

**Our new ONLINE-PORTAL - register now!**

Valida customer number/Social insurance No.:  
**XXXXXXXXXX**

Your initial password: **XXXXXXXXXX**

Link to the portal: [vorsorgeportal.valida.at/aktivierung](https://vorsorgeportal.valida.at/aktivierung)

[ATTN.]

Q00/00

[Mr]  
[First name Last  
name] [Sample  
Street 1]  
[1010 Sample City]



Company pension fund (BVK) guide number: 71300  
Social insurance number: XXXXXXXXXXXX

Vienna, [DAYDATE]

**YOUR EMPLOYEE PROVISION SCHEME (SEVERANCE PAY NEW)**

Dear [SALUTATION (Ms./Mr.)] [TITLE] [LAST NAME],

this is your **account information as of the reporting date 31.12.2019** (this is only an informative letter)


Last effective date	Guaranteed capital	Credit
[DATE-11]	EUR[OVK6VZ1][AMOUNT1-11]	EU[ORVK6VZ2][AMOUNT2-11]
<b>Adjustment postings for earlier periods</b>		<b>AMOUNTS</b>
Contributions [EMPLOYER NAME-21_2]		EUR [AMOUNT-21-2]
Total administrative costs		EUR - [AMOUNT-22]
Total social security institutions' fee		EUR - [AMOUNT-23]
Amount to be transferred from an old severance pay		EUR - [AMOUNT-24]
Transfer costs		EUR - [AMOUNT-25]
Transfer from pension funds		EUR - [AMOUNT-26]
Allocated investment result		EUR - [AMOUNT-27]
<b>Account movements since the last effective date</b>		<b>AMOUNTS</b>
Contributions [EMPLOYER NAME-22_2]		EUR [AMOUNT-22-2]
Total administrative costs		EUR - [AMOUNT-22]
Total social security institutions' fee		EUR - [AMOUNT-23]
Amount to be transferred from an old severance pay		EUR - [AMOUNT-24]
Transfer costs		EUR - [AMOUNT-25]
Transfer from pension funds		EUR - [AMOUNT-26]
Allocated investment result		EUR - [AMOUNT-27]
Disbursement as a capital amount		EUR - [AMOUNT-28]
Transfer to pension funds		EUR - [AMOUNT-29]
Transfer to a pension fund		EUR - [AMOUNT-30]
Transfer to an insurance company		EUR - [AMOUNT-31]
Refund transfer		EUR - [AMOUNT-32]
Further investment		EUR - [AMOUNT-33]
Repayment adjustment		EUR - [AMOUNT-34]
Depreciation		EUR - [AMOUNT-35]
Allocation to income		EUR - [AMOUNT-36]
Reporting date	Guaranteed capital	Credit
[DATE-40]	EUR - [AMOUNT1-40]	EUR - [AMOUNT2-40]

**WE WILL INFORM YOU AS SOON AS YOU ARE ABLE TO ACCESS YOUR CREDIT!**

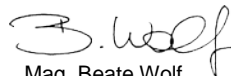
**IMPORTANT NOTE:**

Please note that as a result of the changeover to monthly contribution base notifications on 01.01.2019, the employer's contribution payments will be forwarded to the pension fund with a delay of at least 2 months. Account movements and correction postings therefore only reflect those contributions that have already been received in the respective period under review. For example, the contributions for November and December of a year are therefore always only visible on the next account information.

Kind regards,



Mag. Martin Sardelic  
Valida Plus AG



Mag. Beate Wolf  
Valida Plus AG

## EXPLANATIONS AND NOTES

Please note that the stated capital is based on the available contribution base notifications of the Dachverband der Sozialversicherungsträger, the legally established governing body of all Austrian social insurance schemes, at the time of creation of the account information. Corrections to the contribution bases can increase as well as reduce the stated capital and in exceptional cases lead to reclamations of capital already paid out (legal repayment obligation pursuant to § 16 para. 1 of the Federal Act on Corporate Staff and Self-Employment Pension (BMSVG)). We request that you clear up any potential inconsistencies in the quoted amounts with your employer or your responsible health insurance provider. In the event an old severance payment scheme is transferred, please check whether the amount stated corresponds to the agreement made with your employer.

