.

For claims with an effective date on or after January 1st, 2012, only pensions with no rate reduction (full-rate pensions and those awarded due to permanent unfitness for work or exhaustion of unemployment benefits) entitle a claimant to a top-up, from the age of 55 (or the age of full eligibility the year the pension became payable for claims from 2012 to 2021) until the legal retirement age in the basic scheme for the member's generation.

Top-ups are determined by the French Social Security ceiling and by the member's length of career, up to a 25-year cap.

Top-ups are not paid to members whose pensions become effective at age 60 but do not meet the year count requirement for a claim before age 60.

2. Survivors' entitlements

Survivors' and orphans' pensions (for deaths on or after 01/01/2020), are paid to the surviving widowed or divorced spouse (requirements apply) and to the member's dependent children.

The **survivor's pension** awarded to the member's qualifying surviving spouse amounts to 60% of the member's pension. If, upon the member's or pensioner's death, there is a qualifying surviving spouse plus one or more qualifying ex-spouses, the survivor's pension will prorated based on the respective length of each marriage and divided between the surviving spouse and the ex-spouse(s).

The **orphan's pension** awarded to each of the member's dependent children (under age 21 or disabled) amounts to 12% of the member's pension. This percentage increases to 50% if the dependent child has lost both parents or to 72% (if the member died on or after 01/01/2013) if the dependent child is both disabled and has lost both parents.

The total of all survivor's and orphan's pensions awarded cannot exceed 100% of the member's pension. If that amount is exceeded, the pension awarded to each beneficiary is proportionally reduced.

Survivor's pensions and bonuses are financed by the Retirement pension fund while top-ups to survivor's pensions are paid by the Top-up fund ("Fonds de majoration").

* Provided that the disability originated prior to the child's 21st birthday, or prior to their 25th birthday if the child is enrolled in secondary or higher education."

3. Insurance entitlements

Risks covered

The Insurance fund pays a lump-sum award in the event of a member's death, permanent unfitness for work, or permanent loss of their flight crew license due to an on-the-job air accident or to an illness attributable to their air crew work (permanent unfitness for work must result in termination of all CRPN employment). Attributability to air crew work is determined solely by the French civil aviation authority's medical advisory board.

Beneficiaries

Beneficiaries eligible for a lump-sum award are as follows:

When a member dies, their beneficiaries are determined by articles R6526-4 through R6526-8 of the French transportation code and cannot be modified:

- ◆ The member's spouse from whom they were neither legally separated nor divorced,
- ◆ Or the common-law partner, or the partner linked to the deceased by a Civil Solidarity Pact (PACS),
- ◆ Qualifying dependent children,
- ◆ The member's qualifying ascendants.

In the event of a permanent unfitness, the beneficiary is the member themselves.

How the lump-sum award is calculated

The basic lump-sum compensation amounts to:

- ◆ Three times the member's normal yearly wages, which can neither be:
 - ◆ Under three times France's yearly social security ceiling,
 - ◆ Or more than twelve times the amount of that ceiling.
- ◆ A top-up amounting to the value of France's yearly social security ceiling for each dependent child.

The lump-sum compensation is paid at the following rates:

- ◆ **100% of the basic lump-sum compensation**, in the event of death in an air accident or following an illness attributable to flight duties, or in the event of permanent unfitness for work attributable to flight duties, with total permanent incapacity for work as assessed by the French social security system.
- ◆ **At a rate equal to the member's social security incapacity severity rating**, in the event of permanent unfitness for work attributable to flight duties, if that rating is greater than 50%.
- ◆ **At 50% of the basic lump-sum compensation**, in the event of permanent unfitness for work attributable to flight duties, if the member has not been assigned a social security incapacity severity rating or has an assigned rating below 50%.

In the latter two cases, if the member is recognized as permanently unfit for work after age 50, compensation is reduced by 1% per month of age beyond the member's 50th birthday. However, compensation cannot amount to less of 20% of the basic lump sum award.

If a lump sum is paid to the member's ascendants, it is calculated based on France's yearly social security ceiling.

4. Social welfare programs

CRPN aids members encountering financial difficulties through our social welfare programs, which are financed by our Aid Fund.