

Financial Statements 2012



Pré
LA COLLECTIVE
DE PRÉVOYANCE
Since 1974



PHARMACIST
FLORIST
ER
COMPUTER SPECIALIST
LAWYER
ARCHITECT
MECHANIC
WATCHMAKER
CONFECTIONER
ENGINEER
PHYSICIST
GLAZIER
TINSMITH
FURNITURE RESTORER
ORTHOPEDIST
ENTERPRISE ASSISTANT
ENTREPRENEURS
LABORATORY ASSISTANT
PSYCHOLOGIST
ASSET MANAGER
ELECTRICIAN
SANITARY FITTER
DECORATOR
CAR BODY REPAIRER
DRAUGHTSMAN
SME
DENTIST
DOCTOR
BOOKSELLER
VET
POLYGRAPH OPERATOR
OPERATOR
SPECIALIST
ADVERTISING
COOK
PASTRY

THE KEY

TO YOUR COMPETITIVE
OCCUPATIONAL PENSION

Financial Statement

Auditors' report for the financial year ended 31.12.2012 _____	4
Balance sheet as of 31.12.2012 _____	7
Operating account as of 31.12.2012 _____	8
Attachment 31.12.2012 _____	10

To the Board of Foundation of
La Collective de Prévoyance-Copré, Genève

Petit-Lancy, 2nd May 2013

Translation of the French statutory auditors' report on the financial statements

As statutory auditor, we have audited the accompanying financial statements of the La Collective de Prévoyance-Copré, which comprise the balance sheet, operating account and notes for the year ended December 31, 2012.

Foundation Board's Responsibility

The Foundation Board is responsible for preparing the financial statements in accordance with the requirements of Swiss law and with the company's deed of foundation and articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Responsibility of the expert in occupational benefits

In addition to the auditor, the Foundation Board appoints an expert in occupational benefits to conduct the audit. The expert regularly checks whether the occupational benefit scheme can provide assurance that it can fulfil its obligations and that all statutory insurance-related provisions regarding benefits and funding comply with the legal requirements. The reserves necessary for underwriting insurance-related risks should be based on the latest report provided by the expert in occupational benefits in accordance with Article 52e paragraph 1 of the Occupational Pensions Act (OPA) and Article 48 of the Occupational Pensions Ordinance (OPO) 2.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended December 31, 2012 comply with Swiss law and with the company's deed of foundation and articles of incorporation.

Reporting on the basis of legal and other requirements

We confirm that we meet the legal requirements on licensing (Article 52b OPA) and independence (Article 34 OPO 2) and that there are no circumstances incompatible with our independence.

Furthermore, we have carried out the audits required by Article 52c paragraph 1 OPA and Article 35 OPO 2. The Governing Board is responsible for ensuring that the legal requirements are met and that the statutory and regulatory provisions on organisation, management and investments are applied.

We have assessed whether

- organisation and management comply with the legal and regulatory requirements and whether an internal exists that is appropriate to the size and complexity of the foundation;
- funds are invested in accordance with legal and regulatory requirements;
- the occupational pension accounts comply with legal requirements;
- measures have been taken to ensure loyalty in fund management and whether the Governing Body has ensured to a sufficient degree that fund managers fulfil their duties of loyalty and disclosure of interests;
- the available funds or discretionary dividends from insurance contracts have been used in compliance with the legal and regulatory provisions;
- in the event of a funding gap, the pension fund has taken the necessary measures to restore full coverage;
- the legally required information and reports have been given to the supervisory authority;
- the pension fund's interests are safeguarded in disclosed transactions with related entities.

We find that internal control documentation is being updated and developed; its effects and the confirmation of its existence could be verified in 2013.

We confirm that the applicable legal and statutory requirements have been met, taking into account the situation described in the preceding paragraph in relation to the internal control.

We recommend that the financial statements submitted to you be approved.

Ernst & Young Ltd



Blaise Wägli
Licensed audit expert
(Auditor in charge)



Cyril Motte
Licensed audit expert

Enclosure:

- Financial statements comprising balance sheet, operating account and notes

BALANCE SHEET	Index on attachment	31.12.2012 CHF	31.12.2011 CHF
ASSETS			
Investments		581'882'328.42	523'313'795.11
Liquidities	6.4	57'749'264.64	68'708'213.29
Forward exchange	6.5	505'269.00	41'249.00
Debitors	7.6	1'382'605.21	1'327'738.84
Bonds	6.4	177'040'482.49	121'754'908.30
Shares	6.4	126'919'219.63	91'612'298.08
Real estate	6.4	215'703'921.00	236'154'913.00
Claims of employer contributions	6.7	2'581'566.45	3'714'474.60
Accruals and deferrals, assets	7.7	659'872.68	1'452'037.29
Total assets		582'542'201.10	524'765'832.40
LIABILITIES			
Debts		102'040'775.87	97'855'274.88
Vested benefits and pensions		30'884'197.15	15'571'485.10
Banks / Insurances	7.9	16'720.00	0.00
Mortgage debts	7.10	70'000'000.00	80'000'000.00
Other debts		1'139'858.72	2'283'789.78
Accruals and deferrals, liabilities	7.8	3'276'492.62	1'900'413.94
Reserve of employer contributions without renunciation	6.7	3'391'013.80	3'436'376.10
Non-technical provisions		0.00	0.00
Disposable funds of affiliates	5.8	607'690.15	630'617.06
Pension insurance capital and technical provisions		458'846'436.25	420'923'196.75
Pension insurance capital active insured	5.2	359'154'401.35	341'128'756.85
Pension insurance capital pensioners	5.4	86'260'034.90	71'057'423.90
Technical provisions	5.6	13'432'000.00	8'737'016.00
Reserve for fluctuations in securities	6.3	14'379'792.41	19'953.67
Capital of the Foundation / Disposable funds / Overdraft		0.00	0.00
Situation at start of period		0.00	0.00
Surplus revenues / Surplus charges (-)		0.00	0.00
Total liabilities		582'542'201.10	524'765'832.40

