



3a retirement account

Take advantage of attractive interest rates while also reducing tax payments

Brief description

The Bank CIC 3a retirement account is available to all employed persons with income subject to AHV contributions and constitutes private pillar 3a pension provisions. Pillar 3a savings can be deducted from taxable income. Each retirement savings account holder can choose how much they wish to save each year up to the statutory maximum amount. There is no obligation: customers can decide how much they wish to save and how frequently contributions are to be made.

Maximum contributions

	2019
Employees with pension schemes	Maximum CHF 6826
Employees without pension fund	20% of income; maximum CHF 34128

Suitability

The 3a retirement account is suitable for employed persons liable for tax in Switzerland who wish to save over the long term at attractive interest rates whilst also having the flexibility and freedom to decide how much they wish to save each year.

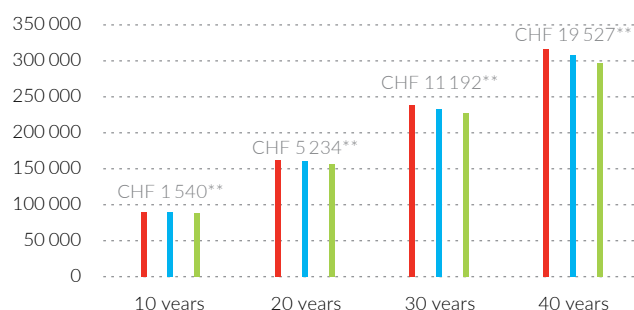
Your benefit

- **Attractive interest rate:** You benefit from exceptionally good interest rates. Bank CIC has offered one of the best interest rates in Switzerland for the past 10 years (source: VZ Vermögenszentrum).
- **Tax advantages:** Each payment into the 3a retirement account provides multiple tax benefits. Depending on where you live, paying in CHF 1000 could save you between CHF 200 and CHF 400 in taxes each year.
- **Residential property benefits:** You can use the retirement assets saved under pillar 3a as capital to purchase an owner-occupied residential property or to indirectly pay off your mortgage.
- **Flexible savings scheme:** You decide how much you want to pay into your 3a retirement account and when. You can also opt to have several retirement accounts.

How it works

Sample calculation for your interest rate advantage: With a preferential interest rate of 0,40%, you will earn significantly more interest than with other providers. In this example, with the effect of compound interest over 40 years you could receive up to CHF 19000 more when the scheme pays out. Assumptions: starting capital CHF 20000; annual payments constant at CHF 6826.

Total assets 3a retirement account
in CHF



- Bank CIC preferential rate: 0,40%
- Average interest rate* paid by Swiss providers: 0,27%
- Average interest rate* for five Swiss providers with the lowest interest rate: 0,10%

* Based on a comparison by VZ Vermögenszentrum as at 01.12.2018

** Bank CIC additional return



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Risks

The assets are tied to pillar 3a savings and may only be withdrawn under certain conditions (see withdrawals). In the event of the bank being declared insolvent, pillar 3a assets are privileged to a maximum of CHF 100000.

Tax treatment (in Switzerland)

Pillar 3a contributions are fully deductible from taxable income. Interest income and retirement assets are exempt from taxation, including Swiss withholding tax. A reduced tax rate applies to withdrawals.

Prices and conditions

Interest rate: 0,40% p. a.

Account opening and closing: free of charge*

Account maintenance / Interest: free of charge

Notice period: 3 months**

Securities savings: from CHF 3000

*Exception for closing: processing fees will be charged in the event of an early withdrawal for self-occupied residential property or definitive departure from Switzerland (for details see "Overview of range of accounts" on cic.ch/fees)

**Applies only to transfers to another Pillar 3a pension provider

Withdrawals

Ordinary redemption: No earlier than five years before retirement age and no more than five years after if the individual continues to work.

Early withdrawal options

- To purchase an owner-occupied residential property
- Upon becoming self-employed
- On emigrating from Switzerland
- To buy into a pension scheme

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