

Insuree Update No. 30

30 November 2012

Dear insuree,

The PVS will complete its ninth business year at the end of 2012. Here are a few key statistics of the scheme as it stood at the end of November:

- 3,503 working insurees
- 371 pension recipients (39 of whom receive disability pensions)
- 19 "WEF" advance withdrawals to finance home purchases
- 7 cessations following divorce.

The PVS Board of Trustees met again on 20 November. The main agenda items were the recent performance of the scheme's investments, the interest to be paid for 2012 on insurees' individual savings capital, possible adjustments to current pensions and the scheme's internal control system.

The key points in brief

- Funding ratio of 106.5% as of 31 October 2012.
- Interest payable for 2012 = 1.75% on the entire individual savings capital amount.
- Additional personal deposits for 2012: must be paid in by 21 December.
- Change of savings plans for 2013: must be communicated by 28 December.
- **1st place in the "Tages-Anzeiger" occupational pension fund ratings of 22 November 2012.**

Investment performance in 2012

The PVS's asset investments generated a return of 5.86% for the first ten months of 2012. Encouragingly, all asset categories contributed to what is an outstanding performance result, given the present unpredictability of the financial markets.

The scheme's equity investments performed best of all, registering a return of around 11.3%. But our bond investments also made a solid contribution, achieving a return of some 4% despite the presently low interest rates.

Our scheme's **provisional funding ratio** as of 31 October amounted to **106.5%**. This is a 3.9-percentage-point improvement on the 102.6% funding ratio which we reported at the end of 2011.

Interest payable on individual savings capital

In view of the favourable returns on its investments in 2012 to date, the Board of Trustees resolved at its meeting on 20 November to pay interest of 1.75% (i.e. more than the 1.5% BVG minimum) on all its insurees' individual savings capital for 2012. The Board of Trustees also made further decisions relating to the interest rate for intrayear events and the projected interest rate. Here is an overview thereof:

Type of interest	Interest rate	Remarks
Interest payable on individual savings capital for 2012	1.75%	As in 2011, the PVS will pay this interest for 2012 on all your individual savings . In cases in which amounts were taken out of the scheme by insurees leaving or retiring in the course of 2012, this interest will be awarded in the form of a follow-up payment. Any amounts below CHF 50 here will be retained by the scheme.

Interest payable on individual savings capital for 2013	tbd	The Board of Trustees will determine this interest rate at the end of 2013, when it is clearer what returns the scheme has earned on its investments in the course of the year.
Interest rate for intrayear events in 2013	0%	This is the interest rate that will be applied at the time to any amounts taken out of the scheme by insurees leaving or retiring in the course of 2013. If interest is subsequently awarded on individual savings capital for 2013 as a whole, these amounts will be subject to a follow-up interest payment.
Projected interest rate from 2014 onwards	1.5%	This is the interest rate used to project the value of the future benefits which are shown on your statement of benefits under "Projected benefits" (i.e. for old age, disability or death). The Board of Trustees has now lowered this projected interest rate, to make such projections as realistic as possible. As a direct result of this, your statement of benefits will now show lower benefit projections. You have not lost or forfeited anything here, however: the change in our projected interest rate has no impact on your current individual savings capital or the interest already awarded thereon.

As you may know, the Swiss Federal Council resolved on 2 November to set the **BVG minimum interest rate for 2013** at 1.5%. This minimum interest rate is not binding for supplementary retirement savings amounts.

Pension adjustments

The Board of Trustees also resolved at its meeting of 20 November that current pensions should not be increased from 1 January 2013. This decision was taken in the light of the scheme's present funding ratio and the fact that our fluctuation reserves are still below the levels required. The PVS needs to build up such fluctuation reserves to minimize the risk that the scheme may become underfunded as a result of the sizeable fluctuations that are currently being experienced on the financial markets.

2013 pension plan

The pension plan valid from 1 January 2013 will be found on our www.pv-swissport.ch website.

Impact on the PVS of the new AHV old-age pensions from 2013

The maximum annual AHV Swiss state old-age pension will be increased to **CHF 28,080** effective 1 January 2013. This will have the following repercussions for the PVS:

Area	Amount in CHF	Remarks
Membership threshold	21,060	Minimum annual salary required for PVS membership: corresponds to 75% of the maximum annual AHV old-age pension.
Maximum coordination amount	14,040	The PVS coordination amount will be 20% of the insuree's annual salary up to this maximum amount.
"Supplementary" provident plan admittance threshold	105,300	Minimum annual salary required for admittance to the "Supplementary" provident plan: corresponds to 7.5 times the maximum coordination amount.

Additional personal deposits

If you plan to make an additional personal deposit into the PVS for 2012, we will be pleased to send you **the documentation you will need in order to do so**. Please note that to enable us to process your deposit by the end of 2012, you will need to instruct your bank to make the corresponding transfer **with a value date of 21 December at the latest**.

We would also like to remind you that any amounts paid-in in this way (and the interest they subsequently earn) may not be taken out of the scheme in capital-payment form within the following three years. If you have any questions or uncertainties here, please consult your tax authorities.

Choice of savings plans

Once again, you may choose whether to be under the "Standard" or the "Standard Plus" savings plan for the coming year. With the "Standard" plan, your personal savings contribution will be 6% of your insured salary; with the "Standard Plus" plan it will be 9%. If you wish to change from your current pension plan, please complete the enclosed form in full and **send it directly to your Human Resources unit by 28 December at the latest**.



PVS earns top honours in "Tages-Anzeiger" pension fund ratings

The PVS participated once again in the annual occupational pension fund ratings conducted by the Zurich-based "Tages-Anzeiger" Swiss national newspaper. Our scheme has improved its ranking here every year so far; and the Board of Trustees is delighted to inform you that **the PVS earned first place** in this year's ratings.

This excellent result was achieved not by one particular criterion, but through the generally high level of the benefits and options which the PVS offers its members, and by virtue of our employee-friendly division of scheme contributions.

The Board of Trustees and the scheme's management will continue to do their utmost to ensure that the PVS remains a reliable partner for you for all your provident care needs.

Please note: the PVS's current funding ratio (which is updated every month) will be found in the "Performance" section of our www.pv-swissport.ch website.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. Graf'.

Peter Graf
President of the Board of Trustees

A handwritten signature in black ink, appearing to read 'M. Staudenmaier'.

Markus Staudenmaier
Managing Director

Enclosures Plan selection form