

Lugano, January 2021

Information for insured members

We would like to provide you with an update on the past year and inform you of changes in 2021.

Foundation Board

The Foundation Board is composed as follows for the four-year period 2020-2023:

Representing employees:

Ilaria Caldelari Panzeri — Chairperson
Laurent Frésard
Davor Vadlja

Representing employers:

Marco Bernasconi — Vice Chairperson
Antoine Turner
Stefano Malingamba

Headquarters, business hours and contact details

The Foundation's offices are in Lugano at the following address:

Fondazione Ticinese per il secondo pilastro
Via Pietro Peri 6
PO Box 5616
6901 Lugano

You will find telephone numbers and e-mail addresses on our website www.ftp2p.ch. Due to the ongoing health emergency, our offices are currently open to the public by appointment only. You can contact us by telephone during the following hours: Monday – Friday 8.30 a.m. – 11.30 a.m. / 1.30 p.m. – 4.30 p.m. The Foundation Administrator Ronald Ognà, is available by appointment for a personal consultation about your pension situation.

Earnings on retirement savings capital in 2020

FTP decided to maintain an interest rate of 1% on retirement savings capital in 2020. The earnings are applied to all your savings capital, i.e. both the mandatory OPA part and the extra-mandatory portion. You can thus also amass earnings on the extra-mandatory portion under the same conditions and in line with the requirements of the Federal Council for the OPA part.

New conversion rates as of 1 January 2021

The Foundation's financial situation is sound, however it must be constantly monitored. The foundation council is legally obliged to take all the necessary measures to ensure medium- to long-term financial stability for the Foundation's insured and affiliated members. With this in mind, and due to the continuous increase in life expectancy and the constant reduction in the assets' future income prospects (negative interest rates for several years and an uncertain economic situation), in agreement with the other players in the pension sector, the FTP foundation council has decided to gradually adjust the pension conversion rates with effect from 1 January 2021. For the first tier of the Layer system, rates will gradually decrease over the next four years from 6% to 5.4%. More information and tables detailing the conversion rates can be found in the new "Annex 1" of the Pension Regulations on our website at www.ftp2p.ch/regulations.

New pension regulations effective 1 January 2021

At its meeting of 20 October 2020, the foundation council approved the new Pension Regulations, which came into effect on 1 January 2021. The introduction of the new regulations does not change any of the forecasts for your pension scheme in terms of contributions and benefits.

Below are the main changes and new features introduced:

- possibility for insured persons whose employment is terminated after the age of 58 to keep their insurance with FTP;

- change to the standard order of beneficiaries for lump-sum death benefits;
- administrative simplification and clearer definition of cohabiting partnership;
- in the event of marriage after retirement, the spouse's pension is aligned with the OPA minimum pension.

You can view the new pension regulations on our website at www.ftp2p.ch/regulations. A detailed overview of the changes is also published on the website for further reading. For further information, please contact the FTP Administrator.

Updates to other regulations

In addition to the introduction of the new Pension Regulations, the foundation council has updated the Balance Sheet Liability Regulations (31 December 2020), adapted the Investment Regulations (31 December 2020) following the completion of an ALM study, and has issued new Organisation Regulations (3 March 2020).

Voluntary payments

Depending on your specific situation, you have the option of making extraordinary voluntary contributions to your pension fund (buybacks). The contributions can be made at any time and go directly towards increasing the savings capital you have accumulated, which will result in better personal pension cover for you. The maximum buyback amount is stated in your pension fund certificate. Similarly to the contribution for the third pillar, the buybacks are in line with the maximum tax-deductible amount (reduction in taxable income). If you are interested, you can find more information on our website. We are happy to answer any questions you may have.

How to protect your partner

To better serve its insured members, under specific conditions FTP offers cohabiting partners within a shared household the same cover as that provided to married couples. The new form for registering your partnership, as well as instructions on the procedures to follow, can be found on our website. Previously submitted partnership declaration forms remain valid even after the effective date of the new Pension Regulations.

We would like to take this opportunity to thank you for the trust you have placed in us thus far and wish you a healthy and successful 2021.

Best regards.

Fondazione Ticinese per il secondo pilastro
(valid without a signature)