



Amendment of Pension Fund Regulations

Valid as of 1 January 2024



S U I S A

Genossenschaft der Urheber und Verleger von Musik
Coopérative des auteurs et éditeurs de musique
Cooperativa degli autori ed editori di musica
Cooperative Society of Music Authors and Publishers

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Appendix

(Status on 1 January 2024)

Pension Fund Regulations of SUIA Pension Fund for Authors and Publishers

In combination with the state social security schemes, the “Stiftung Urheber- und Verleger-Fürsorge der SUIA” (SUIA Pension Fund for Authors and Publishers, hereafter the “Fund”) provides social benefits to SUIA’s authors and publishers.

The Fund was established on 10 June 1941. SUIA’s Board serves as the Pension Board.

Provision of benefits is in accordance with these Regulations. These Regulations were adopted by the Pension Board on 28 March 1988 and approved by the General Meeting on 25 June 1988; they were last amended by the Pension Board on 16 December 2015 and approved by the General Meeting on 24 June 2016.

They supersede and replace all earlier versions, and are effective on 1 January 2017.

1 Purpose

The purpose of the Fund is to protect the authors and publishers who are members or principals of SUIA, and their respective survivors, against the economic consequences of retirement, death and disability.

2 Funding

The Fund is primarily financed through a deduction of 7.5% withheld from the royalty revenues, net of administration costs, collected by SUIA in Switzerland and Liechtenstein. The rights and tariffs subject to the deduction are specified in SUIA’s Distribution Rules.

The deduction percentage is set by SUIA’s General Meeting.

3 Fund Benefits

3.1 Overview of benefits

In the event of their retirement or disability, authors are granted an annual income of a certain amount. This “reference income” is composed of:

- the amounts in SUIA’s settlements for the domestic and foreign uses of works in accordance with the Distribution Rules;
- the pension to the extent the aforesaid amounts are less than the reference income.

Authors’ survivors are also entitled to benefits in accordance with these Regulations.

In cases of hardship, authors and survivors may also be granted other forms of assistance.

Publishers are granted an annual contribution to their occupational benefits institutions.

3.2 Benefits for authors and their survivors

3.2.1 Conditions for entitlement

Pensions may only be granted if the conditions are met with regard to

- age
- duration of SUIA membership
- minimum income from authors’ rights
- disability
- surviving spouse or registered partner
- surviving life partner
- orphans

3.2.1.1 Age

Entitlement to a pension starts on reaching the age of 63.

3.2.1.2 Duration of SUIA membership

Pension benefits start at the earliest after ten years of uninterrupted membership, including any years as a principal, of SUIA. If an author dies, their years as a member or a principal are added to those of their survivors.

For the purpose of these Regulations, “Membership Years” also includes any years as a principal.

The Pension Board may on request agree to add up to five years of membership of a foreign sister society to the Membership Years.

3.2.1.3 SUIA settlements threshold

Authors or their survivors are entitled to a pension if their settlements for the domestic and foreign use of their works in accordance with the Distribution Rules amount to at least CHF 250 on average per year for all Membership Years up to the start of the pension.

3.2.1.4 Disability

Authors who are granted a disability pension under the Federal Disability Insurance Act (IV) are entitled to a pension from the Fund.

3.2.1.5 Surviving spouse and registered partner

An author’s surviving spouse is entitled to a pension provided that,

- the surviving spouse is at least 45 years’ old at the author’s death, and the marriage has lasted at least five years, or
- the surviving spouse is responsible for the maintenance of at least one child.

The same rule applies by analogy to registered partners.

3.2.1.6 Surviving life partner

The surviving partner of an author who was neither married nor bound by a registered partnership is entitled to a pension provided that

- the surviving life partner is at least 45 years' old at the author's death and cohabited with the deceased author for an uninterrupted duration of at least five years prior to the author's death, or
- the surviving partner is responsible for the maintenance of one or more of the couple's children.

3.2.1.7 Orphans

Children of deceased authors are entitled to a pension until they turn 18. Notwithstanding, children in training and children who are at least 70% disabled are entitled to a pension until the end of their training or, respectively, until they acquire earning capacity, but not beyond the age of 25.

3.2.2 Reference income

3.2.2.1 Calculation

The reference income is calculated as follows:

- the calculation basis is the average settlement for the domestic and foreign uses designated in the Distribution Rules over all Membership Years until the start of the pension;
- this average is reduced by 1.67%, up to a maximum of 50%, for each year that falls short of 40 Membership Years in accordance with the Schedule;
- the result is multiplied by a factor set by the Pension Board as a rule every four years based on the financial capacity of the Fund.

The settlement amounts are adjusted to the cost of living (national consumer price index) until the start of the pension entitlement.

Fractions of a Membership Year count as a whole year.

