**TEXT OF CERTAIN HUNGARIAN LEGAL PROVISIONS
FOR PAN-EUROPEAN PERSONAL PENSION PRODUCTS (PEPP)**

The purpose of this chapter is to publish the text of the national legal provisions governing the conditions related to the accumulation phase referred to in Article 47 and the conditions related to the decumulation phase referred to in Article 57 pursuant to Article 12 (1) of the PEPP Regulation[[1]](#footnote-2), indicating the relevant provisions of the Act CXVII of 2007 on occupational retirement pension and institutions for occupational retirement provision (Occupational Pension Act).

1. **The text of the legal provisions governing the conditions related to the accumulation phase for the sub-account corresponding to Hungary as the Member State of residence of the PEPP saver referred to in Article 47 of the PEPP Regulation**

**Section 5/B. of the Occupational Pension Act** (1)A member may be eligible for personal pension benefits if over sixteen years of age and agrees to provide individual membership contributions under contract for personal pension benefits. Membership shall come into existence when the contract is concluded.

(2) The contract for personal pension benefits shall not prescribe a period of conditional entitlement.

**Section 85/A** **of the Occupational Pension Act** (1) A natural person over the age of sixteen years may be a PEPP saver.

(2) The PEPP provider may determine the minimum amount of contributions. The PEPP contract shall provide for the date of payment of the contribution. If the PEPP saver agreed to make continuous contributions, the PEPP contract shall contain provisions for the suspension of contribution payments, as well as the consequences of missing payments.

(3) The PEPP contract shall prescribe a waiting period of at least ten years.

1. **The text of the legal provisions governing the conditions related to the decumulation phase for the sub-account corresponding to Hungary as the Member State of residence of the PEPP saver referred to in Article 57 of the PEPP Regulation**

**Section 85/C of the Occupational Pension Act** Entitlement to PEPP retirement benefits shall be open after the waiting period provided for in the PEPP contract has expired and

*a)* upon reaching the retirement age specified in Point 25 of Section 2 of Occupational Pension Act, or

*b)* in the case of invalidity where the degree of capacity to work is lost by 50 per cent, upon presentment of the relevant diagnosis made by a medical expert.

1. **The text of other interpretative legal provisions**

**Point 25 of Section 2 of the Occupational Pension Act** ‘*retirement age’* shall mean

*a)* the age prescribed by Act LXXXI of 1997 on Social Security Pension Benefits for eligibility for retirement pension benefits,

*b)* the time from which the member receives retirement pension, benefits provided before the legal age limit, service emoluments, dance artists’ annuities and provisional miners’ allowances, retirement aid (retirement pension) or invalidity benefits provided under the government decree on benefits provided by the Hungarian Creative Art Foundation, or increased retirement pension or occupational disability benefits,

*c)* in the case of cross-border activity, the retirement age for the member based on the relevant social and labour law of the State in which the employer is established;

Point 35 of Section 2 of the Occupational Pension Act ‘*waiting period’* shall mean the period of time prescribed by the pension scheme that a member is required to wait between the date of joining and the date on which the member is allowed access to occupational retirement benefits or personal pension benefits at the earliest, subject to compliance with other applicable conditions;

Point 53 of Section 2 of the Occupational Pension Act*‘personal pension benefit’* shall mean a pension benefit or any lump-sum cash payment or a combination of the two that is disbursed to a fund member from his individual account as chosen by the fund member, after he reaches retirement age, from the methods afforded in the relevant pension scheme;

**Section 5/C of the Occupational Pension Act** (4) The provision and/or distribution of pan‐European personal pension products under Regulation 2019/1238/EU of the European Parliament and of the Council shall be construed personal pension provision activities.

**Section 85 of the Occupational Pension Act** The provisions of this Act shall apply to the provision and distribution of pan‐European personal pension products (hereinafter referred to as ‘PEPP’) subject to the derogations provided for in Regulation 2019/1238/EU of the European Parliament and of the Council.

1. Regulation (EU) 2019/1238 of the European Parliament and of the Council of 20 June 2019 on a pan-European Personal Pension Product (PEPP). [↑](#footnote-ref-2)