

Information sheet on distribution of uncommitted funds (outside of liquidation)

The staff pension fund commission can, in principle, freely distribute the uncommitted funds since it is not regulated by law. Pursuant to federal case law, however, when distributing uncommitted funds outside of liquidation, various principles must be taken into consideration:

- In particular, the **principle of equal treatment** must be complied with, i.e. pensioners must also be taken into account on the basis of equality of rights.
- Uncommitted funds must primarily be used for achieving the object of the pension, i.e. to improve the pension situation of all members.
- Uncommitted funds are a whole-collective quantity and belong to all beneficiaries (employees and pensioners).
- In principle, uncommitted funds are distributed to those members who are actively contributing members or pensioners on the relevant reference date (the date of the decision by the staff pension fund commission).

It is not a breach of the principle of equal treatment if members who have voluntarily left a pension fund are not taken into account when uncommitted funds are distributed¹.

¹ Source: BVG/FZG Kommentar Berufliche Vorsorge BVG/FZG Commentary on Occupational Pensions], Dr Isabelle Vetter-Schreiber 3rd edition

Distribution plans

Profond generally offers the following distribution plans:

Standard distribution plan

The distribution is made for actively contributing members and for pensioners who receive a temporary disability pension weighted according to the individual retirement assets. For retirement pensioners, the distribution is weighted according to the actuarial reserve underlying the pension. For pensioners who receive a lifelong disability pension, the theoretical retirement assets as of the effective date are calculated and taken into account accordingly.

Alternative distribution plan 1

The distribution is made for actively contributing members and for pensioners who receive a temporary disability pension weighted equally (50/50) according to retirement assets and the number of insurance years with Profond. For retirement pensioners, the distribution is weighted according to the actuarial reserve

underlying the pension. For pensioners who receive a lifelong disability pension, the theoretical retirement assets as of the effective date are calculated and taken into account accordingly.

Alternative distribution plan 2

The distribution is made for actively contributing members and for pensioners who receive a temporary disability pension weighted equally (50/50) according to retirement assets and the number of years of service with the affiliated employer. For retirement pensioners, the distribution is weighted according to the actuarial reserve underlying the pension. For pensioners who receive a lifelong disability pension, the theoretical retirement assets as of the effective date are calculated and taken into account accordingly.

This distribution is recommended if the employer wishes to give additional weighting to employees' loyalty based on their years of service.

Remark

Pensioners who receive a lifelong disability pension will be taken into account as pensioners after reaching the reference age.

Further information

If none of the three distribution plans is suitable for ensuring equal treatment for the pension fund and all members, please contact us: we will find a suitable solution.

If, when examining the application, Profond finds that equal treatment might not be ensured, it may reject the application and offer the pension fund's staff pension fund commission another distribution plan.

The staff pension fund commission is obliged to subsequently **inform** the insured persons about the distribution of the uncommitted funds and the distribution plan.

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Reference dates regarding distribution of uncommitted funds

Calculation date: in the future
Distribution date: in the future on the first day of the next month after receipt of the duly signed decision

Number of insured persons (active members/pensioners): max. three years in the past, terminations are not taken into account.

Minimum amounts regarding distribution of uncommitted funds

Active members/pensioners: minimum amount of CHF 100
Pensioners: amounts are paid out as lump sums. Exception: In the case of temporary disability pensioners, the uncommitted funds are used to increase the retirement assets (disability insurance liability).

The form you use to request the distribution of uncommitted funds from Profond is available at [profond.ch/en/downloads](https://www.profond.ch/en/downloads).

If you require additional information, please contact your responsible contact person.