OPERATING ACCOUNT	Index on attachment	2012 CHF	2011 CHF
Contributions, ordinary inflows and other		53'531'993.85	50'687'946.20
Contributions of employees	7.5	19'253'049.55	18'449'239.60
Contributions of employers	7.5	28'232'275.15	26'570'155.00
Single premiums and buybacks		5'120'391.00	4'529'165.65
Contributions in the reserve of employer contributions		815'914.00	1'032'214.30
Subsidies of the guarantee fund		110'364.15	107'171.65
Entry benefits		36'992'658.71	48'510'748.75
Vested benefit contributions	7.3	35'777'341.81	47'691'270.65
Reimbursement of advance payments for EPL (encouragement for home ownership) / divorce		1'215'316.90	819'478.10
<i>Inflows coming from contributions and entry benefits</i>		90'524'652.56	99'198'694.95
Regulatory benefits		-10'113'977.75	-10'966'688.40
Old-age pensions		-4'345'519.05	-3'551'818.50
Survivors' pensions		-480'958.70	-345'160.90
Disability pensions		-1'875'758.95	-1'616'688.45
Liberation service contributions		-1'024'741.35	-1'050'195.95
Capital benefits at retirement		-2'101'162.60	-4'306'250.10
Capital benefits in event of death and disability		-285'837.10	-96'574.50
Exit benefits		-57'181'188.65	-36'031'387.80
Vested benefits in event of exit	7.4	-53'651'043.95	-31'815'492.55
Advance payments for EPL / divorce		-3'530'144.70	-4'215'895.25
<i>Expenses relating to benefits and advance payments</i>		-67'295'166.40	-46'998'076.20
Dissolution / Constitution of pension insurance capital, technical provisions, disposable funds of companies, reserves of contributions		-37'907'173.59	-58'168'776.30
Dissolution / Constitution of pension insurance capital, active insured	5.2	-8'523'410.40	-35'295'300.90
Dissolution / Constitution of pension insurance capital, pensioners	5.4	-15'202'611.00	-20'212'774.30
Dissolution / Constitution of technical provisions	5.6	-4'694'984.00	-547'966.00
Remuneration of savings capital		-9'554'457.40	-2'550'337.70
Dissolution / Constitution of disposable funds of affiliates	5.8	22'926.91	3'473.45
Dissolution / Constitution of reserves of contributions	6.7	45'362.30	434'129.15
Revenues from insurance benefits		2'953'554.85	2'948'045.35
Insurance benefits		2'953'554.85	2'948'045.35
Insurance charges		-905'581.75	-659'170.70
Insurance premiums		-731'756.00	-494'888.10
Contributions to the guarantee fund		-173'825.75	-164'282.60
<i>Net result of the insurance activity</i>		-12'629'714.33	-3'679'282.90

Net result of investments		30'887'602.49	5'060'074.17
Result liquidities	6.6.1	57'167.19	67'121.35
Result forward exchange	6.6.2	355'999.81	263'337.07
Result bonds	6.6.3	7'340'365.24	3'508'376.77
Result shares	6.6.4	12'873'782.94	-11'810'435.72
Result real estate	6.6.5	13'019'610.92	16'158'671.61
Administration costs of investments	6.6.6	-2'585'599.21	-2'893'934.43
Interest on exit benefits		-173'316.80	-227'214.63
Interest on the reserve of employer contributions	6.7	0.00	-4'275.15
Interest premiums paid in advance		-407.60	-1'572.70
Other revenues		43'259.55	65'628.89
Other costs		-17'384.24	-18'886.57
Administration costs		-3'923'924.73	-3'930'361.05
Administration costs	7.1	-2'432'070.78	-2'307'560.20
Marketing and advertising costs	7.2	-1'491'853.95	-1'622'800.85
Surplus of revenues / charges (-) before constitution of the reserve for securities fluctuations		14'359'838.74	-2'502'827.46
Constitution / Dissolution (-) of the reserve for securities fluctuations	6.3	-14'359'838.74	2'502'827.46
Surplus of revenues / Surplus of charges (-)		0.00	0.00

Attachment

1 Bases and organisation

1.1 Legal form and purpose

La Collective de Prévoyance - Copré (hereinafter the Foundation), formally Columna Fondation communautaire for occupational pension insurance, was founded by the ex-Banque Populaire Suisse.

Its registered office is in Geneva. It is a collective semi-autonomous collective foundation, governed by articles 80 et seq of the Swiss Civil Code, by article 331 to 331⁶ of the Code of Obligations (CO), by the Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plan (LOB), by the relative Federal ordinances, by the Federal and Cantonal directives on pensions, and by its own by-laws and regulations.

The purpose of the Foundation is to provide for the staff of all affiliated companies against the economic consequences of old age, disability and death by guaranteeing benefits determined in accordance with the provisions of the pension regulations and plan.

1.2 LOB registration and guarantee fund

The Foundation fulfils the obligations of the LOB and is inscribed in the register of occupational pension insurance. It contributes to the LOB guarantee fund.

1.3 Indication of acts and regulations

Act of foundation	06.12.2012	approved by the ASFIP Geneva 07.03.2013
Pension insurance regulations	22.05.2012	came into force 01.01.2012
Organisation regulations	01.01.2007	
By-laws for affiliated companies	05.07.2005	
Regulations on actuarial liabilities	31.01.2013	came into force 31.12.2012
Regulations for investments	10.05.2010	
Amendment n° 2 to regulations for investments	31.01.2013	came into force 31.12.2012
Regulations for partial liquidation	27.09.2012	approved by the ASFIP Geneva 07.03.2013

1.4 (Joint) organ of management / Right to signature

The organs of the Foundation are the Board of Trustees, the Assembly of Delegates, and the auditing body.

The Board of Trustees is the supreme organ under the terms of article 51 LOB. It is composed jointly, in principle, of representatives of affiliated companies and representatives of the insured. It meets when circumstances require it, but at a minimum four times a year.

The Board of Trustees is responsible for the general management of the pension institution, ensures the accomplishment of the tasks defined by the law, establishes the strategic objectives and the principles of the pension institution, as well as the means to implement them. It determines the organisation of the pension institution, ensures its financial stability and monitors the management, in conformity with the legal provisions and the directives of the Surveillance Authority. It is responsible for the application of the regulatory provisions, and performs all the tasks that are not explicitly those of another body.

The Assembly of Delegates meets when circumstances require it, but at least once a year. The Assembly of Delegates appoints the members of the Board of Trustees. It takes note of the balance sheet, operating account and attachment, and takes cognizance of the auditors' report. It gives discharge to the Board of Trustees. It approves modifications of the by-laws and takes note of modifications to the pension regulations.

