

## Enclosure I Form Determine investment choice

Name: \_\_\_\_\_

Date of birth: \_\_\_\_\_

Policy number: \_\_\_\_\_

You have the following two choices:

**Option 1: The pension fund determines how your contribution is invested:**

If you select this option, you let the pension fund determine for you how your contributions are invested. The fund takes over the investment decisions from you. Your defined contributions are deposited in the 'lifecycle 2018 fund' investment portfolio. In this portfolio the investments in shares are automatically decreased as you grow older.

**Option 2: You determine how the contribution is invested**

If you select this option, you need to complete a questionnaire (enclosure II with this letter). Your investment profile is based on your responses. This profile determines the composition of your investment portfolio.

**My choice (cross):**                      **Option 1**    **Option 2**

*If you choose option 2, you must complete the questionnaire in enclosure II.*

**Signature**

\_\_\_\_\_  
(Your signature)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Place)

*Please return the completed and signed form before 10 January, 2019 to:  
Stichting Pensioenfonds APF  
Postbus 90170, 5000 LM Tilburg  
5000 LM Tilburg*



## Enclosure II: Risk Profile Questionnaire

Do you understand what it means if you decide to take up the responsibility for investing yourself?

- A. Yes.
- B. No.

### 1. Personal situation:

**Question 1** What is your highest level of education?

- A. Lower vocational education
- B. Senior secondary vocational education
- C. Higher professional or academic higher education

**Question 2** When you are retired, your income will consist of various components, including this net pension of the APF Pension Fund. Do you need this pension to manage your financial situation after your retirement date?

- A. I definitely need this pension to manage when I'm retired. Even with this pension it will be difficult.
- B. I need this pension to manage when I'm retired. It will be easy with this pension.
- C. I can manage without this pension.
- D. I can easily manage without this pension.

**Question 3** Private capital upon retirement

Next to your retirement income, do you expect to receive any income from private capital when you retire, e.g. from a legacy?

- A. Yes, I expect to receive a private capital of more than € 250,000 when I retire.
- B. Yes, I expect to receive a private capital between € 50,000 and € 250,000 when I retire.
- C. No, I do not expect any to receive any income from private capital when I retire.

**Question 4** Your family situation (income partner)

If you have a partner, does he / she accrue pension too?

- A. Yes.
- B. No.
- C. I do not know.

### 2. Your factual knowledge of investments

**Question 1** If the market interest increases,...

- A. ... the value of bonds will decrease.
- B. ... the value of bonds will increase.
- C. ... this will not influence the value of bonds.

**Question 2** What is the correct order of expected long-term returns? From high to low:

- A. Developed market equities, emerging market equities, Dutch state bonds, High Yield corporate bonds.
- B. High Yield corporate bonds, Dutch state bonds, emerging market equities, developed market equities.
- C. Emerging market equities, developed market equities, High Yield corporate bonds, Dutch state bonds.

**Question 3** I can prevent my pension from becoming too dependent on the market interest rate by:

- A. Investing more in liquidities as my retirement date approaches.
- B. Investing more in long-term bonds as my retirement date approaches.
- C. Investing more in short-term bonds as my retirement date approaches.

**Question 4** I can spread my investment risk by:

- A. Investing in various investment categories.
- B. Also investing for other purposes, not only for my retirement.
- C. Asking my partner to invest as well.

### 3. Your investment experience

**Question 1** Which of the following statements best describes you:

- A. I do not have any experience with investments.
- B. I have experience with investment funds.
- C. I have a lot of investment experience. I have an investment account where I trade in individual shares.
- D. I have a lot of investment experience. I trade in individual shares as well as in other investment assets such as options, bonds, currencies or other financial instruments.

**Question 2** Have you followed a course where you gained experience in dealing with financial instruments?

- A. Yes.
- B. No.

### 4. Your risk appetite

**Question 1** Suppose the value of your pension investments suddenly drops enormously because of unexpected disappointing investment results. How would you react?

- A. It would cause me to have sleepless nights.
- B. It would be a pity, but I know it can happen.
- C. It would be a pity, but I would not lose any sleep over it.

**Question 2** When I play roulette in a casino,

- A. I always bet all my money on either red or black.
- B. I always bet all my money on zero.
- C. I always bet on various quadrants to spread the risk.

**Question 3** If you invest €1,000 now, which of the following scenario's would you find acceptable over 10 years?

- A. €1,628 (positive scenario) / €951 (negative scenario).
- B. €1,877 (positive scenario) / €860 (negative scenario).
- C. €2,061 (positive scenario) / €817 (negative scenario).
- D. €2,367 (positive scenario) / €776 (negative scenario).