The reference income is at least equal to:

- for authors: CHF 40,500
- for disabled authors: degree of IV disability multiplied by the author's reference income;
- for surviving spouses, registered partners and life partners: 75% of the author's reference income;
- for orphans: 50% of the author's reference income.

The reference income for an author's surviving spouse, registered partner or life partner, and orphans may not, when added together, exceed that for an author at the corresponding age.

3.2.2.2 Cost-of-living adjustment (consumer price index)

The Pension Board may adjust the reference income for pension recipients and the maximum limits in line with changes in the national consumer price index if the financial capacity of the

Fund so allows.

3.2.3 Pensions

3.2.3.1 Calculation

Pensions are calculated by deducting from the reference income the amount of the SUI SA settlements for the regulatory domestic and foreign uses since the last pension settlement.

3.2.3.2 Changes in copyright portfolio

If, up to ten years before the start of their entitlement to a pension, or during the term of a pension, an author or their survivors withdraw rights which have a material impact on the amount deductible from the reference income pursuant to paragraph 3.2.3.1, the pension amount will be reduced proportionally to the ratio of the rights withdrawn from SUI SA.

3.2.3.3 Start

The pension is payable from the calendar year in which

- the author reaches retirement age;
- the author is granted an IV pension;
- the author dies, and
- the conditions in paragraphs 3.2.1.2 and 3.2.1.3 are satisfied.

If the conditions are first satisfied at a later time, the pension is granted based on a written application.

Authors may demand that the pension be paid from the calendar year coinciding with their 60th birthday. In this case, the reference income is additionally reduced by the same percentage as the reduction in AHV pension in the event of early retirement.

Disabled authors are granted a pension on reaching the age of 63. The reference income is recalculated at this time. If the retirement pension is less than the previous disability pension, it is increased to match the latter.

3.2.3.4 End

Entitlement to a pension ceases at the end of the calendar year in which

- the author, their surviving spouse, registered partner or life partner, or orphan dies;
- the pension entitlement conditions cease to apply, or
- the rights administration agreement with SUI SA is terminated.

3.2.4 Support payments

The Pension Board may decide to make one-off or regular support payments to authors or their survivors who are in situations of hardship (in particular as a result of illness, accident or natural disasters, but not because of a decline in copyright income).

The Pension Board may delegate this authority to SUI SA's Executive Committee up to a certain amount.

There is no entitlement to such support payments.

3.3 Benefits for Publishers

3.3.1 Conditions for entitlement

Benefits to publishers are only granted if the conditions relating to

- publishing activities in Switzerland or Liechtenstein, and
- affiliation with an occupational benefits institution are satisfied.

3.3.1.1 Publishing activities in Switzerland or Liechtenstein

Only publishers who operate in Switzerland or Liechtenstein and whose business is run by resident staff qualify for benefits.

3.3.1.2 Publisher's occupational benefit institution

Benefits are paid to publishers' 2nd pillar occupational benefit institutions and serve to protect the publisher's manager and/or employees resident in Switzerland or Liechtenstein against the economic consequences of retirement and disability as well as their survivors in the event of death. The prerequisite is compulsory of voluntary affiliation with a registered occupational benefit institution, including the Substitute Occupational Benefit Institution.

3.3.2 Calculation of benefits

Benefits are calculated as a percentage of the SUISA settlements for the uses of works in Switzerland and Liechtenstein designated in the Distribution Rules.

The percentages are:

- a) distribution share for the original publisher
 - 50 % for amounts up to CHF 10,000
 - 40 % for amounts from CHF 10,000 to CHF 150,000
 - 20 % for amounts over CHF 150,000
- b) distribution share for the subpublisher
 - 10 % for amounts up to CHF 150,000
 - 7,5 % for amounts from CHF 150,001 to CHF 350,000
 - 5 % for amounts from CHF 350,001 to CHF 600,000
 - 2,5 % for amounts from CHF 600,001 to CHF 900,000
 - 1 % for other amounts.

Benefits are paid to the occupational benefit institution of the publisher for whom the corresponding distribution share was accounted.

3.3.3 Start of benefits

Benefits start on 1 January after the conditions in paragraph 3.3.1 are satisfied.

3.3.4 End of benefits

Benefits end on 31 December of the year in which the publisher's rights administration agreement with SUISA is

terminated or the publisher no longer satisfies the conditions relating to publishing in Switzerland or Liechtenstein (paragraph 3.3.1.1). If a publisher is no longer affiliated with an occupational benefit institution (paragraph 3.3.1.2), benefits end when they can no longer be transferred to an occupational benefits institution of the publisher.

3.4 Common provisions on benefits

3.4.1 Competence and recourse

Unless otherwise provided in these Regulations, Fund management (see Section 7) is tasked with establishing and calculating the entitlement to benefits and remitting benefit statements to pension recipients and publishers.