The Board of Trustees is currently composed of 6 members. As of 31 December 2012, it had the following composition:

	<u>Function</u>	<u>Duration of mandate/end</u>	<u>Representation</u>	<u>Authorisation signature</u>
Rancic Christina	Member, Chairman	4 years, 02.06.2013	affiliated companies	joint at 2
Fiechter Robert	Member, Vice-Chairman	4 years, 02.06.2013	affiliated companies	joint at 2
Grivel Jacques	Member	4 years, 02.06.2013	affiliated companies	joint at 2
Gerbail Christian	Member	4 years, 06.12.2016	Insured	joint at 2
Gordon Robin	Member	4 years, 24.05.2015	Insured	joint at 2
Izzo Mario	Member	4 years, 02.06.2013	insured	joint at 2

Management is composed of the Chairman, Vice-Chairman and the Managing Director of the Foundation. It manages day-to-day business. Since 7 April 2010, Mr Marçal Decoppet has been employed by the Foundation as Managing Director

1.5 Experts, auditing body, advisors and surveillance authority

Expert in occupational pension insurance:

Mr Christophe Steiger, Mercer (Switzerland) SA, Nyon

Experts:

Etude Des Gouttes & Associés, Geneva, litigation file
Etude LHA, Geneva, complex disability file
Etude Oberson law firm, Geneva, VAT taxation, parking file

Consulting physician:

Dr Jean-Pierre Boss, Lausanne

Auditing body:

Ernst & Young SA, Genève

Technical and accounting administration:

Hpr SA, Vevey

Depository of securities:

Credit Suisse AG, Zurich

Asset managers:

Aforge Capital Management SA, Geneva
Credit Suisse AG, Zurich
GFI Gestion de fortunes immobilières SA, Geneva
IAM Independent Asset Management SA, Geneva
Swiss & Global Asset Management AG, Zurich

Administration of properties:

Euro-courtage Sàrl, Montreux
Pro Logement SA, Echallens
Régie du Rhône SA, Lancy

Surveillance authority:

Cantonal authority for surveillance of pension foundations and institutions in the Canton of Geneva, register number GE 1118

1.6 Affiliated employers

	2012	2011
Number at 1st January:	389	343
Entries:	62	77
Exits:	38	31
Number at 31 December:	413	389

2 Active members and pensioners

2.1 Active insured

	31.12.2012	31.12.2011
Total active insured	5'899	5'768

2.2 Beneficiaries of pensions

	31.12.2012	31.12.2011
Retired persons	206	172
Children of retired persons	7	3
Disabled	134	133
Children of disabled	85	71
Widows and widowers	29	23
Orphans	13	11
Total	<u>474</u>	<u>413</u>

Including 219 beneficiaries whose pensions are fully reinsured at 31.12.2012 (31.12.2011: 218).

3 Application of the purpose

3.1 Explanation of pension plans

In order to achieve its objective, the Foundation has established pension regulations common to all those affiliated. The pension plan proper to each affiliated company describes the insured benefits chosen by the company.

3.2 Financing, methods of financing

The financing of contributions varies from one affiliate to another and is defined in the pension plan proper to the affiliate.

3.3 Other information on the activity of pension plan insurance

In its meeting of 31 January 2013, the Board of Trustees decided to refrain from adjusting pensions to inflation for 1 January 2013.

Until 31 March 2003, the longevity risk was fully reinsured. Since 1st April 2003, the Foundation has itself insured this risk and to this end constitutes mathematical reserves for retired pensioners.

4 Principles of valuation and presentation of the accounts, permanence

4.1 Confirmation on the presentation of the accounts according to the Swiss GAAP RPC 26

The accounts of the Foundation have been established and presented in compliance with the standard Swiss GAAP RPC 26.

Investments:	The valuation of securities is based on the market value at the date of the balance sheet or the last known NAV. Due to the accounting principle adopted (market value), the gains/losses resulting from the annual valuations to draw up the balance sheet are posted separately to avoid confusing them with the gains/losses on securities sold during the accounting period, which are operations requiring a cash flow
Foreign currencies:	Revenues and charges in foreign currencies are converted at the exchange rate of the day. Assets and liabilities in foreign currencies appear on the balance sheet at the end-of-year exchange rate (bank rate): USD 0.91535, EUR 1.206808, GBP 1.487901, JPY 1.058597, HKD 0.118097. Resulting exchange rate losses or gains are posted on the profit and loss account.
Properties:	These have been valued at their yield value, (dynamic rental status at 01.01.2013) capitalised at a rate of 6.25%.
Other assets:	The valuation of other assets is done at nominal value.
Other liabilities:	The valuation of other liabilities is done at nominal value.

4.3 Modification of principles for accounting, valuation and presentation of the accounts

Following the application of article 48a of the OPP2 in force since 1 January 2012, administration costs are presented in detail.

No other modification of the principles for accounting, valuation and presentation of the accounts has occurred in 2012.

5 Cover of risks / Technical rules / Degree of cover

5.1 Nature of the cover of risks, reinsurance

Up to 31 December 2008, the risks related to death and disability were covered by a reinsurance contract with the Bâloise Life Insurance Company. The indexation of current pensions decided by the Board of Trustees is at the charge of the Foundation, which constitutes mathematical reserves to this end.

From 1st January 2009 the Foundation opted for a reinsurance contract of the 'stop-loss' type concluded with the Zurich Life Insurance Company. This reinsurance is completed by an 'excess of loss' contract with Elips Life AG. From this date the Foundation has therefore constituted the mathematical reserves and provision for risk fluctuations required for this new situation.

These two contracts were terminated on 31.12.2011, and replaced as of 1st January 2012 by a single contract concluded with PKRück (stop-loss plus).

The Foundation itself insures the risk of longevity and to this end constitutes mathematical reserves for pensioners, a provision for longevity and a provision for improvement of the conversion rate.

5.2 Evolution and remuneration of savings assets

	31.12.2012	31.12.2011
	CHF	CHF
Balance at 1 January of retirement insurance capital for active insured	341'128'756.85	303'283'118.25
Retroactive attributions/dissolutions	-450'071.30	1'917'464.80
Savings contributions	36'983'370.65	34'593'347.20
Other contributions and buy-in contributions	4'676'259.05	3'832'508.15
Vested benefits paid in	32'338'665.15	45'779'876.65
Distribution of disposable funds	313'934.70	788'837.85
Reimbursement of payments for EPL / divorce	1'215'316.90	819'478.10
Vested benefits in event of exit	-50'623'696.65	-33'488'411.45
Payments for EPL / divorce	-3'530'144.70	-4'215'895.25
Dissolution due to retirements, death and disability	-12'412'770.55	-14'809'537.20
Remuneration of pension insurance capital	9'554'457.40	2'550'337.70
Attribution/dissolution of exit benefits	-39'676.15	77'632.05
Total retirement insurance capital of active insured	<u>359'154'401.35</u>	<u>341'128'756.85</u>

Technical rules

For insured who are still active on 31.12.2012 and for the reference period from 01.01 to 31.12.2012, the interest allocated on the savings accounts of the active insured, of the insured unable to work and of the disabled has been calculated on the prescribed assets at a rate of 3.00 % (as against 0.75 % in 2011).

In view of a positive year on the financial markets in 2012, as well as an interesting plus-value resulting from the sale of a group of buildings in Montreux, the Board has decided to have the insured benefit from an excellent remuneration level on savings, while at the same time choosing to strengthen the financial solidity by reducing the technical rate from 3.5% to 3%.

