

KÅPAN

PENSIONER

Key factors

- Weak value development due to a sharp downturn in the global economy.
- Bonus rate of 0% decided for 2008.
- Reversal of previously allocated bonus by 8%.

Kåpan Pensioner has given you a good bonus rate during the period 2002 – 2008 compared with the alternatives in the PA 03 choice.

Your bonus rate after reversal and deduction for administrative expense

Kåpan Pensioner	33%
Average for electable alternatives	
– traditional pension insurance	19%
– average Swedish mutual funds	3%

Kåpan Pensioner charges by far the lowest cost for administration, 0.10% of your pension capital. Other traditional managers charge between 0.4% – 0.75%.

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Presenting Kåpan Pensioner

You are a member of the pension society called Kåpan pensioner försäkringsförening, (Pensions for Government Employees, Kåpan Pensioner). You became a member when you started a job that means you are included in the government employee pension agreements PA-91 and PA 03. Since the start in 1991, the society has managed defined contribution pensions linked to these agreements.

Our name, Kåpan, is a Swedish acronym that stands for complementary retirement pension which is also the family name of our various pension products.

Kåpan Pensioner is a mutual society where the return on savings is returned to you as a member in the form of a higher pension. Today the society has almost 600,000 members. Together, our members own all the assets in the operations; there is no owner looking for returns as in a limited company. This is why Kåpan Pensioner is not included in the information and statistics that cover life insurance and pension companies.

The society's Board is appointed by the Council of Administration. The parties in the public sector labour market who are responsible for the formation of the society appoint representatives to the Council of Administration. If you want to influence the development of the society, you can contact your local union representative.

We offer traditional pension insurance with a guaranteed growth in value at a low cost, which over time is expected to provide a good and stable return on your pension capital.

Kåpan Pensioner has engaged the National Government Employee Pensions Board (SPV) in order to ensure efficient customer service and low administrative expenses. This means that you as a member mainly have contact with the Kåpan section at SPV concerning your pension. You can reach them by telephone +46 60 18 75 85.

We have prepared this brochure so that you can find out more about us and your pension savings.

Additional information is available on our website www.kapan.se

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We manage your pension capital

The public sector pension agreements PA 03 and PA-91 give you an occupational pension over and above your national pension.

Under these agreements your employer pays pension premiums to Kåpan Pensioner on your behalf.

You can see which pensions you have and how much capital you have by looking at your pension statement.

Your pension with us is a defined contribution pension which means that you build up your own pension capital every year until you retire. The total payments made, together with the return we achieve on the capital, determines the size of your pension. This is different from a defined benefit pension – such as the old ITP Plan or the defined benefit component in the state pension agreements – where your pension is determined by your salary prior to retirement and the number of years you have worked.

Kåpan Retirement Pension – occupational pension you choose

If you are over 23 and are covered by the PA 03 pension agreement, you will start earning a retirement pension where you can choose the type of pension insurance – traditional with a guaranteed rate or unit linked where you yourself take the risk. You can also choose who manages your pension. You are free to choose Kåpan Pensioner's traditional insurance, but we also manage your pension if you do not make an active choice. The premium is 2.3% of your gross salary. Your pension will be paid from the day you retire and will be paid for life.