If no contributions have been made for at least three years, you can have your credit transferred to the corporate pension fund of your current employer or to the corporate pension fund selected for the self-employment pension plan, in which event it can only be accessed after the three-year period has expired.

**Guaranteed capital pursuant to § 24 of the Federal Act on Corporate Staff and Self-Employment Pension (BMSVG):** This is the minimum amount that is guaranteed to you by law. It includes all contributions reported by the Dachverband der Sozialversicherungsträger, the legally established governing body of all Austrian social insurance schemes, any transferred old severance payment schemes and contributions from another corporate pension fund (BVK) as well as the interest guarantee granted from 2003 to 2005 for the BVK index number 71300. In the payout situation, 100% of your contributions paid are guaranteed in any case – even with a negative investment result.

**Credit:** This includes the contributions made for you less the administrative costs and the social insurance institutions fee plus the income earned from investment.

**Correction postings:** These are any retrospective corrections to the contributions (e.g. on the basis of a recalculation by the respective employer).

**Contributions:** From the beginning of the employment relationship or as of joining of the "new severance payment scheme", the employer transfers for the employee a regular amount of 1.53% of the monthly fee as well as any special payments to the health insurance provider responsible for the employee, to be forwarded to Valida Plus AG, if the employment relationship lasts longer than one month. The first month is always contribution-free.

**Investment result:** The investment result refers to the net earnings generated, i.e. including the deduction of the asset management costs of 0.7% p.a. The asset management costs are only retained if there is a positive investment result.

**Account information:** If the change to the account is not greater than EUR 30.00 in one year, you will receive your next account information in three years' time at the latest. If you have registered on our online platform, you can of course view your account at any time.

**Information on investor compensation according to Section 52 Deposit Guarantee and Investor Compensation Act (ESAEG):** Valida Plus AG, as an Austrian credit institution, is subject to the regulations on investor compensation (Section 44 et seqq. ESAEG) and is a member of the statutory protection scheme of Einlagensicherung AUSTRIA Ges.m.b.H.

**Data protection:** Valida Plus AG exclusively operates in corporate pension funds. Any recording, processing and transfer of personal data is based directly on legal foundations in accordance with the Federal Act on Corporate Staff and Self-Employment Pension (BMSVG) and the associated legally prescribed processes. Unless you have directly given us additional information, this account information will contain the entirety of personal data that has been saved by us based on reports received from the Dachverband der Sozialversicherungsträger, the legally established governing body of all Austrian social insurance schemes, for the purpose of managing your vested pension rights. There will be no further use of your data. Above all, your data will not be shared further with any other legal entity or within the Valida Group, unless imperative to the operation of the pension fund and administration of your credit. All active Valida Plus AG employees and processors are bound by contract to adhere to Data Protection Regulations. Your data will be deleted after the legal retention periods have expired, provided that the contract has ended. Further information and our data protection officer can be found at [www.valida.at](http://www.valida.at).

## INVESTMENT POLICY - COLLECTIVE INVESTMENT 1

The **fundamental values** of Valida Plus AG's **investment policy** are security and stability. Furthermore, we must adhere to the investment guidelines of the Federal Act on Corporate Staff and Self-Employment Pension (BMSVG). These requirements are reflected in a – according to the definition given by the Austrian National Bank – defensive (i.e. low-risk) investment policy.

With the **selection of our investment instruments** we pay careful attention to the demand for liquid assets and a reasonable combination and diversification of assets. We continuously consider our investment policy so that we may directly react to changing market conditions.

As an administrator of pension capital, Valida Plus AG is aware of our special responsibility and therefore practice the **principle of sustainability**. In 2012 we received the highest award, the Gold Standard, for the sustainability concept "Valida Plus Sustainability" in VG 1 from the Austrian Society for Environment and Technology (ÖGUT). An honour that has been confirmed every year since. This award is a further confirmation of our chosen route of a responsible and sustainable business policy. Valida is also a founding member of the Raiffeisen Sustainability Initiative (previously the Raiffeisen Climate Protection Initiative). A similar favourable result is expected for 2019, as the proportion of sustainable investments was maintained.

