

Steps plan for an incoming group transfer of accrued benefits – from and to a defined contribution scheme.

If you wish to transfer the value of your employees' pension capital to Zwitserven PPI, this steps plan explains the nine steps necessary to do this. Important information about the steps is provided on the reverse of this steps plan.

Step	What we do (Zwitserven PPI)	What your previous pension provider does	What you should do
1. Request for a group transfer of accrued benefits			You send a request for a group transfer of accrued benefits to your new pension provider and your former pension provider.
2. Agree the conditions	We send you a letter stating our conditions for performing a transfer of accrued benefits.	Your former pension provider informs you of its conditions for performing a transfer of accrued benefits.	You agree to the conditions of your former and new pension provider. You send us a description of your previous pension scheme. Please send us a copy of the pension scheme rules.
3. Statement of value of pension entitlements	We request your former pension provider to provide a statement of the value of the pension entitlements for each participant.	Your former pension provider sends us the statement of the value of the pension entitlements for each participant.	You send us a list of participants who are on sick leave.
4. Offer for new entitlements	We send you an offer for the new pension entitlements of the participants, based on the stated value to be transferred for each participant.		
5. Inform your participants	We will help you with a sample letter you can use to inform your participants.		You have to inform your participants of the transfer of accrued benefits in writing. You ensure that the content of the letter to your participants is correct. They have the option of objecting to this. Read the detailed explanation in step 5 of this steps plan.
6. Agreement for Group Transfer of Accrued Pension Benefits	We check and sign the Agreement for the Group Transfer of Accrued Benefits.	Your former pension provider drafts the Agreement for the Group Transfer of Accrued Benefits.	You sign the Agreement for the Group Transfer of Accrued Benefits.
7. Notification to De Nederlandsche Bank (DNB)		Your former pension provider notifies DNB of the proposal to effect a group transfer of accrued benefits. DNB has three months in which to assess the group transfer of accrued benefits and possibly prohibit it.	
8. Transfer of the value		Your former pension provider effects the transfer to us.	
9. Acceptance of the transfer value and notification to the participants	We accept the transfer value and notify the participants.		

Step 1: Request for a group transfer of accrued benefits

You send a request for a group transfer of accrued benefits to us and your former pension provider by e mail or by letter, stating that you wish to transfer the pension entitlements of the participants. Take note of any term stated in the administration agreement with your former pension provider.

Step 2: Agree the conditions

Before we can start the transfer, we will send you a letter with our conditions and ask you to agree to them.

The most important conditions:

1. Only participants who are in your employment on the end date of your administration agreement or another date prior to the transfer of accrued benefits are eligible for the transfer of accrued benefits;
2. You inform the participants of the group transfer of accrued benefits in writing. The information you have to provide to the participants and the requirements this information has to meet are explained in Step 5;
3. We do not charge a fee for our work and the processing of a group transfer of accrued benefits.

Step 3: Statement of value of pension entitlements

We request your former pension provider to provide a statement of the value of the pension entitlements for each participant, known as the transfer value. Your former provider must also provide all available information that is relevant to the participant in order to properly consider whether to agree to the group transfer of accrued benefits or not. You can use this information to inform your participants.

We also need a list of any participants whose first day of sick leave is before the end date of the contract and who are currently still on sick leave after a continuous period of illness.

Participants on sick leave are participants who are entitled to continued payment of salary under the Dutch Civil Code or are entitled to benefit under the Sickness Benefits Act.

The pension entitlements of former participants (participants who are no longer employed by you), of (partially) incapacitated persons and entitlements intended for former partners (special partner pension) will not be transferred. Pensions already in payment will also not be transferred.

Step 4: Offer for new entitlements

Once we have received the statement of the transfer value, we will make you an offer.

Please note that this offer will be based on a provisional transfer value. The final transfer value will not be known until the transfer of accrued benefits is effected. We make a provisional calculation of the transfer value that the participants can obtain as a result of the transfer of accrued benefits. This provisional calculation may be included in the letter informing the participants.

Step 5: Informative letter to the participants

You must inform all the participants in your pension scheme of your intention to effect a transfer of accrued benefits in writing. The letter in which you inform the participants must meet the guidelines of the Dutch Authority for the Financial Markets (AFM). Your letter providing this information should list the advantages and disadvantages of a group transfer of accrued benefits. The participants must be given a reasonable time (at least six weeks)

to inform you if they object to the transfer. The letter must also clearly state the consequences if a participant does not respond or make a decision. You may also use what is known as the 'negative option', in which case the transfer of accrued benefits will go ahead unless the participant objects to it. Let your advisor advise you on this. They can help you draw up the letter.