For insured who exited during 2012, the interest allocated until the exit date has been calculated at the LOB rate on the minimum LOB part of the old-age assets.

5.3 Total of old-age assets as per the LOB

	31.12.2012	31.12.2011
	CHF	CHF
Old-age assets as per the LOB (pilot accounts)	<u>170'718'310.50</u>	<u>160'880'765.25</u>
LOB minimum interest rate set by the Federal Council	1.5 %	2,00 %

5.4 Evolution and remuneration of pension insurance capital of pensioners

	31.12.2012	31.12.2011
	CHF	CHF
A - Evolution and remuneration of pension insurance capital of disabled		
Balance at 1 January of pension insurance capital	12'107'847.90	10'411'989.60
Transfer of freed-up capital	960'141.85	331'452.00
Savings contributions	650'045.80	642'075.35
Vested benefits paid in	264'772.30	961'390.00
Distribution of disposable funds	8'197.70	0.00
Remuneration of pension insurance capital	350'791.65	83'610.65
Dissolution savings capital	-1'659'303.30	-322'669.70
Total of pension insurance capital of disabled insured	<u>12'682'493.90</u>	<u>12'107'847.90</u>

	31.12.2012	31.12.2011
	CHF	CHF
B - Evolution of cover capital for cases of retirement		
Balance of cover capital at 1 January	51'515'771.00	37'979'601.00
Capital contributions	343'837.85	350'850.15
Modification related to changes in calculation* bases	3'022'937.00	4'742'017.00
Modification related to new status of insured at 31 December	7'797'886.15	8'443'302.85
Total cover capital for cases of retirement	<u>62'680'432.00</u>	<u>51'515'771.00</u>
C - Evolution of cover capital for cases of disability		
Balance of the cover capital at 1 January	3'589'062.00	667'085.00
Capital contributions	529'692.15	329'813.00
Modification related to changes in calculation* bases	155'133.00	322'235.00
Modification related to new status of insured at 31 December	-40'562.15	2'269'929.00
Total cover capital for cases of disability	<u>4'233'325.00</u>	<u>3'589'062.00</u>
D - Evolution of cover capital for cases of death		
Balance of cover capital at 1 January	3'844'743.00	1'785'974.00
Capital contributions	1'670'398.30	757'233.65
Modification related to changes in calculation* bases	373'050.00	284'489.00
Modification related to new status of insured at 31 December	775'592.70	1'017'046.35
Total cover capital for cases of death	<u>6'663'784.00</u>	<u>3'844'743.00</u>
Total pension insurance capital pensioners (A+B+C+D)	<u>86'260'034.90</u>	<u>71'057'423.90</u>

*As from 31 December 2012, the calculation of the mathematical reserves of the pensioners is done on the basis of the table LOB 2010 with a technical interest rate of 3%, instead of a technical interest rate of 3.5%, used previously. As from 31 December 2011, the calculation of the mathematical reserves of the pensioners is done on the basis of the table LOB 2010, with a technical interest rate of 3.5%, instead of the table EVK 2000, with a technical interest rate of 4%, used previously.

5.5 Results of the last actuarial evaluation

For the 2012 period, Copré decided to apply a global interest rate of 3% on the compulsory and non-compulsory savings, except for the eleven affiliated companies with a cover shortfall taken over from the Genesis Foundation. Following this non-attribution of interest on these eleven affiliated companies, seven have fully reimbursed their debt, and there remains a total debt of CHF 117,540.60 for the four others.

At 31.12.2012, except for the four affiliated companies, there is no shortfall in the sense of the legal provisions. The commitments of the Foundation are fully covered, the global degree of cover of the Foundation according to the OPP2 is 103.1%. The securities fluctuation reserve is to be reconstituted: it is CHF 14.3 million and its target value is CHF 43.0 million.

Given this situation, we recommend:

- crediting in 2013 the legal minimum interest, i.e. 1.5%, calculated on the minimum LOB, to exiting insured;
- not adjusting pensions beyond the adjustments required by the LOB.

For the four affiliated companies with a small cover shortfall (between 97% and 99%), there will be no interest credited to the accounts until their degree of cover again reaches 100%. Additional remedial measures are reserved in the event that the absence of interest does not make it possible to come up to 100% within a reasonable period of time (4 years).

5.6 Technical bases and other significant assumptions on the actuarial level

	31.12.2012	31.12.2011
	CHF	CHF
A - Provision for longevity		
Balance of the longevity provision at 1 January	292'216.00	1'949'350.00
Modification related to changes in calculation* bases	38'000.00	-2'655'830.00
Modification related to the new status of the insured at 31 December	398'784.00	998'696.00
Total of the provision for longevity	<u>729'000.00</u>	<u>292'216.00</u>
B - Provision for improvement of the conversion rate		
Balance provision for improvement of the conversion rate at 1 January	4'402'800.00	1'955'700.00
Modification related to changes in calculation* bases	3'413'000.00	2'693'700.00
Modification related to the new status of the insured at 31 December	147'200.00	-246'600.00
Total of the provision for improvement of the conversion rate	<u>7'963'000.00</u>	<u>4'402'800.00</u>
C - Provision for fluctuation of risks		
Balance provision for risk fluctuation at 1 January	4'042'000.00	4'284'000.00
Modification related to changes in calculation* bases	265'000.00	679'000.00
Modification related to the new status of the insured at 31 December	433'000.00	-921'000.00
Total of the provision for fluctuation of risks	<u>4'740'000.00</u>	<u>4'042'000.00</u>
Total technical provisions (A+B+C)	<u>13'432'000.00</u>	<u>8'737'016.00</u>

*See explanation figure 5.4.

The provision for longevity serves to finance the increase in the pension insurance capital of pension beneficiaries due to a change of the actuarial tables.

The provision for improvement of the conversion rate is constituted in order to maintain the conversion rate as stable as possible over time. It is fixed on the basis of an estimation of the possible retirement cases during the following five years, considering 75% of the additional pension insurance capital required to cover the difference between the pension effectively provided at the conversion rate determined by the Foundation and a pension based on the conversion rate in line with the technical bases used. This approach is based on the estimation that 25% of retirement benefits are taken in the form of capital.

The significant increase in the provision for improvement of conversion rates in 2012 is explained by the fact that the actuarial conversion rate decreased following the modification of the technical interest rate. The difference between the pension provided and that which would be paid if the actuarial conversion rate were applied is thus higher, and its financing requires a higher provision.

The provision for fluctuation of risks has been constituted so as to enable the Foundation to deal with insurance cases not covered by the 'stop loss' and 'excess of loss' insurances, in order to cover two consecutive years of a high level of claims with a probability of 97.5%.

