

SSPF policy concerning revision and correction of pension

March 2024 This is a translation, only the Dutch text is binding.

The key task of SSPF is to administer the pension rights and payments of participants or, as the case may be, pension beneficiaries correctly and to provide them with sound information in this regard. However, inaccuracies may arise in the administration despite all SSPF's efforts. The pension revision policy is intended as a guideline for assessing the correction of inaccuracies in SSPF's pension administration. Transparency, legitimate expectations, culpability, irreversible damage and reputation are important elements in this connection.

The pension revision policy is a written record of the existing practical implementation at SSPF and corresponds to the line that was developed in case law.

Definition of revision

Pension revision concerns all forms of correcting errors in the pension administration. The causes of inaccuracies include among others:

- the passage of time between the moment a change in income or personal data arises and the moment at which SSPF receives this information (such as changed with retroactive effect in case of divorce) for example.
- errors made by the pension fund caused by (the exchange between) administrative systems or by employees that result in incorrect provision of information;
- errors made as a result of incorrect or delayed data provision by the employer, third parties (the Employee Insurance Agency (UWV); other pension providers) or the participant.

Revision policy is **not** an assessment as to whether a pension was or was not determined correctly based on the pension rules; it concerns of a pension revision.

Preventing revisions is of primary importance

A revision reduces confidence in SSPF, especially if the revision results in a reduced pension. Preventing revisions by focusing on and safeguarding the quality of the pension administration is therefore the key objective. This is expressed at SSPF by:

- structural attention for the improvement of data quality in the pension administration, inter alia by shaping processes as much as possible via Straight Through Processing (STP).
- use of data-driven checks, which can bring structural problems in the administration to light;
- improving the quality of the provision of information to participants, such as the uniform pension statement (UPS) and overview tools in the digital participant platform, so that the likelihood increases that participants themselves discover and report errors in the pension administration at an early stage;
- optimisation of the understandability of information requests from participants;
- simplification of the pension scheme where possible and reduction of transitional provisions (reduction of complexity).





SSPF's starting points with respect to pension revision

Errors can never be entirely excluded in practice no matter how good the pension administration is. The manner in which SSPF handles such an error makes the difference as to whether the participants confidence is kept or regained. At the same time, every revision is casuistic in nature. That is why SSPF has laid down general and specific starting points against which pension revision is assessed in specific cases, which means that cases are treated equally in equal circumstances as much as possible.

General policy principles

- SSPF corrects inaccuracies in the pension administration as soon as possible after they are discovered. The reason being that pension rights and benefits must be in line with the condition of the applicable pension rules.
- Negative surprises for participants or pension beneficiaries must be prevented at all times. SSPF therefore determines reasonable communication terms before revisions are implemented or amounts are claimed back.
- Participants and pension beneficiaries are informed actively about the possible consequences of revisions, including their perspective for action in this regard.
- Every actual or potential revision is assessed separately, in which connection the specific circumstances of the case are considered in the assessment.
- Juridification of revisions is avoided as much as possible. The human dimension is important and can prevent or remove dissatisfaction. If possible, a revision involves human contact with the participant or pension beneficiary in question.
- SSPF ensures that errors are investigated and followed up in administrative processes and procedures. This prevents errors from occurring again in the future.
- Interested parties can object to the (proposed) revision easily and free of charge via the SSPF complaints procedure. There is also the option of presenting the (proposed) revision to the Geschilleninstantie Pensioenfondsen. This is also free of charge.

Specific policy principles

- Revisions that result in a higher pension entitlement or a higher benefit are always implemented by SSPF irrespective of the amount involved. Subsequent payment takes place if a revision is implemented with retroactive effect.
- Revisions that result in a lower pension entitlement (during the accumulation period) are implemented fully by SSPF in the pension administration.
- Revisions that result in a lower benefit are carried over to the future by SSPF. If this also involves payments set too high in respect of the past, these will be corrected with retroactive effect, unless the pension beneficiary had the legitimate expectation that the amount of the pension was correct. Legitimate expectations do not exist in any event in case of:
 - culpable behaviour on the part of the pension beneficiary himself. For example, because the pension beneficiary deliberately withheld information;
 - an error on the part of the pension fund that is clear to the pension beneficiary, such as a double payment.
- Pension that was paid in excess, assessed after the fact, is claimed back by means of a correction of future benefits. SSPF takes the following into account in this connection:
 - The first instalment of a repayment takes place no sooner than one month after the month in which the pension beneficiary was informed of this (adjustment period).
 - SSPF offers a payment arrangement as a rule if the benefit to be claimed back is relatively high and/or the financial situation of the person involved is limited.
 - SSPF may decide to reduce the amount claimed back or not claim back anything at all in case of special personal circumstances.



- Benefits determined too high continue will continue to apply in the future only very rarely. This is the case if the pension beneficiary had the legitimate expectation that the amount of the pension was correct and assumed irreversible financial obligations based on information provided by SSPF, which later proved to be incorrect, and which he or she would not have assumed if the facts had been presented correctly (and which obligations could no longer be met in case of a correct pension).
- Deviations from the specific policy principles are possible in very distressing cases if persisting in these principles would result in unreasonable outcomes. The SSPF board applies the hardship clause in the pension rules in such cases.