



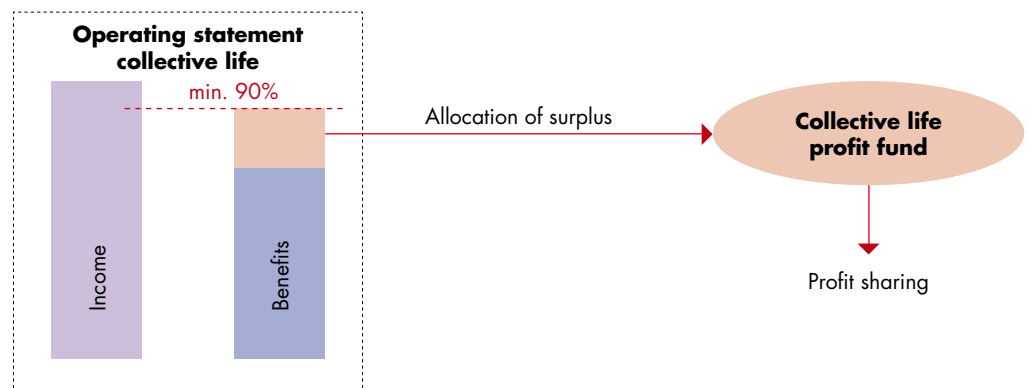
# Our success is your advantage. This is how Helvetia's collective life surplus system works.

## This is how surpluses are created

Helvetia determines the surpluses from the occupational benefit scheme business every year based on a separate operating statement for collective life. Surpluses arise when the income is higher than the expenses. A distinction is made between the savings, risk and cost processes.

Gross income	Assigned benefits (expenses)
Investment income	Interest on the old-age savings and the actuarial reserves for current pensions
Risk premiums	Payment of disability and survivors' benefits, formation of mathematical reserves for new pensions
Cost premiums	Services provided as part of the administration of the occupational benefits insurance and insurance solutions as well as customer advice

At least 90% of the income belongs to the insured by law (Legal Quote or minimum distribution ratio). In the first instance the contractual benefits are financed from this income (see box) as well as investments in pension security. The remaining income surplus is credited to the collective life profit fund, from which the future profit sharing for the insured in the occupational benefit scheme is financed. The annual withdrawal is limited to a maximum of two-thirds of the fund assets by law. However, any allocation to the profit fund must be distributed after five years at the latest.



### The profit sharing is calculated as follows

Helvetia determines the profit sharing for the insured employee benefit institutions annually in a surplus plan, whereby the course of business for the year just ended and the legal provisions governing the profit fund are taken into account. In the surplus plan the profit sharing is determined as a percentage of a reference amount. A distinction is drawn between:

Type of surplus	Reference amount	Example in %
Interest surplus compulsory savings	Compulsory old-age savings <sup>1</sup>	0.1
Interest surplus supplementary savings	Supplementary old-age savings <sup>1</sup>	0.5
Risk surplus disability	Risk premium for disability benefits <sup>2</sup>	10.0
Risk surplus death	Risk premium for death benefits <sup>2</sup>	25.0
Cost surplus	Cost premium <sup>2</sup>	0.0

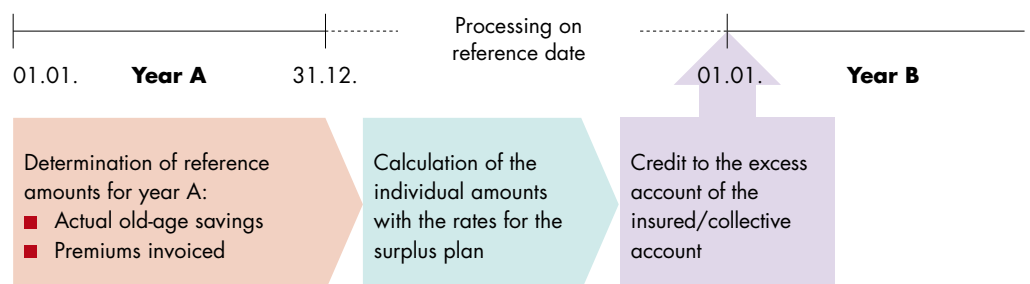
<sup>1</sup> actual interest on the old-age savings in year just ended

<sup>2</sup> premiums invoiced in year just ended

Based on these parameters, the surplus amount is calculated as part of the processing on the reference date for every active and disabled policy. In the event of commencement during the course of a calendar year there is a partial entitlement for the first year.

### The surplus is credited as follows

At the same time as the calculation of the profit sharing, the credit is made to the individual excess accounts of the insured on 01.01. of the following year. This ensures that the individual insured participate in the result immediately following the closing of the business year. Upon the express wish of the joint commission (Board of trustees/Board of foundation) the credit can be made to the collective account for the contract.



**So simple. Just ask us.**

#### Helvetia Insurance

St. Alban-Anlage 26, 4002 Basel  
T 058 280 1000 (24 h), F 058 280 1001  
www.helvetia.ch