5.7 Modification of the technical bases and assumptions

From 31 December 2012 the Board of Trustees has decided, taking into particular account the technical directive of the Swiss Chamber of Consulting Actuaries and the trend observed in this respect to reduce the technical rate from 3.5% to 3% so as to strengthen the reserves.

5.8 Affiliates' disposable funds

	31.12.2012	31.12.2011
	CHF	CHF
Balance of affiliates' disposable funds at 1 January	630'617.06	634'090.51
Constitution of affiliates' disposable funds	554'496.10	803'829.15
Dissolution of affiliates' disposable funds	-577'423.01	-807'302.60
Total disposable funds of affiliates	<u>607'690.15</u>	<u>630'617.06</u>

5.9 Degree of cover as per article 44 OPP2

	31.12.2012	31.12.2011
	CHF	CHF
Pension insurance capital and technical provisions required	<u>458'846'436.25</u>	<u>420'923'196.75</u>
Pension insurance capital and technical provisions	458'846'436.25	420'923'196.75
Reserve for securities fluctuation	14'379'792.41	19'953.67
Foundation capital, disposable funds	<u>0.00</u>	<u>0.00</u>
Assets available to cover les statutory obligations	<u>473'226'228.66</u>	<u>420'943'150.42</u>
Degree of cover (assets available in relation to capital committed)	<u>103.13%</u>	<u>100.00%</u>

This degree of cover is applicable to all affiliates, with the exception of:

- affiliates benefiting from disposable funds, for whom the degree of cover is higher;
- 4 affiliates that arrived in 2011, coming from the Genesia Collective Foundation (cf. figure 55).

6 Explanations relating to investments and net income from investments**6.1 Organisation of the investment activities, investment regulations**

The assets of the Foundation are placed with Credit Suisse. At 31 December 2012, the mandates for managing the securities portfolio are entrusted to IAM Independent Asset Management SA (up to end September 2012), Swiss & Global Asset Management AG (formerly Julius Baer), Aforge Capital Management SA and Credit Suisse AG.

The investment regulations of the Foundation were updated on 10.05.2010 and are available for consultation on the web site.

6.2 Utilisation of extensions (art. 50, para. 4 OPP2)

In the context of the updating of the investment regulations, the Foundation has made use of the freedom afforded by the law to extend the possibilities for investment. The investment areas concerned are detailed in attachment 2 of the Investment Regulations. The necessary measures have been taken to ensure that the proper attention is paid to the choice, management and control of investments. The Board of Trustees has made certain in particular that the objectives of the pension insurance are attained, especially by adopting a management strategy that takes into account the assets and liabilities as well as the structure and foreseeable future evolution of the number of insured. A congruence analysis of assets and liabilities was carried out in 2009 (see also under point 641).

6.3 Objectives and calculation of reserve for securities fluctuation

	31.12.2012	31.12.2011
	CHF	CHF
Balance at 1 January of the reserve for securities fluctuation	19'953.67	2'522'781.13
Increase/decrease due to the operating result	14'359'838.74	-2'502'827.46
Reserve for securities fluctuations on balance sheet	14'379'792.41	19'953.67
Target value of the reserve for securities fluctuation (absolute value)	43'008'261.00	43'008'261.00
Insufficiency of the reserve for securities fluctuation	-28'628'468.59	-42'988'307.33

To calculate its reserve for fluctuations of securities, the Board of Trustees has opted for a mixed technique consisting of simulating jointly and over the long term the evolution of the assets held by the Foundation. This multiple simulation makes it possible to highlight a large number of possible evolutions of the Foundation's assets. The most unfavourable scenarios are discarded, in view of their high degree of improbability. From the remaining subset the scenario involving the broadest loss is extracted. The amount corresponding to this loss is the Value-at Risk (VaR).

The theoretical predictive validity of this amount is a function of the number of simulated scenarios discarded [0.5%]. This size is expressed as its complement to one [100%], in this case 99.5% [100%-0.5%].

As an additional precaution, the Board of Trustees has taken care to consider a scenario even more risky than that highlighted by VaR at 99.5%, by resorting to the correlative metric designated in the literature under the terms of Expected Shortfall (ES) or, alternatively, of Expected Tail Loss (ETL). This latter number is obtained by applying the average of the extreme values previously discarded as highly improbable.

On 15 March 2013 the Board of Trustees decided, in the interests of economy and in view of the fact that the strategy has not changed, not to review the calculation method of the target value of the securities fluctuation reserve, as the reserve constituted at 31.12.2012 is a long way from its objective.

6.4 Presentation of investments by category

6.4.1 Structure of investments

Presentation of the investments by category, as per investment regulations:

	31.12.2012	Effective split in %	31.12.2011	Effective split in %	Strategy	Margins
	CHF		CHF			
Liquidities (CC / CT / Pl. fid.)	57'749'265	9.91%	68'708'213	13.09%	0%	0%-40%
Bonds in CHF	118'989'707	20.42%	82'360'978	15.69%	31.5%	18.9%-44.1%
Bonds in foreign currencies	58'050'775	9.97%	39'393'930	7.51%	10.5%	6.3%-14.7%
Total fixed revenue (ex cash)	177'040'482	30.39%	121'754'908	23.20%	42%	25.2%-58.8%
Shares and investment in shares in CHF	51'508'187	8.84%	60'953'628	11.62%	10.5%	6.3%-14.7%
Shares and investment funds in shares in foreign currencies	75'411'033	12.95%	30'658'670	5.84%	17.5%	10.5%-24.5%
Total shares	126'919'220	21.79%	91'612'298	17.46%	28%	16.8%-39.2%
Real estate	215'703'921	37.03%	236'154'913	45.00%	30%	18%-50%
Investments with the employer	2'581'566	0.44%	3'714'475	0.71%		
Other claims CHF	2'547'747	0.44%	2'821'025	0.54%		
Total assets	582'542'201	100.00%	524'765'832	100.00%		

Global limits, as per investment regulations:

	31.12.2012	Effective split in %	31.12.2011	Effective split in %	Strategy	Margins
	CHF		CHF			
Company shares or investment funds invested in commodities (shares)	0	0.00%	3'702'530	0.71%	5%	0%-5%
Company shares or investment funds invested on emerging markets	12'065'368	2.07%	12'262'046	2.34%	5%	0%-7.5%
Total exposure in foreign currency, net of exchange cover	78'030'510	13.39%	54'558'394	10.40%		0%-40%

Control of limits as per art. 55 OPP2:

	31.12.2012	Effective split in %	31.12.2011	Effective split in %	Limits OPP2
	CHF		CHF		
Swiss property deeds and liens	4'006'721	0.69%	10'442'250	1.99%	50%
Shares	126'919'220	21.79%	91'612'298	17.46%	50%
Real estate	215'703'921	37.03%	236'154'913	45.00%	30%
Total exposure in foreign currency, net of exchange cover	78'030'510	13.39%	54'558'394	10.40%	30%

The situation of liquidities deposited with Credit Suisse, representing 9.91% of total assets as of end December 2012, was only temporary. In fact, a switching of the Aforge and SGAM portfolios in favour of a new mixed index mandate with UBS, as well as with Credit Suisse brought back the proportion to 5.64% as of end March 2013. The Foundation's current cash flow will also be reduced by CHF 18 million by end July, following reinvestments in index portfolios.