**2019 Report:** After 2018 ended with significant price drops, the markets already showed signs of recovery at the beginning of 2019. This rise initially continued on the stock markets until around mid-2019. High liquidity, a somewhat exaggerated sale flow previously and support from the central banks fueled the recovery movement. Especially the swing of the US Federal Reserve towards renewed stimuli in terms of monetary policy led to a significant improvement on

the market. It was only the political component, above all from the US administration, that caused isolated but quite severe setbacks on the stock market during the rest of the year. Time and again there was uncertainty in the market about the status of negotiations between the USA and China regarding a trade agreement. As a result, the US Federal Reserve cut the base rate three times over the course of 2019, each time by 25 basis points, arguing inter alia that this was due to political uncertainties. After volatile stock market movement in the middle of the year, the stock markets finally received renewed support in the fourth quarter, after an initial agreement emerged with regard to the trading conflict.

The European Central Bank (ECB) used the economic slowdown and low inflation in the eurozone as an argument for its monetary policy stimuli, and lowered the deposit rate by 10 basis points to -0.5%. On top of this, the ECB resumed its bond purchasing programme, which had an additional positive effect on the bond markets. In keeping with the global central bank measures, yields fell sharply, in some cases even reaching historic lows. In some phases, the entire German yield curve was in the negative range and the fundamentally shaken eurozone periphery also saw significant yield declines. While bond prices have fallen somewhat in recent months as interest rate speculation in both the US and the eurozone has waned, overall yields have remained historically very low.

Contrary to the positive market development, the 2019 economic cycle showed some weaknesses, especially in the eurozone. Effects and uncertainties arising from the trade conflict had a negative impact on the export sector and industrial development in particular. This resulted in clear signs of an economic slowdown. However, the recent improvement in some leading indicators and robust consumer demand suggest that the economy is stabilising.

The structure of the **collective investment** reflects the conservative investment strategy. Consequently, the majority of the investment is found in the financial market and corporate bonds with a focus on the investment grade (good creditworthiness). Due to the profitability of the investment, shares have been added. At the beginning of 2019, the share quota was increased again and remained largely unchanged over the entire investment year. The good capital market development during the year 2019 contributed to a clearly positive performance of VG (collective investment) 1.

According to the **currencies** considered, the investment focus of the VG (collective investment) 1 is on the euro in order to reduce the chance of loss from fluctuations in the exchange rate. Short-term fixed deposits in USD were also held in 2019, which contributed positively to the performance development.

**Creditworthiness:** We predominantly invest in private and public companies, or even governments that rely on a healthy financial foundation and are characterised by an excellent creditworthiness. Bonds from emerging markets that offer a higher current interest yield are included. Similar to high-yield corporate bonds, these bonds are subject to higher price fluctuations, but in 2019 they made a positive contribution to the performance of VG (collective investment) 1.

Valida Plus AG regularly considers key risk figures in the framework of their risk management. One of these key figures is volatility, which measures the fluctuation margins of the investment results in a certain period. The lower the volatility, the smaller the average price fluctuations and consequently also the risk from the investment in this period. The volatility of the collective investment 1 of Valida Plus AG as per 31.12.2019 was 1.79% p.a. (consideration period 3 years, fund method) and can therefore be classified as low.

Despite a careful investment strategy, common financial risks that are immanent on the monetary and capital markets can lead to losses. The sum of a corporate pension fund with accrued severance contributions plus possible transferred old vested pension rights as well as possible vested pension rights transferred from another corporate pension fund still constitute a legally guaranteed minimum entitlement to the vested pension fund. In transferring the vested right to severance pay in accordance with § 12 para. 3 of the Federal Act on Corporate Staff and Self-Employment Pension (BMSVG), the minimum entitlement is increased compared with the new corporate pension fund to the level of the transferred corporate pension fund's accrued severance contributions. For further details concerning the investments, please also view the investment regulations.

COLLECTIVE INVESTMENT SCHEME (VG) 1 - 31.12.2019			
Shares	9.2 %	Real estate	7.0 %
Euro government bonds	5.0%	Alternatives	1.9 %
Bonds from emerging markets	8.6 %	Cash	21.1 %
Company bonds	34.1 %	Fixed deposits	5.6 %
HTM bonds	7.5%		



You can find frequently asked questions concerning your employee provision scheme on our website at [www.valida.at](http://www.valida.at).

We have summarised the **most important questions regarding account information** for you at [www.valida.at/Kontointfo](http://www.valida.at/Kontointfo).