

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

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

- ⇒ 11 representatives of employers and 11 alternates, appointed by order of the French Minister of Transport, based on nominations from the aeronautical industry's employers' and representative organizations and from the ministries employing professional aircrew.
- ⇒ 11 representatives of affiliated members, including 3 pensioners' representatives, 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.

The CRPN administers **four funds**:

- ⇒ a Pension Fund (*Fonds de retraite*)
- ⇒ an Increase Fund (*Fonds de majoration*)
- ⇒ an Insurance Fund (*Fonds d'assurance*)
- ⇒ a Social Fund (*Fonds social*)

## Contributions

The Pension and Insurance funds are financed by contributions on gross earnings as defined by Article R4265 of the Civil Aviation Code, up to a maximum of 8 times the Social Security ceiling.

The Increase Fund is financed by contributions on gross earnings as defined by Article R 4265 of the Civil Aviation Code, up to a maximum amount equal to the Social Security ceiling

Contributions are calculated as set forth in the documents entitled « Comment calculer et régler les cotisations » (Calculating and determining contributions) and « Les plafonds et les taux » (Ceilings and rates).

The Social Fund is financed by a levy on Pension Fund contributions.

## Benefits

CRPN-administered, contribution-financed funds pay out the various benefits set forth in the civil aviation code.

## 1. PENSION FUND BENEFITS

**Conditions of entitlement** to a retirement pension are summarized in the booklet « Les conditions de liquidation des droits » ("Conditions of pension entitlement").

The **periods taken into account** for pension calculation are as follows:

- ⇒ Civil service (double contributions\*)
- ⇒ Military service (double contribution buy-back\*, or free credited under conditions),
- ⇒ War duty (up to half of the amount of civil service periods, under conditions),
- ⇒ Periods of unemployment with benefits (double contribution buy-back\* or Unedic payment)
- ⇒ Certain periods without employment (double contribution buy-back\*).

\* *double contribution = Employee's share + employer's share*

**Pensions are revalued** upwards on January 1st of each year based on the INSEE's consumer price index for all of France excluding tobacco.

**CRPN pensions may include 3 benefits (the pension itself, the temporary pension increase and the bonus for children) paid by the pension Fund and by the increase Fund.**

### ⇒ Pension fund benefits

#### 1. **Pension** (articles R 426-5 and R-426-16-1 of the Civil Aviation Code)

The pension is calculated on the basis of career-average indexed earnings and the number of years/days validated within the scheme as listed above, up to an "a" maximum period that may change as provided by the civil Aviation Code

When a member has accrued more than 25 years of paid contributions, the pension increases based on 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/her length of service.

#### 2. **Bonus for children** (article R 426-16-1 of the Civil Aviation Code)

A member who has had, or raised at least for 9 years during his/her period of contributions, 3 children may receive a pension bonus calculated on the basis of the social security ceiling and on the length of his/her career up to a maximum of 25 years.

## ⇒ Increase Fund benefits

For entitlements becoming effective from January 1st, 2012, only those pensions without a reduction (at full rate, for permanent unfitness to work or for jobseekers having exhausted their benefits) will be eligible for temporary pension increases. The temporary pension increase is not awarded to members with pension entitlements becoming effective at age 60 who have not accrued the requisite number of years for an entitlement before age 60.

## **2. ADDITIONAL BENEFITS**

**Survivor's and orphan's pensions** (death from 01/01/2012) are paid to the surviving current or divorced spouse (subject to certain conditions) and to dependent children.

The survivor's pension for an eligible surviving spouse is equal to 60% of the deceased member's pension. If, at the time of death, there are both a surviving current spouse and one or more eligible surviving divorced spouses, the survivor's pension is shared on a prorata basis according to the respective length of each marriage.

The orphan's pension for each dependent child (aged under 21 or disabled) is equal to 12% of the member's pension. This percentage rises to 50% if the dependent child has lost both parents and to 72% (death from 01/01/2013) if the dependent child who has lost both parents is also disabled.

The total survivor's and orphan's pensions awarded must not exceed 100% of the amount of the member's pension. If the total exceeds 100%, the pension awarded to each beneficiary is reduced proportionally.

Pensions and pension bonuses are paid by the Pension Fund while temporary pension increase are paid by the increase Fund.

## **3. INSURANCE BENEFITS**

### ⇒ Covered Risks

The Insurance Fund provides lump-sum payments in the event of death or permanent loss of license 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'Aéronautique civile (civil aviation medical council) has sole authority to determine whether the illness is attributable to the performance of flying duty.

### ⇒ Beneficiaries

The lump-sum payment is payable as follows:

- In the event of the death of the employee, beneficiaries as defined by articles R 424-2 to R 424-5 of the Civil Aviation Code (this may not be modified by the member):
  - 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 license, the employee himself (herself).

⇒ Calculating the payment

***The basic payment is equal to:***

- ⇒ Three years' normal salary:
  - 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 due to the performance of flying duty and "total permanent incapacity" as recognized 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.*

#### **4. FINANCIAL ASSISTANCE**

The CRPN's Social Fund provides financial assistance to members experiencing financial difficulties.

***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.***