The decision taken in 2008 by the Board of Trustees to increase the tactical allocation of real estate assets to about 47% had the following objectives: to increase the investments in a category of assets that is stable compared to the volatility of the financial markets at the time; to ensure recurring revenue higher than that of traditional fixed income securities; and to optimize the amount of the reserve for securities fluctuations thanks to a lower average volatility of the global assets. This tactical allocation is intended to diminish progressively, in line with the inflow of premiums and contributions from vested benefits triggered potentially by new affiliations, as well as in function of possible disinvestments, which is why it is set at 37.03% at 31.12.2012.

Although it constitutes a homogenous whole, La Levratte is composed of seven individually assignable plots. The investment regulations specify that investment in a single real estate object may not exceed 10% of assets less loans. All the objects in the portfolio respect this limit.

The mortgage debt of CHF 70 million represents about 32% of the real estate assets (statutory authorisation: 50%) and about 12% of total assets. The average interest paid is 3.04% for an average period of 4.61 years. The spread of due dates is presented under point 79.

6.4.2 List of properties held

Property	Estimation at 31.12.2012	Estimation at 31.12.2011
Bussigny, Lausanne 8	5'212'673	4'856'640
Corsier, Ch. Neuf 1-3	4'197'760	4'120'704
Crans, Pas de l'Ours 4	2'654'784	2'654'784
Genève, Cavour 17	7'023'552	6'970'752
Genève, Contamines 1	11'449'824	11'105'760
Genève, Palettes 23	9'770'304	9'686'752
Lausanne, Ale 8	4'917'408	4'881'216
Lausanne, Echallens 80	3'193'920	3'193'920
Le Mont, Lausanne 33	7'547'264	7'554'816
Meyrin, Livron 21	7'478'784	7'448'448
Meyrin, Livron 23	6'272'640	6'226'560
Montreux, Alpes 38-58	0	23'556'688
Neuchâtel, Grand-Rue 1a	3'488'640	3'488'640
Nyon, Levratte 8-38	94'629'696	94'164'609
Paudex, Bernadaz 3	3'302'016	3'176'256
Penthaz, Cossonay 1-7	7'041'984	6'990'272
Petit-Saconnex, Lamartine 22	6'886'128	6'719'040
Petit-Saconnex, Lamartine 24	11'788'960	11'678'976
Petit-Saconnex, Lamartine 24 ter	4'968'960	4'739'520
Yverdon, Cheminet 31-39	13'878'624	12'940'560
Total	215'703'921	236'154'913

6.4.3 Explanations on the management of the properties

Due to the size of the real estate holdings, the Board of Trustees has adopted a policy for real estate management and a system of control of real estate activities. The system of control guarantees respect of the prudential rules and, in particular, of the rules applicable to conflicts of interest.

In the context of their auditing mandate, our auditors Ernst & Young verify the respect of the system of control of real estate activities set up by the Board of Trustees for activities delegated to GFI Gestion de Fortune Immobilière SA.

6.5 Derivate financial instruments current (open)

Au 31 December 2012, several forward exchange operations are open, of which the details appear below.

Currency	Nominal	Average buying rate	Rate at 31.12.2012	Gain/loss (-) at 31.12.2012
USD	27'160'000	0.925	0.914311	290'320
EUR	26'580'000	1.2142	1.206113	214'949
				505'269

At 31 December 2011, several forward exchange operations were open, of which the details appear below.

Currency	Nominal	Average buying rate	Rate at 31.12.2011	Gain/loss (-) at 31.12.2011
USD	7'493'000	0.9234	0.939233	-126'856
EUR	7'807'000	1.237	1.21616	168'105
				41'249

6.6 Explanations on the net results of the investments

	2012	2011
	CHF	CHF
6.6.1 Liquidities	57'167.19	67'121.35
- Interest on various current accounts	57'167.19	67'121.35
6.6.2 Forward exchange	355'999.81	263'337.07
- Exchange differences realised	-108'020.19	1'333'403.07
- Losses on forward exchange operations	0.00	-1'070'066.00
- Gains on forward exchange operations	464'020.00	0.00
6.6.3 Total bonds	7'340'365.24	3'508'376.77
6.6.3.1 Bonds	7'126'234.23	3'443'438.22
- Income from interest on Swiss bonds	562'224.49	1'096'120.73
- Income from interest on foreign bonds in CHF	341'254.85	641'795.16
- Income from interest on foreign bonds in foreign currencies	477'564.75	970'829.31
- Income from Swiss bond investment funds	1'907'407.05	388'725.47
- Income from foreign bond investment funds in CHF	322'761.65	55'582.55
- Income from foreign bond investment funds in foreign currencies	565'992.55	168'504.96
- Losses on sales	-232'573.81	-947'492.56
- Profits on sales	276'086.55	1'252'625.40
- Exchange differences realised	-414'413.76	-1'457'317.44
- Losses	-802'064.51	-607'052.29
- Gains	4'121'994.42	1'881'116.93
6.6.3.2 Company securities/investment funds, emerging markets	214'131.01	64'938.55
- Exchange differences realised	-81'511.41	194'113.60
- Losses on sales	-14'817.57	-44'689.02
- Profits on sales	173'278.92	6'916.40
- Losses	0.00	-91'402.43
- Gains	137'181.07	0.00
6.6.4 Total shares	12'873'782.94	-11'810'435.72
6.6.4.1 Shares	11'800'003.36	-6'101'332.59
- Dividends from Swiss shares	0.00	762'466.35
- Dividends from foreign shares in foreign currencies	1'016'638.48	154'304.41
- Dividends from investment funds Swiss shares	677'211.20	319'565.33
- Dividends from investment funds foreign shares in CHF	72'050.44	435'453.18
- Losses on sales	-177'352.47	-5'921'333.19
- Profits on sales	2'158'767.69	253'841.02
- Exchange differences realised	-1'421'519.91	-59'581.62
- Losses	-322'745.25	-3'447'188.62
- Gains	9'796'953.18	1'401'140.55
6.6.4.2 Company shares/investment funds commodities	-166'844.26	-2'697'207.95
- Revenues	19'792.35	2'989.10
- Losses on sales	-199'467.97	-1'256'813.50
- Profits on sales	204'284.96	0.00
- Losses	-191'453.60	-1'443'383.55