Kåpan Tjänste – complementary occupational pension

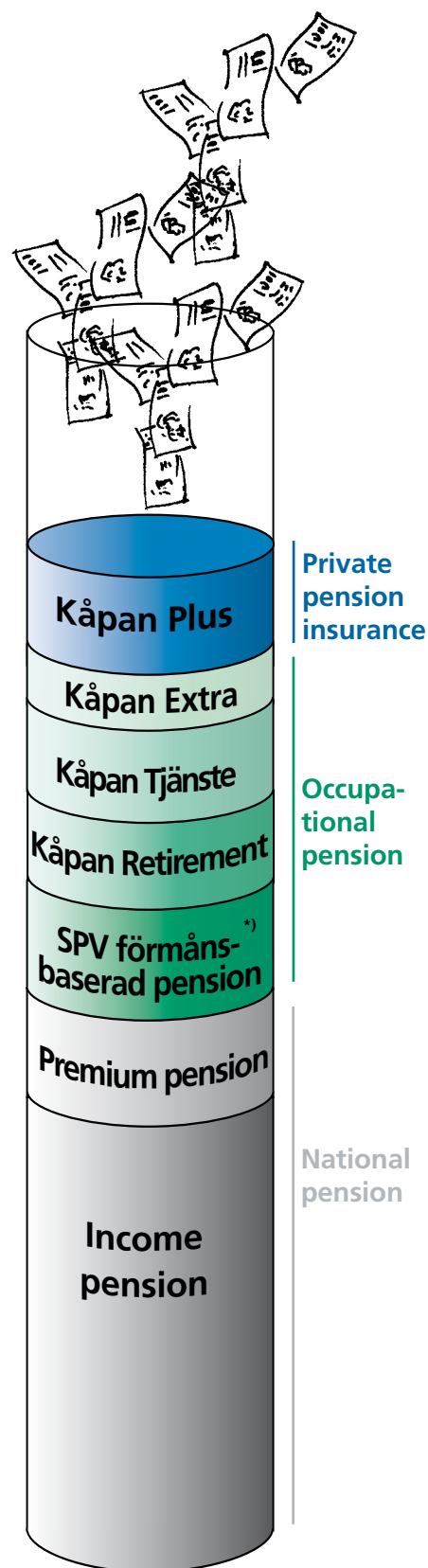
For employees who have reached the age of 23, the employer pays premiums to Kåpan Tjänste each month. According to PA 03 the premium is 2.0% of gross salary. Under the PA-91 pension agreement the premium is 1.7% of gross salary. Kåpan Tjänste pension is normally paid over a period of five years but you can change this if you would like your pension paid for longer at a lower amount.

Kåpan Extra – locally agreed occupational pension

Your employer and the union organisations can sign local collective agreements on additional pension provisions in the form of Kåpan Extra for employees over the age of 18. The size of the premium is set in the agreement. Agreements can be signed for an entire authority, for sections of personnel or for an individual employee.

Kåpan Plus – your own choice for private pension savings

Everyone who is at least 18 and is or has been a government employee or receives a statement from Kåpan Pensioner can save in the private pension insurance Kåpan Plus. This is the only pension form where you yourself decide how much you wish to save!



^{*)} Your state occupational pension also includes a defined benefit component. You can obtain information about this from the National Government Employee Pensions Board (SPV).

Pensionsbesked per 2008-12-31

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Demovägen 1
111 22 DEMOBORG

Försäkringens värde 2008-12-31

Värde är inbetalda premier, nettoavkastning inklusive återbäring.

Försäkring	Värde	varav garanterat värde
Kåpan Tjänste	67 656	61 509
Kåpan Extra, med återbetalningsskydd	1 970	1 879
Kåpan Ålderspension, med återbetalningsskydd	25 849	22 040
Kåpan Plus, med återbetalningsskydd	110 624	105 117
Kåpan ITPK-P med återbetalningsskydd	21 051	21 051
Totalt värde	227 150	211 596

Inbetalda premier

Försäkring	Under 2008	T.o.m. 2008-12-31
Kåpan Tjänste	4 011	44 813
Kåpan Extra, med återbetalningsskydd	468	1 973
Kåpan Ålderspension, med återbetalningsskydd	13 077	25 783
Kåpan Plus, med återbetalningsskydd	3 600	79 600
Kåpan ITPK-P med återbetalningsskydd	4 063	23 663
Totalt inbetalt	25 219	175 832

Förväntad pensionsutbetalning per månad

Prognos beräknad på värdet av försäkringen enligt ovan och en antagen framtida återbäring på 5 %:

Försäkring	Fr.o.m. ålder	Period	Per månad
Kåpan Tjänste	65 år	5 år	1 732
Kåpan Extra, med återbetalningsskydd	65 år	5 år	50
Kåpan Ålderspension, med återbetalningsskydd	65 år	livsvarig	165
Kåpan Plus, med återbetalningsskydd	65 år	5 år	2 787
Kåpan ITPK-P med återbetalningsskydd	65 år	5 år	568
Totalt			5 302

Din pension från Kåpan

Utvecklingen av värdet på ditt pensionskapital är beroende av återbäringsräntan. Så här har återbäringsräntan för Kåpan varit de senaste åren:

År	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Ränta	0,0 %	5,0 %	10,0 %	10,0 %	5,0 %	3,5 %	1,0 %	4,0 %	6,0 %	14,0 %

Din pension förvaltas av Kåpan pensioner försäkringsförening. Vill du fråga om Kåpanpensionerna eller göra egna pensionskalkyler? Kontakta Kåpans kundtjänst hos SPV, telefon 060-18 75 85, fax 060-18 77 47, e-post: kapan@spv.se, webbplats: www.spv.se eller via brev: Jägargatan 1, 851 90 Sundsvall

How to read your pension statement

- 1** The name of the **pension product** you have with us. A brief description of each product is provided on the previous pages.

