

AWARD OF A "EUROPEAN" PENSION

Calculation of CRPN pension benefits for aircrew having worked both in France and in one or more European Union Member States.

Principle of coordination within the European Union

Pursuant to the provisions of Council Regulation (EEC) No. 883-2001 (as a continuation of Council Regulation No. 1408/71), there is a requirement for coordination between the CRPN and other European pension schemes in keeping with the following principles:

- ⇒ coordination of national social security legislations,
- ⇒ aggregation of all periods taken into account under the laws of the various Member States, both for eligibility and pension calculation purposes.
- ⇒ payment of all benefit entitlements acquired in the different Member States.

Because the CRPN is an occupational scheme, the principle of coordination is limited to periods completed in other European Union countries as **professional aircrew**. The principle applies to both European aircrew having paid contributions to the CRPN and French aircrew having paid contributions in other EU countries.

In its circular of 17 July 2000, the French Department of Social Security (*Direction de la Sécurité sociale*) appoints the CSSTM, now the CLEISS (Centre of European and International Liaisons for Social Security), as France's interface with other European pension institutions. As such, the CLEISS will provide assistance to the CRPN in settling pension-related issues and queries about competent bodies as well as handling translation needs.

Applying for the pension

The aircrew member will apply for his/her pension with the competent institution of their place of residence (or the institution of their choice). The date at which the application is first filed is considered as the effective date of applications to other institutions to which the employee has paid contributions.

Preparing the pension application

If the CRPN is the competent institution to receive the pension application, it must ask the applicant to provide details of the different European institutions to which he/she has paid contributions during his/her career. The CRPN will request all documentation necessary to process the pension application, and in particular a **year-by-year record of contribution periods under other schemes, stating the nature of the work performed** in each case.

N.B.: Each institution uses their national language for the purposes of corresponding with institutions of other Member States.



AWARD OF A "EUROPEAN" PENSION

Assessment of entitlement

RULES REGARDING THE AWARD OF BENEFITS

- ⇒ The qualifying conditions for a pension in France are those provided for under the French Civil Aviation Code.
- ⇒ Entitlement will be assessed based on all periods of contributions including in addition to periods of contribution to the CRPN those periods completed in other Member States under a additional mandatory pension scheme akin to the CRPN, and more generally, all periods completed as a professional aircrew.

ASSESSMENT METHOD

To determine entitlement:

⇒ A "European career" is constructed by adding together periods validated by the CRPN and the periods of flying activity completed in one or more Member States, insofar as these do not overlap.

Note: Special case of aircrew paying contributions at an increased rate

Periods completed in other Member States are not treated as if they were completed under the CRPN. For example, an aircrew pays CRPN contributions at an increased rate over a period of four years. A period of six years will be credited. He pays 12 years of contributions in another Member State. The coordination process gives: 6 + 12 years = 18 years.

- ⇒ Each European contribution year (other than CRPN contribution years) is counted according to the SQM (average daily earnings) for periods of contribution to the CRPN.
- ⇒ Entitlement at the European benefit award date is assessed based on the European career and the qualifying conditions provided for under the French Civil Aviation Code.

<u>Example</u>: Mr A. was born on 15/04/1955. He paid less than two years of contributions to the CRPN from 2011 to 2013. As an aircrew in Belgium, he completed 24 years of contributions from 1987 to 2010 and is entitled to a Belgian pension. He is now requesting the award of his CRPN pension from 01/06/2013.

| CRPN Career | | | |
|-------------|------|------------------|--|
| Year | Days | Indexed earnings | |
| 1987-2010 | 0 | 0 | |
| 2011 | 190 | 2,890 | |
| 2012 | 360 | 5,475 | |
| 2013 | 150 | 2,282 | |
| | | | |
| TOTAL | 700 | 10,647 | |
| SQM CRPN | | 15.20968174 | |

| Belgian Career | | |
|----------------|--------------------------|--|
| Days | Imputed indexed earnings | |
| 8,640 | 131,412 | |
| | | |
| | | |
| | | |
| | | |
| 8,640 | 131,412 | |
| _ | | |

| Coordinated Career | | |
|--------------------|------------------|--|
| Days | Indexed earnings | |
| 8,640 | 131,412 | |
| 190 | 2,890 | |
| 360 | 5,475 | |
| 150 | 2,282 | |
| | | |
| 9,340 | 142,059 | |
| | | |



AWARD OF A "EUROPEAN" PENSION

The Belgian years are counted based on the SQM (average daily earnings) for the periods of contributions to the CRPN. Note that where CRPN and European periods overlap, only CRPN periods are taken into consideration.

In this example, at 01/06/2013, Mr A., aged 56, has completed nearly 26 coordinated years. He is therefore entitled to a pension under the European coordination system.

Pension calculation

For the award of a European pension, the calculation process entails comparing two calculations performed at the European award date.

- ⇒ Calculation of the CRPN pension (pension + temporary + enhancement) based solely on periods of contribution to the CRPN.
- ⇒ Calculation of the European pension (pension + temporary increase + enhancement) in accordance with the calculation rules provided under the French Civil Aviation Code (salary adjustment index (IVSC), reduction factor, percentage factor (TV) applied to additional years of contributions) based on the coordinated career. The pension amount obtained is then prorated by the ratio of the number of CRPN contribution years to the total number of coordinated years.

The applicant is awarded the higher of the two pensions. If the pension payable is lower than the theoretical pension indicated on the *Notification de droits*, the applicant may decide to postpone their retirement to the normal date of retirement under the CRPN scheme (subject to fulfilment of current qualifying conditions, i.e. age 60 in the case of less than the minimum number of CRPN contribution years required).

Returning to the example of Mr A...

- ⇒ Calculation N° 1 based on the CRPN pension: at 01/06/2013, Mr A. has 700 credited days. He does not qualify for a CRPN pension. His pension is therefore zero.
- ⇒ Calculation N° 2 based on the coordinated career: at 01/06/2013, Mr A. qualifies for a pension, to which the ratio 700 / 9,340 is applied.

The benefit paid to Mr A. is thus the higher of the two calculated pensions, namely **the pension** based on the coordinated career.

This English version is meant to serve an aid for non-French readers. It is in no way legally binding on the CRPN. The only legal documents are the French Code des Transports and Code de l'Aviation Civile.