Appeals against the denial of benefits or benefit statements must be lodged in writing with the Pension Board within three months of the stated date.

3.4.2 Payment of benefits

Benefit statements are issued once every calendar year.

Benefits are paid within thirty days of the statement date.

3.4.3 Proof of entitlement

Authors, their survivors and publishers are required to provide the Fund with all requisite information and documents enabling the Fund to establish their entitlement to benefits and the amount thereof, and to transfer payment. Until the Fund has received all requisite information and documents, no benefits will be paid.

4 Independence from other social security schemes

Pension benefits under these Regulations are granted independently from any benefits of any other social security schemes and insurances, and from the recipients' private pension plans, if any. In particular, the prohibition of excess insurance does not apply.

5 Cancellation of benefits

5.1 False statements, omissions and misrepresentation

Recipients of pension benefits who make false statements or otherwise misrepresent facts to the Fund or SUIISA, or who fail to inform the Fund that conditions for entitlement no longer apply or that there are grounds for terminating benefits forfeit all claims to benefits from the Fund. The Pension Board may demand repayment of any benefits wrongfully paid.

5.2 Expiry of time limits

If an author, survivor or publisher reasserts their entitlement to benefits, any benefits already paid are limited to the following periods of time: the calendar year in which they submitted all information and documents evidencing that the conditions for entitlement to Fund benefits are met, as well as the two preceding years (provided that the conditions for entitlement to benefits were met on 31.12. of the respective year).

6 Liability of the Fund

The liability of the Fund is limited to its assets.

7 Fund management

The Fund is managed by SUIISA in accordance with the instructions of the Pension Board.

The management costs are borne by the Fund.

The decisions of the Pension Board are final.

The Fund prepares an annual report which is published together with the annual financial statements.

8 Auditing

8.1 Continuous review

The Pension Board continuously reviews the financial situation of the Fund and takes due and timely account of any developments.

If the value of the Fund's assets declines and a rapid recovery is not foreseeable, the Pension Board shall amend these Regulations to safeguard the Fund's financial reserves.

Benefits which have already been granted shall be reduced as little as possible.

If the Fund's capital falls below three-times the aggregate

amount of all pension benefits disbursed the prior year, the Pension Board shall take these steps promptly.

8.2 Amendment of Regulations

Amendments to the Regulations are decided by the Pension Board.

9 Transitional provisions

The amended provisions (approved by SUIISA's General Meeting on 24 June 2000 effective 1 January 2001) apply to all authors with the following exceptions:

- for authors who were entitled to a pension before 1 January 2021, the average settlements calculated under the previous Regulations remains unchanged;
- existing pension recipients shall continue to receive a pension even if their average annual settlements do not reach the minimum threshold under the new Regulations;
- for new pensioners, the minimum threshold under the new Regulations applies.

All other provisions apply from the effective date (1 January 2001) subject to the following restrictions:

- the reference income of persons (including surviving spouses) whose entitlement to a pension started before 1 January 2001 may not be reduced by more than 15%;
- the reference income of authors born in the years 1941 to 1945 may not be reduced by more than 25% compared with the prior Regulations; the pensions of their surviving spouses by a further 25%. These transitional provisions apply only to persons who satisfy all the conditions on reaching normal retirement age at the latest.

The amended provisions (approved by SUIISA's General Meeting on 24 June 2016) are effective on 1 January 2017. To the extent admissible by law, benefit entitlements acquired under previous Regulations, in particular those under paragraph 3.3.1.2, remain unaffected; notwithstanding, benefits shall be calculated in accordance with the current Regulations.

Appendix

Reference income (paragraph 3.2.2.1)

Reference income is calculated on the following bases:

| Membership Years incl. years as principal | Percentage of average settlement |
|--|---|
| 40 | 100 % |
| 39 | 98,33 % |
| 38 | 96,67 % |
| 37 | 95 % |
| 36 | 93,33 % |
| 35 | 91,67 % |
| 34 | 90 % |
| 33 | 88,33 % |
| 32 | 86,67 % |
| 31 | 85 % |
| 30 | 83,33 % |
| 29 | 81,67 % |
| 28 | 80 % |
| 27 | 78,33 % |
| 26 | 76,67 % |
| 25 | 75 % |
| 24 | 73,33 % |
| 23 | 71,67 % |
| 22 | 70 % |
| 21 | 68,33 % |
| 20 | 66,67 % |
| 19 | 65 % |
| 18 | 63,33 % |
| 17 | 61,67 % |
| 16 | 60 % |
| 15 | 58,33 % |
| 14 | 56,67 % |
| 13 | 55 % |
| 12 | 53,33 % |
| 11 | 51,67 % |
| 10 | 50 % |

SUISA is a cooperative society which belongs to its members. At the end of 2022, SUISA represented the rights of 41,263 full and associate members, of which 38,731 authors and 2,532 publishers.

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