# Score

## 1. Personal situation

Question 1 A: 0 points B: 5 points C: 10 points	Question 2 A: 0 points B: 3 points C: 5 points D: 10 points	Question 3 A: 10 points B: 5 points C: 0 points	Question 4 A: 10 points B: 5 points C: 0 points	You also get points for the following: 68 - your age = points  <b>(maximum of 35 points)</b>
Total number of points:				

## 2. Your factual knowledge of investments

Question 1 A: 5 points B: 0 points C: 0 points	Question 2 A: 0 points B: 0 points C: 5 points	Question 3 A: 0 points B: 5 points C: 0 points	Question 4 A: 5 points B: 0 points C: 0 points
Total number of points:			

## 3. Your investment experience

Question 1 A: 0 points B: 1 punt C: 3 points D: 5 points	Question 2 A: 5 points B: 0 points	
Total number of points:		

## 4. Your risk appetite

Question 1 A: 0 points B: 3 points C: 5 points	Question 2 A: 3 points B: 0 points C: 5 points	Question 3 A: 0 points B: 5 points C: 3 points D: 0 points
Total number of points:		

## Determination of your risk profile

Enter your scores from the previous page.

A. Score from 1. personal situation  points

B. Score from 2. Factual investment knowledge:  points

+

Score from 3. Experience:  points

+

Score from 4. Risk appetite:  points

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Total score from B:  points

Enter the scores from A and B in the following table to determine your risk profile (**encircle what is applicable**):

	Scores from B		
	0 – 16 points	17 – 33 points	More than 33 points
Scores from A			
More than 50 points	II	I	I
25 – 50 points	II	II	I

I	Offensive	100% in shares and	0% in bonds
II	Defensive	0% in shares and	100% in bonds

I have completed this form in a true manner.

Your initials and Last name:

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Date and Place:

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Signature:

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## ENCLOSURE III: EXPLANATORY NOTES

### **You determine yourself how the contribution is invested**

It depends on your investment profile how the contribution is invested. Below we describe the two investment profiles.

*Offensive:* this investor puts his money entirely on the possibility of share price gains if stock market prices are rising and is not interested in income and protection of the principal of his capital.

*Defensive:* this investor wants to protect the principal of his capital against drops in prices as much as possible. However, the principal guarantee applies on the maturity date of the respective fixed-income securities/bonds. Within this portfolio no protection is offered against any temporary fluctuations in exchange rates.

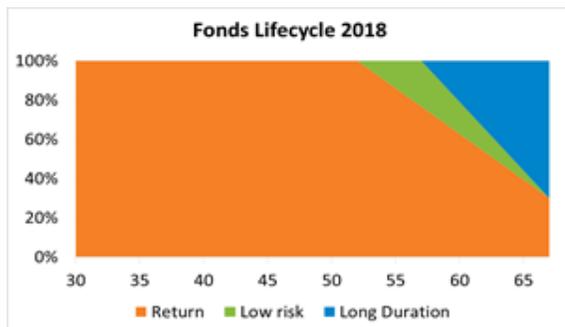
### **Your investment portfolio**

The above mentioned profile determines the composition of your investment portfolio, see table below.

Investment profile	% shares	% bonds	% savings balance
Offensive	100	0	0
Defensive	0	100	0



## Enclosure IV: Lifecycle 2018 Fund



- Return: the purpose of this portfolio is to generate returns for pension provisions with sufficient purchasing power (mainly shares).
- Low risk: portfolio in which the risk is decreased as the retirement date approaches (fixed-income securities: bonds and mortgages)
- Long duration: portfolio aimed at limiting the interest rate risk (long-term bonds)

### Lifecycle 2018 Fund:

- Start: 100% shares.
  - 15 yrs before retirement date: start decrease of return portfolio (shares)
  - 10 yrs before retirement date: start decrease of long-duration portfolio (long-term bonds)
- Retirement date: 30% shares and 70% fixed-income securities (bonds and mortgages)

### Background information:

#### Continue investing after your retirement date

Since 1 September, 2016 it is legally possible to continue investing (a part of) the DC capital as of the retirement date instead of having to convert the entire DC capital in a fixed pension benefit with APF. This is referred to as 'continue investing after your retirement date'. The non-converted capital remains invested and can make some extra profit. Your benefit from the remaining capital may become higher or lower, depending on the investment returns. If you chose this option, your pension benefit becomes variable. Please refer to the Defined Contributions brochure on [pensioenfondsapf.nl](http://pensioenfondsapf.nl) for more information on continue investing after your retirement date.

APF does not offer investment after retirement and will refer you to an insurance company on your retirement date if you decide to continue investing after your retirement date. There are risks involved with a variable pension benefit, which is why we suggest that you seek information about the pro's and con's from this benefit and discuss your choice with your financial intermediary before taking any final decision.