SHORT SUMMARY
OF THE
UNITED NATIONS
JOINT STAFF PENSION SCHEME

UNITED NATIONS
JOINT STAFF PENSION FUND

Spec/393/55
INTRODUCTORY

The following short summary has been prepared to enable staff members to make a quick appreciation of the benefits obtainable under the permanent scheme approved by the Paris Assembly. It is being circulated pending the issue of a more complete commentary in booklet form. It is not intended to give a detailed account of the Scheme, but merely to outline some of its more important benefit provisions. There are a number of minor provisions which modify these benefits in special circumstances, but they are too complicated for inclusion in this short summary and they do not affect normal cases. A reprint of the complete official rules in English, French and Spanish is being sent to each member. Copies can be obtained from the Secretary of the Pension Fund, Room A3-134, Lake Success, N.Y.

1. MEMBERSHIP IN THE FUND

Every staff member who has a contract for one year or more or has completed one year of employment and was under sixty when he entered the service is a member of the Pension Fund.

2. CONTRIBUTIONS

The Scheme will cost every member 7% of his net pensionable salary. It will cost the Organization 14% of his salary.

3. SERVICE PRIOR TO JOINING THE PENSION FUND

When a staff member enters the Scheme, the amount standing to his credit in the Provident Fund will be transferred to his credit in the Pension Fund and will make pensionable his service performed while in the Provident Fund. Any staff member who joined the service after the Provident Fund was closed can make pensionable his service performed before entering the Pension Fund by himself paying the 7% contribution on his earnings during that period of service. Application should be made to the Secretary in writing.

4. AVERAGE SALARY

The expression "final average remuneration" in the official regulations (hereafter called "average salary") means the average salary for the last ten years before the termination of employment, or, in cases where less than ten years service has been performed, the average salary during the whole period of service.

5. RETIREMENT PENSION

On reaching sixty, the staff member gets an annual pension for life equal to 1/60 of his average salary multiplied by his number of years of pensionable
service not exceeding thirty years. In addition he will also be entitled to $300 per annum in respect of each dependent child under eighteen.

Example - A staff member with fifteen years of pensionable service and an average salary of $4800 a year would receive at sixty a pension of 15/60 or one quarter of $4800 which is $1200 a year, and also $300 per annum for each child under eighteen.

6. **DISABILITY PENSION**

(Entitlement to this benefit is subject to paragraph 15)

If before reaching sixty, a staff member becomes unable to continue working due to ill-health or other disability he will get a pension during disability equal to 30% of his average salary or equal to 90% of the retirement pension to which he would have been entitled at the age of sixty, whichever of these two is smaller, and also $300 per annum for each child under eighteen.

**PENSION FOR WIDOWS OF STAFF MEMBERS**

7. (a) On the death of a married male staff member whilst in active employment, his widow will receive a pension equal to one-half of the disability pension as defined in paragraph 6. This pension ceases on her remarriage, and she will be entitled to a lump sum payment equal to two years of her pension. (Entitlement to this benefit is subject to paragraph 15)

(b) Children of the deceased staff member will each receive $300 per annum until they are eighteen. If their mother should also die the children will then receive $600 per annum until they are eighteen.

8. If the deceased staff member was in receipt of a retirement pension at the time of his death, his widow will receive a pension of one-half the amount of his retirement pension. If he was in receipt of a disability pension at his death, his widow will receive a pension of one-half the amount of the disability pension.

On remarriage she will cease to draw her pension, but will get a lump sum payment equal to two years of her pension.

Children of the deceased staff member will each receive $300 per annum until they are eighteen. If their mother should also die, the children will then receive $600 per annum each till they are eighteen.
9. **BENEFITS PAYABLE TO ORPHAN CHILDREN**

On the death of a male participant leaving children but no widow, or of a female participant leaving children of her own who were dependent on her, each child receives $600 a year until the age of eighteen.

10. **BENEFITS PAYABLE TO DESIGNATED BENEFICIARIES**

On the death of a female staff member who leaves no dependent children under eighteen or of a male staff member who leaves neither widow nor children under eighteen, the persons whom they had designated as their beneficiaries under the Fund will receive:

The deceased staff member's own contributions (7%) to the Pension Fund with compound interest at 2 1/2% plus such amount as may have been transferred to the Pension Fund from the Provident Fund on the deceased staff member's account.

**BENEFITS PAYABLE ON SEPARATION BEFORE RETIREMENT**

11. A staff member who leaves the service on resignation or termination before he has five years of contributory service shall receive his own contributions to the Pension Fund with compound interest at 2 1/2%, plus such amount as may have been transferred on his account to the Pension Fund from the Provident Fund without interest.

That is to say, he will get the Organization's and his own contributions to the Provident Fund, but only his own contributions to the Pension Fund plus 2 1/2% interest.

N. B. This payment cannot be made until after the date of separation.

12. If a staff member has five or more years contributory service, he shall be entitled to a lump sum in cash which shall be the actuarial equivalent* at the date of leaving the service, of his retirement benefit payable at sixty calculated on the basis of his contributory service and average salary. In no event will this be less than the amount payable under paragraph 11.

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* After a certain length of service the actuarial equivalent can be taken out in the form of a pension of equivalent value (see Article 10D of the Official Regulations).
For example:

1. A woman with final average remuneration of $2000 leaving the service at age 35 after five years service will get $1151.

2. Same woman at 40 after 10 years service will get $2667.

3. Same woman at 50 after 20 years service will get $7249.

4. A woman with final average remuneration of $6000 leaving the service at age 55 after five years service will get $6413.

These amounts increase in direct proportion to average salary.

13. HOW BENEFITS ARE PAID

Contribution and benefits are calculated in the currency in which the staff member's salary was expressed in his terms of employment, but the benefits may be paid in any currency selected by the recipient from time to time at the rate of exchange current at the time of payment.

14. PURCHASE OF ADDITIONAL PENSION

Provision is made for the purchase of pension in addition to the amount normally provided under the scheme where that amount would be less than one half of average salary. The cost of doing this under the Scheme may seem high but the rates are much lower than those obtainable elsewhere. The rules and related calculations are slightly complicated and those who are interested should write to the Secretary of the Fund, Room A3-134, Lake Success.

15. MEDICAL EXAMINATION

On joining the Fund, all staff members are required to undergo a medical examination. The effect of failure to pass the medical examination is that if, during his first five years of contributory service, a staff member should become unable to perform his duties or should die the disability pension defined in paragraph 6 and the widow pension defined in paragraph 7(a) respectively would not be payable unless disability or death was the result of an accident. In such circumstances, of course, all contributions paid by the staff member as set out in paragraph 11, would be returned to the staff member in a case of disability or to his designated beneficiary in the event of death.
16. **DESIGNATION OF BENEFICIARIES**

Designation of beneficiaries for the purposes referred to in paragraphs 10 and 15 should be made in the space provided on the ENTRANT'S DECLARATION FORM. Two copies of this form are enclosed herewith. Both copies should be completed by all members at once and both sent to the Secretary, UNITED NATION JOINT STAFF PENSION FUND, LAKE SUCCESS, N.Y.

17. **ADMINISTRATION**

The Pension Fund is kept entirely separate from all other funds of the United Nations and is administered solely by the Staff Pension Committee. That Committee has nine members of which three are elected by the General Assembly, three elected by the Staff and three appointed by the Secretary-General. The Chairman of the Committee is M. Roland Lebeau, of the Belgian Delegation. The Secretary-General has provided a Secretariat for the Staff Pension Committee of which Mr. Bannerman Clark is the Secretary. The Office is located in Room A3-134, with telephone extensions 8033 and 8034.

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