The letter that you send to the participants must comply with the AFM guidelines:

- Include an explicit statement of the reason and background for the group transfer of accrued benefits.
- Tailor the information to the needs of the participant and make it specific to the participant.
- Indicate the consequences for a participant of transferring or not transferring the value.
- Give the participant insight into their options.
- Whether or not to opt for collective value transfer can be a difficult decision for a participant. Always state that the participant can seek advice from an adviser.
- Explicitly mention the possibility of objecting to a group transfer of accrued benefits.
- Indicate clearly how the participant can object.
- Allow a response time of at least 6 weeks.
- State the consequences if the participant does not make an objection or does not give their consent (or fails to do so in good time).
- Inform in time: the participant must have enough time to make an informed decision.
- Ensure that the information is up to date, correct, balanced, clear and factual.

We provide a sample letter to help you draft a letter that meets the guidelines. You ensure that the content of the letter to your participants is correct. Please send us a copy of this letter before you send it to the participants.

Complex or not complex transfer of accrued benefits

In its assessment of a group transfer of accrued benefits, DNB distinguishes between complex and not complex transfers of accrued benefits. A group transfer of accrued benefits qualifies as complex if participants will be exposed to higher risk with respect to their previously accrued pension entitlements after the group transfer of accrued benefits is effected. This is the case for instance if a participant is investing in a guarantee fund with the former pension provider and the transfer value will be placed in a defined contribution scheme with no such guarantee fund. In this case, the participant will lose the guarantee.

A non-complex transfer of accrued benefits does not involve more or less risk for the participants with respect to their accrued pension entitlements after the group transfer of accrued benefits is effected.

In the case of a complex transfer of accrued benefits, the participants' explicit consent is required: every participant who wants a transfer of accrued benefits must agree to it in writing. You will not be able to use the negative option.

If you have employees with a pension insurance for which they are the policyholders, known as a C policy, as referred to in Section 2(4)(c) of the Pensions and Savings Funds Act, they must give their written approval to the transfer of accrued benefits if they wish the value to be transferred.

What are the consequences of a transfer of accrued benefits?

A transfer of accrued benefits means that all the entitlements with your former provider will lapse. This does not always benefit the participants in all cases. It is therefore important that you take proper advice regarding the consequences. If you have participants on sick leave, for example, a value transfer may have undesirable consequences for them. An adviser can help you by discussing the consequences with you and/or your participants.

What should you do once the participants have been informed?

The participants inform you whether they approve the transfer of accrued benefits. Pay close attention to the term allotted for objections. Please send us the following:

- A copy of the final letter you send to the participants.
- The total mailing list.
- A statement showing the participants that have agreed to (or not refused) the transfer of accrued benefits.

The pension entitlements for those participants that did not give their approval will remain with the former pension provider.

Step 6: Drafting and signing of the Agreement for Group Transfer of Accrued Benefits

Your former pension provider drafts the Agreement for the Group Transfer of Accrued Benefits. This is a model agreement drawn up by the Dutch Association of Insurers. This is an agreement between three parties recording agreements between you, the former pension provider and us. If we receive the agreement from your former pension provider, we will check it. This agreement is signed by you, your former pension provider and us. Your former pension provider sends us a final list of the participants involved in the transfer of accrued benefits. The list of participants who have agreed to the transfer of their pension entitlements is annexed to this Agreement.

Step 7: The former pension provider notifies the group transfer of accrued benefits to DNB

Your former pension provider notifies DNB of the proposal to effect a group transfer of accrued benefits:

1. All the participants have been informed about the group transfer of accrued benefits in writing. A copy of this letter must be present in the file.
2. All the parties have signed the agreement for a group transfer of accrued benefits.

In this notification, your former pension provider has to state whether the transfer of accrued benefits is complex or not complex, and must notify DNB at least three months before the intended date of the transfer of accrued benefits. DNB may prohibit the transfer.

This is a provision of the Pensions Act. If DNB does not object within three months and if the conditions described above are met, you may assume that DNB agrees to the transfer of accrued benefits and the transfer of accrued benefits can be effected once the three-month term has passed.

Step 8: Your former pension provider effects the transfer to Zwitserleven PPI

After the Agreement for the Group Transfer of Accrued Benefits has been signed by the three parties concerned, your former pension provider effects the transfer to us. This is subject to the condition that the three-month term used by DNB has passed.

Step 9: Acceptance of the transfer value and notification to the participants

After we have received the transfer value, we will include the transfer value in your pension scheme with Zwitserleven PPI within five business days. We purchase investment units at the daily rate on the next business day after the money is received by us.

Once the transfer of accrued benefits has been processed, the participants will receive a letter from us confirming that it has been completed.