	2012	2011
	CHF	CHF
6.6.4.3 Company shares/investment funds emerging markets	1'240'623.84	-3'011'895.18
- Revenues	163'163.46	69'175.05
- Losses on sales	-41'393.84	-1'340'506.76
- Profits on sales	230'425.82	0.00
- Exchange differences realised	-83'322.46	-32'852.36
- Losses	-3'756.48	-1'707'711.11
- Gains	975'507.34	0.00
6.6.5 Real estate	13'019'610.92	16'158'671.61
- Current real estate charges	-3'298'289.59	-3'183'347.57
- Real estate revenues	14'616'356.66	14'763'223.08
- Net profit realised on sale*	3'956'550.25	0.00
- Losses	-1'622'340.35	-3'312'346.55
- Gains resulting from the modification of the capitalisation rate	0.00	9'082'881.00
- Gains	1'595'083.95	1'201'061.65
- Mortgage interest	-2'227'750.00	-2'392'800.00

*This profit was realised following the sale of the properties located at rue des Alpes 38-58 in Montreux. The sale price was set at CHF 31'350'000.-. The gross profit amounts to Fr. 6'056'920.25, from which there is a deduction for the brokerage fees due to GFI, namely CHF 532'870.-, as well as the amount of tax on the capital gains amounting to Fr. 1'567'500.-.

6.6.6 Administration costs for investments	-2'585'599.21	-2'893'934.43
6.6.6.1 Administration costs for securities investments	-978'665.67	-1'279'653.68
Costs on securities transactions	-144'819.33	-221'928.01
Costs on current accounts	-27'657.97	-28'896.75
Costs for asset management by Aforge Capital Management	-250'179.72	-214'440.97
Costs for asset management by Credit Suisse	-105'206.90	-56'658.20
Costs for asset management by IAM Independent Asset Management SA	-226'508.90	-487'095.80
Costs for asset management by Swiss&Global Asset Management AG	-194'023.70	-246'166.55
Costs for bookkeeping of Credit Suisse securities	-30'269.15	-24'467.40
6.6.6.2 Administration costs for real estate investments	-1'606'933.54	-1'614'280.75
Fees for financial, rental and administrative management	-318'371.50	-318'389.00
Fees for technical management	-228'524.25	-216'326.15
Fees for technical management GFI	-86'286.33	-99'598.95
Fees for dynamic management of the GFI portfolio	-789'131.18	-707'215.06
Fees for steering of construction work GFI	-184'620.28	-265'916.20
Final fees GFI previous year	0.00	-6'835.39

6.6.7 Performance of investments

According to the depository of the securities, the performance realised over the whole of the investments during the 2012 period is 7.19%.

Article 48a OPP2 para. 3 requires since 1 January 2012 that additional information on the costs for management of the investments be indicated in the attachment. Pending a directive from the Haute Commission de Surveillance (High Commission of Surveillance) on the implementation of this legal article, we have refrained from including detailed information in the attachment. These costs are however available and known by the Board of Trustees at 31.12.2012.

6.7 Explanation of investments with employers and of reserves of employer contributions

	31.12.2012	31.12.2011
	CHF	CHF
Claims of employer contributions, gross	2'595'116.45	3'731'374.60
Provision for losses on employer contributions	<u>-13'550.00</u>	<u>-16'900.00</u>
Claims of employer contributions, net	<u>2'581'566.45</u>	<u>3'714'474.60</u>
Balance of the reserve of employer contributions at 1 January	3'436'376.10	3'866'230.10
Increase	815'914.00	1'032'214.30
Decrease	-861'276.30	-1'466'343.45
Interest	<u>0.00</u>	<u>4'275.15</u>
Total reserve of employer contributions	<u>3'391'013.80</u>	<u>3'436'376.10</u>

The term "claims of employer contributions" is understood as the current account of each company affiliated to the Foundation. It is to be noted that 90% of these contributions were paid up during the first quarter of 2013. Contributions still outstanding are the object of regular follow-up.

7 Explanations relating to other items on the balance sheet and operating statement**7.1 Explanation of the item 'administration costs'**

	2012	2011
	CHF	CHF
Operating costs	-404'918.91	-413'400.85
Cantonal surveillance authority	-18'200.00	-4'300.00
High surveillance of professional pension funds	-5'244.80	0.00
Management fees administration, Hpr S.A.	-1'675'890.00	-1'596'943.00
Fees of the expert, Mercer S.A.	-32'913.00	-30'375.00
Auditing fees, Ernst & Young S.A.	-71'892.35	-94'434.00
Fees for various mandates	<u>-223'011.72</u>	<u>-168'107.35</u>
Total administration costs	<u>-2'432'070.78</u>	<u>-2'307'560.20</u>

Management costs invoiced to affiliates

Management costs invoiced to affiliates	<u>1'554'816.70</u>	<u>1'489'695.45</u>
---	---------------------	---------------------

The administration costs for the investments are detailed under figure 666.

7.2 Explanation of the item 'marketing and advertising costs'

	2012	2011
	CHF	CHF
Miscellaneous advertising expenses	-233'984.15	-370'272.35
Commission fees	-903'942.80	-639'961.50
Commercialisation expenses	<u>-353'927.00</u>	<u>-612'567.00</u>
Total marketing and advertising costs	<u>-1'491'853.95</u>	<u>-1'622'800.85</u>

Containing expenses for advertising/marketing, commissions and commercialisation, this heading covers in fact the costs for 'customer acquisition'.

7.3 Explanation of the item 'vested benefit contributions'

	2012	2011
	CHF	CHF
Vested benefit contributions active insured	32'480'484.61	45'232'369.80
Vested benefit contributions active insured received after their exit	542'937.05	59'614.05
Vested benefit contributions disabled insured	264'772.30	961'390.00
Contributions pensioners	2'489'147.85	1'437'896.80
Total of item 'vested benefit contributions'	<u>35'777'341.81</u>	<u>47'691'270.65</u>

7.4 Explanation of the item 'vested benefits in event of exit'

	2012	2011
	CHF	CHF
Exit benefits active insured	-50'623'696.65	-33'488'411.45
Exit benefits active insured complement art. 17 LFLP	-50'840.40	-32'700.75
Exit benefits active insured received after their exit	-542'937.05	-59'614.05
Retroactive exit benefits active insured	-339'860.95	1'918'489.05
Exit benefits disabled insured	-229'381.10	-137'125.55
Disposable funds transferred	-200'510.15	-16'129.80
Mathematical reserves pensioners transferred	-1'663'817.65	0.00
Total of item 'vested benefits in event of exit'	<u>-53'651'043.95</u>	<u>-31'815'492.55</u>

