



Employee benefit accounts.

When you join one of the Helvetia collective foundations, we manage a number of employee benefit accounts for you. This information sheet provides you with an overview of these accounts and what they are used for.

Account 12000

Premium collection

Every pensions insurance scheme has a premium collection account (current account) to which all premium debits and credits as well as your contribution payments are booked. Interest is credited for payments received before the contribution due date, while debit interest is charged on late payments. No withholding tax is charged to the account, therefore no funds can be refunded.

Account 21100

Employer's account for contribution reserves after 1984

As the employer you can voluntarily accrue a reserve which can be used at a later date to finance your contributions. Your payments to these reserves are credited to the "Employer's account for contribution reserves after 1984". Like the ordinary contribution payments these payments can be deducted from your net taxable income. Once paid in, these funds are tied according to their purpose and cannot be withdrawn. The amount that may be accrued as employer's contribution reserves is usually limited to five annual contributions by the employer. More information in this regard can be obtained from your tax office.

You must inform us in writing if you wish to finance your employer contributions from the reserves. You are also obliged to inform the Board of Trustees of the use of these funds.

Account 21000

Employer's account for contribution reserves before 1985

Before 1985, employer contribution reserves could be financed by payments by the employer as well as the disposable assets of the pensions insurance scheme. However, this has not been possible since 1.1.1985, when the Federal Law on Occupational Benefit Plans (LOB) entered into force. Employer contribution reserves financed by disposable assets before 1985 may remain part of the reserves and be used to finance employer contributions. In contrast to employer contribution reserves accrued after 1984, the Board of Trustees rather than the employer decides on the use of these funds.

Account information

In January you automatically receive an overview of all accounts managed for your pensions insurance scheme as well as a detailed statement for your premium collection account. On request we will also be happy to send you additional account statements. If you are a registered user of our internet service "BVGonline" you can also request account information online at any time. Are you interested? The registration forms can be found at ► www.bvgonline.ch

Account 22000**Other disposable assets**

Insurance benefits that cannot be paid by the collective foundation are credited to the "Other disposable assets" account, for example when there is no eligible beneficiary for a death benefit. Before the introduction of full vesting in 1995, departure gains were also credited to this account (difference between the accrued retirement assets of an insured and the termination benefit paid out to the insured upon departure).

The Board of Trustees decides on the use of the disposable assets in compliance with the following principles:

- The funds may only be used for purposes of occupational provision (e.g. to increase of the retirement assets).
- The insured must be treated equally.
- The disposable assets must be distributed to the insured in accordance with objective criteria (age, service years, salary level, retirement assets, etc.). We will be happy to help you draw up a suitable distribution plan.

Account 23100**Collective account surplus deposit**

All pensions insurance schemes are entitled to the surplus paid by Helvetia on the basis of the insurance contract with the collective foundation. As a general rule this surplus must be credited to the insured's savings assets. If the Board of Trustees has taken such a decision, it can also be credited to the "Collective account surplus deposit" which is managed centrally at the level of the pensions insurance scheme.

The assets must be used in accordance with the criteria that apply to the disposable assets (see above).

Account 25000**Special measures deposit account**

Until the end of 2004, special measures were referred to as special savings credits for the entry generation (persons who were older than 25 on 1.1.1985) in specific cases prescribed by law. On 1.1.2005 the special measures as well as the contributions to finance these measures were eliminated as part of the first LOB revision. The existing special measures deposit accounts remain intact, but are no longer credited with any payments.

The assets must be used in accordance with the criteria that apply to the disposable assets (see above).

So simple. Just ask us.

Helvetia Insurance

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