

You have submitted a claim for your CRPN pension through the alternating work-retirement program or are planning to do so **with an effective date prior to January 1st, 2019**. If you choose to retire through the alternating work-retirement program, you will claim 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. Below are the rules that must be adhered to so that you can draw your pension during your months off work.



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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 provide CRPN each year with a calendar of your scheduled months or number of days off work each month over a 12-month period beginning on January 1st.
- ⇒ Not to change the above schedule, except in cases of "force majeure" events or other circumstances listed in the company agreements. 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 of your claim for your CRPN pension entitlements.
- ⇒ To ensure that the latest date on which CRPN receives your application for a pension through the alternating work-retirement program is the month prior to the 1st month off work during which you are applying to draw your pension.
- ⇒ To notify CRPN of any "force majeure" event or other circumstance listed in your company agreement which results in a cancellation or change to the scheduling of your months off work, to ensure that you do not receive undue pension payments which we would be obliged to collect back from you.
- ⇒ Not to perform any air crew duties, with or without registration on the special registers, 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 N° 2012-24 from the Board of Directors, *"In the event of any violation of procedure, CRPN will not pay benefits to the air crew member and 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 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 1st and 2nd 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.

Pensions paid while participating in the alternating work-retirement program

- ⇒ **Partial claims for entitlements with an effective date prior to January 1st, 2016**

↳ **Pensions paid through December 31, 2018**

For as long as you draw a pension on the basis of your scheduled months off work, from your partial claim for entitlements through December 31, 2018, your entitlements will be calculated effective January 1st of each year, taking account of your previous year's work and updated using the 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. The factors used are those for a claim:

this pension 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, but with no change to the factors which apply to partial claims for entitlements:

AIR CREW MEMBERS RETIRING THE ALTERNATING WORK-RETIREMENT PROGRAM Partial claims for entitlements effective prior to January 1st, 2019

- **“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 1st and 2nd 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.

➤ Pensions paid from January 1st, 2019

For as long as you draw a pension on the basis of your scheduled months off work from January 1st, 2019 **(1)**, your pension will simply be updated each year according to 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 claims for entitlements:

- **“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,
- **Rate reduction**: 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 claimed 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 1st and 2nd 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.

⇒ Partial claims for entitlements effective on or after January 1st, 2016

For as long as you draw a pension on the basis of your scheduled months off work **(1)**, your pension will simply be updated each year according to 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 claims for entitlements:

- **“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,
- **Rate reduction**: 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 claimed 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 1st and 2nd 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.

(1) N.B.: As from January 1st, 2019, pensions can be paid on the basis of partial months if the employment contract is amended to enter the employee into the partial-month-based alternating work-retirement program (the employer schedules a constant number of days off work per month over a calendar year).

Pension calculation when you enter full retirement

⇒ **Claim for all entitlements effective prior to January 1st, 2019**

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 above),
- 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 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 1st and 2nd 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.

Your entire career will be taken into account when a calculation of your pension that is based both on your first claim through the alternating work-retirement program and on your second claim for the remainder of your entitlements is performed the year following your full retirement, once your final periods of employment and the corresponding wages have been credited to your career account and your employers have supplied CRPN with the lists of your "worked" percentages to be taken into account.

Indeed, your highest "not-worked" percentage and your lowest "worked" percentage during your period of alternating work and retirement will be respectively applied to each portion of your entitlements (the first portion of your entitlements claimed through the alternating work-retirement program and the second portion upon entering full retirement).

Until that final information is credited to your account, your pension will continue to be paid at the amount calculated through the alternating work-retirement program, updated using the upward adjustment rate for pensions set forth by article R.426-16-2 of the French Code of Civil Aviation.

Example

At age 50, an air crew member working at 92% of full time submits a partial claim for his CRPN pension entitlements in order to draw his pension for his month off work. The following year, he cuts back to 75% of full time. He will draw his pension for his three months off work. When he enters full retirement, he will already have claimed 25% of his entitlements through the alternating work-retirement program and will now need to claim the remaining 75% of his entitlements.

- His final pension, which will be calculated on the basis of his total career, will consist of 2 components:
 - The first portion of his pension, consisting of 25% of his entitlements which were claimed through the alternating work-retirement program, calculated using the factors which apply to partial claims for entitlements through the alternating work-retirement program and updated using the pension updating index.

AIR CREW MEMBERS RETIRING THE ALTERNATING WORK-RETIREMENT PROGRAM Partial claims for entitlements effective prior to January 1st, 2019

- The second portion of his pension, consisting of 75% of his entitlements which were claimed upon full retirement, calculated using the factors which apply to claims for the second portion of entitlements, which were not claimed through the alternating work-retirement program.

⇒ Claim for all entitlements effective on or after January 1st, 2019

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 above),
- ☞ 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 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 1st and 2nd 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.

Your entire career will be taken into account when a calculation of your pension that is based both on your first claim through the alternating work-retirement program and on your second claim for the remainder of your entitlements is performed the year following your full retirement, once your final periods of employment and the corresponding wages have been credited to your career account. Until that final information is credited to your account, your pension will continue to be paid at the amount calculated through the alternating work-retirement program, updated using the upward adjustment rate for pensions set forth by article R.426-16-2 of the French Code of Civil Aviation.