

Sender: Surname, First Name, Address	Employee No.: Social Security No.: In case of queries, please call or email (optional)
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Universität Kassel
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Application for exemption from pension contributions

If the option of exemption is not made use of and the following application is not completed, any payments within the context of minor employment will include the employee's share of 3.7% in contributions to the statutory pension fund (as amended as of 1 January 2015).

Possible consequences of an exemption from pension contributions

General

As of 1 January 2013, employees in minor paid employment (so-called 'mini jobs' at €450/month) are in principle included in the statutory pension insurance and must pay full contributions. The employee's share of these pension contributions amounts to 3.7% (or 13.7% in private households) of the remuneration they receive and is the difference between the employer's flat contribution (15% for businesses and 5% for private households) and the overall pension contribution of 18.7%. Please note that full pension contributions out of one salary should at least amount to €175.

Benefits of paying full pension contributions

The benefits of mandatory pension contributions for employees lie in the acquisition of mandatory contribution periods, meaning their period in paid employment is fully taken into account for various waiting times (minimum insurance periods), which are required for, e.g.:

- taking early retirement;
- claims to rehabilitation (for medical or employment purposes);
- claims to transition payments in case of rehabilitation provided by the statutory pension fund;
- motivating or upholding claims to pension payments due to reduced earning capacity;
- claims to ownership conversion for company pension funds; and
- meeting admission requirements for private pension funds supported by the states (e.g. the so-called Riester-pension) for employees and, if applicable, even spouses.

Furthermore, salaries are not only taken into account *pro rata*, but in full when calculating your pension.

Consequences of exemption from pension contributions

People in minor employment who apply for exemption from pension contributions voluntarily renounce their right to the benefits above. Through the exemption, the employer only pays a flat contribution of 15% (or 5% for those working in private households) on the remuneration. The employee contribution is not paid.

As a consequence, the employee will only accrue the *pro rata* number of months to meet various waiting times and the remuneration is also only taken into account *pro rata* when the pension is calculated.

Note: Before an employee decides to apply for an exemption from pension contributions, it is recommended to make an appointment at an office of the German Pension Fund for an individual consultation with regard to the pension law-related consequences of such exemption.

The German Pension Fund can be reached toll-free at 0800 10004800. If possible, please have your pension insurance number ready when you call.

I, _____, hereby apply for exemption from pension contributions within the context of my minor employment and thus waive any acquisition of mandatory contribution periods.

I hereby declare that I have been informed of the possible consequences of such exemption from pension contributions.

I am aware that my application for exemption applies to all minor paid employment I have at the moment and that any exemption is binding for as long as said minor paid employment lasts, i.e. it cannot be revoked.

I hereby undertake to inform all other employers for whom I work in minor paid employment about this application for exemption.

Place, Date

Employee signature