



# Recovery and correction policy

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# 1. Introduction

We consider it important to properly administer your pension scheme and calculate your pension correctly. We make every effort to achieve this, together with your colleagues and former colleagues. Usually everything goes well, but sometimes we make a mistake. If we received all the right information on time, but still make a mistake, we want to fix it as carefully as possible. After all, an incorrectly calculated pension can affect your financial situation, including benefits received and taxes paid.

This policy sets out how we handle mistakes made by us in calculating your pension.

We distinguish between pension accrual and pension benefits in this policy:

- Pension accrual is the pension capital that you accrue each year. That pension has not yet become payable. In this regard, we look not only at the pension capital you have accrued up to this point but also at the pension capital you will accrue until your standard retirement date.
- Pension benefits are your variable pension benefits that has already become payable. Centraal Beheer PPI only pays out variable pension.

This policy is subject to the rules in our Variable Pension terms and conditions. They form an integral part of this policy. In addition, this policy describes how we handle pension recoveries and corrections.

If we have not received information about your pension properly or on time, it will not be considered an error. We calculate your pension with the information at our disposal. If we receive information later, we will process that information and still adjust your pension. For example, if your situation has changed and you have not yet reported it. This may also be the case if we require information about changes from your former or current employer, the municipality or other organisations.

We may set your pension too high or too low. If we have set your pension too low, we will correct this and make a subsequent pension payment.. If the error is entirely attributable to us, we will reimburse the difference in return between what you should have received and what you did receive.

In special situations, we will reclaim the overpayment. We do this if there is question of intent or gross negligence, but also if it is clear that you could have known about the mistake yourself.

If you disagree with our decision, you can appeal to our complaints and disputes procedure.

## 2. Recovery policy

If we set your pension benefit too high, you probably also received too much pension from us. We have established that you are not entitled to this amount of pension. In this case, we may decide that you must repay the excess money received. This is known as recovery. Whether we will recover depends on the specific facts and circumstances.

In principle, we only recover excess pension payments if there is a special situation, such as intent or gross negligence, but also if it is clear that you could have known about the mistake yourself. In that case, we will always reclaim the excess pension paid.

If we find that we have paid you too much pension, we will conduct an investigation. Once we have gathered all the information, we will make a decision and inform you accordingly. We will try to contact you by phone in advance to explain our decision. After that, you will receive written confirmation from us.

If we decide to recover, we will not do this all at once. We will make workable repayment arrangements with you. Based on the amount that you have to repay, we will see if we can offset it against the existing benefit. We will also see whether it can be spread out over several months. We prefer to limit the period during which we want to set off and/or the repayment agreement applies to one year.

### 3. Correction policy

If we set your pension benefit too high, we will reduce your (too high) pension benefit in the future. Indeed, we feel that if we become aware of a mistake, we should correct that mistake during the time to come. We will not reduce the incorrect pension benefit immediately, but from the month after we have sent you our decision.

#### For example

If we send you our decision on 6 November, then you will still receive the high benefit in November, but you will receive the lower, correct benefit with effect from December.

It is also possible that we incorrectly determined your accrued pension capital due to a mistake on our part. This is your pension that has not yet become payable. We may set this pension too high or too low. If we have set your pension too low, we will always increase your pension to the correct level.

If we have set your pension too high, then we will consider the cause of our error, how long the error lasted and the extent of the error. We will also look at whether you could have known about it. The issue then is not whether you really knew (subjectively), but whether you should have known. This is known as "legitimate expectation" under the law. This is not the case, for example, if you have accrued and/or are accruing pension capital based on incapacity for work, while you are not – or no longer – incapacitated for work. If there is no legitimate expectation, we will adjust both your past and future pension accrual. We will inform you of our decision and considerations.

## 4. Subsequent payment of pension benefit

If we have paid you too little pension, then you will receive a subsequent payment from us for the past. Going forward, we will adjust your pension benefit upward. We do so after we have properly figured out where things went wrong and what you are entitled to under the terms and conditions. We will pay out the pension you have been short-changed in one lump sum by agreement or in instalments.

A lump sum payment may affect your possible benefits and taxes paid. Before we proceed with payment, we will contact you to make workable arrangements for the subsequent payment.

## 5. Hardship clause

If the application of this policy in a specific, exceptional situation results in an outcome that is not reasonable or fair, we may decide to deviate from the policy. We call that a request on hardship. We exercise this with restraint. In considering a hardship request, we weigh the interests of all our stakeholders in a balanced and careful manner. If we decide to deviate from this policy, the deviation must not violate laws and regulations.

## 6. Commencement of the policy

The recovery and correction policy was adopted at the board meeting of 4 July 2023.



**[www.centraalbeheerppi.nl](http://www.centraalbeheerppi.nl)**

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