

# Salary exchange for employees

An alternative  
when the deduction  
entitlement for private  
pension saving  
has expired.

Johan,  
SPP



Through an agreement with SPP, your employer can offer you a favourable way of saving for your pension. We call it salary exchange, and it means that you invest part of your salary in an occupational pension before income tax is deducted.

## Your employer can contribute up to 6 percent

If you choose salary exchange, your employer can add up to 6 percent of the amount on top. For example, if you forgo SEK 1,000 of your monthly salary, your pension premium will be SEK 1,060 per month. Your employer can add this amount on top because payroll tax on pension premiums is 6 percent less than social security contributions payable on salaries. So you can receive the entire difference.

## For those with collectively agreed insurance

If you have a collectively agreed occupational pension ITP2, FTP2 or BTP2, you can make an agreement with your employer for your salary before deductions to provide the basis for your future occupational pension. However, the salary after deductions applies in relation to disability pension in ITP2.

A salary withdrawal in ITP and/or another collective agreement means that certain collective agreement benefits are reduced. SPP is able to offer the employer the opportunity to cover any shortfall of sickness benefits and in some cases even retirement pension benefits; discuss with your employer what applies to you.

## Tax is deferred

Another advantage of salary exchange is that you do not pay income tax on the savings amount until you withdraw it as pension. This is also a simple way of saving for your pension when the deduction entitlement for private pension saving has expired.

If you do not select a fund, your premiums will be invested in SPP's current default selection for unit-linked insurance. You can read more about the default selection we offer on [spp.se/entrelosning](http://spp.se/entrelosning).

If this sounds appealing, complete the reply form below and hand it in to a member of the human resources staff at your company.



## Reply form

**Complete this form and hand it in to a human resources manager at your company. Remember to sign it**

- Yes, I would like to exchange some of my salary for a higher pension.
- Yes, I have read and understood the information on the reverse of this sheet.

## Fill in the amount you wish to save every month

I'd like to save the following amount:

- SEK 1,000
- SEK 500
- Other amount (at least SEK 300)

- I am aware that when I am ill, if the premium cannot be deducted from my gross salary, I am still responsible for paying the premium by deduction from salary when I am well again, if nothing else has been agreed with my employer.

Name \_\_\_\_\_

Civic registration number (yymmdd) \_\_\_\_\_

Address \_\_\_\_\_

Post code \_\_\_\_\_ Town/city \_\_\_\_\_

Date and signature \_\_\_\_\_

Daytime telephone number including prefix \_\_\_\_\_

## How it works

You agree to a salary exchange with your employer and give the response card above to the person responsible for personnel at your company. Your employer will then pay the premium you have agreed for an occupational pension insurance policy (SPP's Employers plan).

At the same time, health insurance and/or premium release insurance can be taken out by your employer to compensate you in the event of illness. A condition of taking out health insurance and contribution release insurance is that you are fully fit to work in accordance with SPP's current risk assessment rules.

## Factors to consider before you choose salary exchange

If your total gross (i.e. pre-tax) salary is less than SEK 504,375 per year (2018), your statutory national retirement pension will be reduced if you exchange your salary for pension premiums. If your gross salary is less than SEK 341,250 per year (2018), sickness benefits are also reduced.

The lowest amount of your salary you can exchange is SEK 300 per month and your choice is valid until further notice, although for least one year at a time.

Salary exchange includes repayment cover. This means that, in the event of you dying before retirement, your pension savings amount will go in the first place to your spouse/registered cohabitee, and in the second place to your children. If you wish to amend your list of named beneficiaries, or elect not to have the repayment cover, please get in touch with the contact person at your company.

Note that fund's historical return is no guarantee of future return. Investments made in the fund can rise or fall in value, and it is not certain that you will get back all the capital you have invested.

For further information go to [spp.se](http://spp.se) or call customer service on +46 771 533 533.

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## The Swedish insurance business act

I have received, read and understood the information necessary for taking our insurance. I have also received the information that complete terms and conditions for insurance under the SPP Employer Plan and other information which is essential to read before making a decision to take out insurance, may be obtained from SPP's website, [spp.se](http://spp.se), or ordered from the SPP Customer Service, tel +46 771 533 533. I am aware that information on SPP's financial status and its long-term investment policy may be obtained in the same manner.

## Treatment of personnel data

SPP is the Data Controller regarding the use of personal data which is required to offer our products and services. The type of personal data collected and how it is processed depends on the product or service which is used. We value the personal integrity of our customers and handle personal data in accordance with applicable law.

Should you require any further information about how SPP uses personal data or about the data subject's rights, the full privacy policy is available at [spp.se](http://spp.se).