

Welcome! This is the second PCN newsletter in 2018 for. In this newsletter we inform you about the latest pension news. Enjoy reading.

A word from the chairman

2019 looks promising

The coming year looks promising for PCN. In 2019 we can increase the pensions of our participants and pensioners, the pension contribution will remain the same and we are bringing the pension administration to Bonaire: at this moment we are recruiting new employees to take over the pension administration from AGH. This way, we will have everything we need in-house in order to give you the best possible support. We are also pleased to introduce Age Bakker as the new chairman of the Supervisory Board. In addition, Gerard Bergsma, the specialist in the field of asset



management and risk management, has been reappointed as board member for four years.

Do you have any questions relating to this newsletter? Please let us know. On the back of this newsletter you can read how you can reach us. And visit us on Facebook some time! We would very much like to hear from you.

Harald Linkels, *Chairman*

PCN will index pension with 2%

Pensioenfond Caribisch Nederland (PCN) will index the pensions with 2% as of January 1, 2019. This indexation applies to both the employees who are still accruing pension, and to those who already receive pension. The pensions of the employees who used to be participant of PCN in the past, will be increased by 2% as well.

Pension contribution remains equal

As mentioned, the pensions will increase in 2019 while the pension contribution will remain equal. This is good news for your wallet. The past years the contribution had to increase in order to maintain the financial reserves. Luckily, your contribution does not have to be further increased at this moment.

We are in a better position

PCN is able to increase the pensions

because it is in a much better financial position compared to a year ago. Our pension fund has gone through a substantial recovery. This is due to five factors:

1. the cut in the pension entitlements implemented in 2017;
2. a substantial return on the assets in 2017 and 2018;
3. a strengthening of the capital by the Dutch state of over 31 million dollar;
4. the fact that PCN already set the contributions at the maximum some time ago;
5. the favorable development of the interest rate against which we have to value the fund's liabilities.

About the funding ratio

With a funding ratio of 111% (at the end of October 2018), we are well over the minimum funding requirement of 100%.

However, we are still facing a funding shortfall. This is because, according to the requirements of the Financial Assessment Framework BES that applies to our pension fund, PCN has to have a funding ratio of well over 117%. A funding ratio of 117% or more, means that there is enough buffer, on top of the minimum funding requirement. This means that when we reach this percentage, we can give full indexation for the increased cost of living. This is not the case yet, but we can partially increase the pensions next year.

Annual decision

The board of PCN decides every year whether indexation is possible or not. The board always takes the financial situation of the fund into account and checks whether the decision is in line with the fund's indexation policy.

PCN to self-administer pension plan

As of January 1, 2019, PCN will be self-administering the pension plan. This step is necessary to continue to provide a qualitatively good service. This means that the co-operation with AGH in the Netherlands will be terminated.

Office in Bonaire

PCN's new administrative organization will be located in Bonaire. For the time being it will be located in our current office. As soon as the neighboring building is finished, the administration will be located there.

New jobs

The new administrative organization offers new employment in the Dutch Caribbean. It concerns seven positions for participant administration, pension payments, and financial administration and reporting. The past weeks, we have been advertising for recruitment. Possibly you have already seen the vacancies in the newspaper. On our Facebook page we will keep you informed about the new administrative organization.



PCN OFFICES

Bonaire office

Kaya Carlos C.M. Piar 5, Kralendijk, Bonaire

T 599 717 0984

E info@pensioenfondscn.com

Statia office

Mazinga Square, Oranjestad, Sint Eustatius

T 599 318 3218

E Statia-office@pensioenfondscn.com

Saba

T 599 416 6860

E Saba-office@pensioenfondscn.com

Online

F facebook.com/PensioenfondsCN

I www.pensioenfondscn.com

Reappointment board member



GERARD BERGSMA

The Dutch central bank has formally approved the reappointment of Mr. Gerard Bergsma. Mr. Bergsma will remain active for the coming four years until October 22, 2022 as an asset management and risk management specialist. Gerard is one of the representatives on behalf of the joint unions within the board. We are happy that he will continue to attend the interests of our (former) participants.

VISIT US ON FACEBOOK

Did you know that we have our own Facebook page? You can find us via facebook.com/PensioenfondsCN/. Here you will find for instance the latest financial news about our funding ratio. But we also give you useful tips about pension, and we tell you what are doing.

New chairman Supervisory Board

Professor dr. Age Bakker has been appointed as chairman of the Supervisory Board. Mr. Bakker succeeds Mrs. A. Bijleveld-Schouten, who resigned as chairperson of the Supervisory Board of PCN after her appointment as Minister of Defence in the Netherlands.

Age has broad experience in the fields of governance, politics and science and knows the Dutch

Caribbean well due to his former role as chairman of the Board of Financial Supervision Bonaire, St. Eustatius and Saba. Furthermore, he has broad experience within the pension sector as board member of Pensioenfonds Zorg en Welzijn and as chairman of the Investment Advisory Committee of Pensioenfonds Horeca & Catering in the Netherlands.



AGE BAKKER