7.5 Explanation of the item 'contributions'

	2012	2011
	CHF	CHF
Savings bonuses	37'564'926.30	35'241'983.40
Contributions to cover risks disability and death	8'506'194.35	9'062'532.10
Contributions to the guarantee fund	161'797.75	152'434.90
Contributions for administrative expenses	1'554'816.70	1'489'695.45
Contributions for adaptation of pensions to inflation	558'865.90	539'092.20
Total of contributions, gross	<u>48'346'601.00</u>	<u>46'485'738.05</u>
Dissolution reserves employer contributions	<u>-861'276.30</u>	<u>-1'466'343.45</u>
Total of contributions, net	<u>47'485'324.70</u>	<u>45'019'394.60</u>
i.e.:		
Contributions of staff	19'253'049.55	18'449'239.60
Contributions of employers	28'232'275.15	26'570'155.00

7.6 Explanation of the item 'debtors'

	31.12.2012	31.12.2011
	CHF	CHF
Current account reinsurance	0.00	228.35
Current account withholding tax	987'376.21	579'111.74
Current account property management	395'229.00	748'398.75
Total of the item 'debtors'	<u>1'382'605.21</u>	<u>1'327'738.84</u>

7.7 Explanation of the item 'accruals and deferrals, assets'

	31.12.2012	31.12.2011
	CHF	CHF
Accrued interest	332'558.53	675'388.34
Buildings, rents to be received	97'431.95	0.00
Buildings retrocession tax to be received	110'550.00	0.00
Benefits to be received from the reinsurer	0.00	197'582.60
Vested benefit to be received	95'528.45	503'412.35
Invoices paid in advance	23'803.75	22'910.90
Miscellaneous	0.00	52'743.10
Total of the item 'accruals and referrals, assets'	659'872.68	1'452'037.29

7.8 Explanation of the item 'accruals and deferrals, liabilities'

	31.12.2012	31.12.2011
	CHF	CHF
Vested benefits received but not yet allocated	72'351.80	405'704.70
Various fees 4th quarter to be paid	231'471.52	319'430.24
Balance commission costs to be paid	530'043.50	344'476.55
Buildings rents received in advance	36'628.20	0.00
Buildings provision dispute underway I	50'000.00	50'000.00
Buildings capital gains tax on sale	1'567'500.00	0.00
Benefits received in advance from the reinsurer	783'095.45	764'749.80
Miscellaneous	5'402.15	16'052.65
Total of the item 'accruals and deferrals, liabilities'	3'276'492.62	1'900'413.94

7.9 Explanation of the item 'banks/insurances'

The amount at 31.12.2012 represents the balance of the reinsurance premiums due in 2012, of which the definitive statement was established on 12.03.2013.

7.10 Explanation of the item 'mortgage debts'

The details of the mortgage debts with Credit Suisse are as follows:

	Amount in CHF	Interest rate	Start of contract	Épiry
Fixed mortgage : tranche 1	6'000'000.00	3.60%	10.03.2004	10.03.2014
Fixed mortgage	10'000'000.00	3.60%	31.03.2007	30.03.2022
Fixed mortgage	4'000'000.00	3.50%	15.05.2007	15.05.2017
Fixed mortgage, deferred effects	15'000'000.00	2.65%	28.04.2009	28.04.2015
Fixed mortgage, deferred effects	15'000'000.00	2.85%	28.04.2009	28.04.2016
Fixed mortgage deferred effects	10'000'000.00	3.05%	28.04.2009	28.04.2018
Fixed mortgage deferred effects	10'000'000.00	3.20%	28.04.2009	28.04.2019
Total mortgages	70'000'000.00			

This is a global framework contract, guaranteed by the mortgage notes mentioned under figure 91.

8 Requests from the surveillance authority

The financial statements at 31 December 2011 did not give rise to any particular remarks. The Foundation has acted on the various additional requests of the surveillance authority. It still has to send to the authority the detailed list of the affiliated employers at 31.12. 2011.

The Foundation has also sent to the Commission of High Surveillance the survey on the financial situation of pension institutions in 2012.

9 Other information relating to the financial situation

9.1 Pledging of assets

The mortgage notes pledged for the mortgage loans are as follows:

Property	Note 1st level	Note 2nd level	Note 3rd level	Total
Bussigny, Lausanne 8	3'000'000			3'000'000
Corsier, Ch. Neuf 1-3	520'000	150'000		670'000
Genève, Cavour 17	3'030'000			3'030'000
Genève, Contamines 1	4'600'000			4'600'000
Genève, Palettes 23	5'600'000			5'600'000
Lausanne, Ale 8	1'900'000	800'000		2'700'000
Lausanne, Echallens 80	2'000'000			2'000'000
Le Mont, Lausanne 33	572'000	3'000'000		3'572'000
Meyrin, Livron 21	4'000'000			4'000'000
Meyrin, Livron 23	1'115'000	235'800		1'350'800
Neuchâtel, Grand-Rue 1a	1'800'000	450'000		2'250'000
Nyon, Levratte 8-38	60'000'000	5'000'000	420'000	65'420'000
Paudex, Bernadaz 3	2'000'000			2'000'000
Penthaz, Cossonay 1-7	4'000'000			4'000'000
Pt-Saconnex, Lamartine 22bis	1'800'000	1'500'000	2'500'000	5'800'000
Pt-Saconnex, Lamartine 24	5'350'000	250'000		5'600'000
Yverdon, Cheminet 31-39	3'000'000	5'000'000		8'000'000
Total	104'287'000	16'385'800	2'920'000	123'592'800

A Lombard credit contract of CHF 20'000'000.- has been opened with Credit Suisse, in the event of real estate acquisitions in future.

9.2 Overdraft

In 2011, the Foundation registered the arrival of 11 affiliates coming from the Collective Foundation Genesis, with a degree of cover estimated at 94.1% (cf. figures 55 and 59). The exact degree of cover of each affiliate will only be known upon completion of the procedure for partial liquidation of the Collective Foundation Genesis. The overdraft will be compensated by allocations of lesser interest on the accounts of the insured compared to the interest distributed on the accounts of the other insured by Copré. When the interest credited is less than the legal minimum, for example with zero interest, the legal interest on the LOB pilot accounts is nevertheless guaranteed. Following the non-attribution of interest in 2012, 7 of these 11 affiliates have fully reimbursed their debt.

If this measure were to prove unsatisfactory within a reasonable time, other stabilisation measures would be envisaged.

9.3 Legal procedures underway

The Foundation has been sued for a case of a benefit of CHF 200,000. The Board of Trustees has taken note of the file and on the basis of the legal counsel commissioned, considers that this request is unfounded.

10 Events subsequent to the date of the balance sheet

None.