The insurance is shown with or without repayment cover

Repayment cover means that the pension capital accrues to your next of kin in the event of your death. If you have a pension without repayment cover, your pension will be slightly higher since you will receive a part of the surplus that arises as a result of assumptions on the anticipated longevity of the insurance collective, but if you die your capital stays in the society and creates a so-called inheritance gain.
- 2** **The insurance value** at the end of the year consists of paid-in premiums plus return minus expenses and taxes.

Return consists of the guaranteed rate combined with the bonus rate which is decided annually. Before the return is included in your insurance value, deduction must be made for costs and policyholder tax. It is the net rate that remains that is added to your insurance.

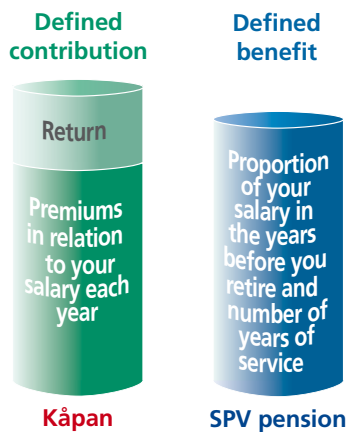
Policyholder tax is the same for all pension savers and is 15% of the government lending rate, i.e. approximately 0.6% of your pension capital.

Your costs when you save with Kåpan Pensioner are low. We take out an annual charge of 0.10% of your pension capital and a lump sum of 0.75% of paid-in premiums. The low costs are a major advantage for you since they mean there is more money for your pension when the time comes for it to be paid.
- 3** **The guaranteed value of the insurance** at year-end consists of paid-in premiums and guaranteed rate minus expenses and taxes. The difference between the insurance value and the guaranteed value is the size of the bonus funds earmarked for you. The bonus funds are your risk capital in the society since they can be taken back if the return on the assets is low.
- 4** **The total amount of premium** payments during the year. Kåpan Plus you have paid in yourself, while other premiums have been paid by your employer.
- 5** **The total amount of premium payments**, both this year and in previous years. The amounts at items 4 and 5 do not include a guaranteed rate and bonus or deduction for taxes and management charges, but only a summation of payments made.
- 6** **The pension payment you are expected to receive per month** is calculated by the value of the insurance indexed with an assumed bonus rate of 5% for every year until retirement date. The calculation is based solely on premium payments so far. Your pension per month has been calculated on the basis of this forecast value. The assumption of a bonus of 5% per year is not a guarantee. It is an estimated level of anticipated future return.
- 7** **The retirement age** on which the calculations are based. Normal retirement age is 65 but you can choose to start withdrawing pension at a different age. If you want to change your withdrawal age, please telephone us on 060-18 75 85 or download a form at www.spv.se.
- 8** **The period** during which your pension will be paid. For Kåpan Tjänste, Extra and Plus the normal period is 5 years. Other withdrawal periods may be chosen. If you want to change, please telephone us on 060-18 75 85

Saving with Kåpan – return with a low risk

We want you as a member and saver with Kåpan to feel that your capital is in safe hands and will be managed in the best way until it is time for you to retire. So we would like to explain a little about what happens to your money when you save with us.

Your pension is determined in different ways



A defined contribution pension – gives you all the growth in value

Your pension with us is a defined contribution pension which means that your employer, or you yourself for Kåpan Plus, pays in premiums for your Kåpan pension. The employer pays a charge in addition to your monthly salary, monthly salary after which the money is invested with us in your name.

The size of your pension is determined by your total premium payments and the size of the return on your pension capital with the society. You will receive the entire return in the form of a higher pension. This is different from a defined benefit pension which is determined on the basis of your salary before you retire. The difference means that the employer in a defined benefit system receives the surplus created on the managed pension capital but also bears the risk in the event of a deficit.

With a guaranteed rate – to reduce the risk

Your pension from Kåpan is a traditional pension insurance. This means that every year you receive a guaranteed interest rate on the money you pay in.

The guaranteed interest rate that applies when the payment is made is what you receive on that money until you retire. Your savings capital can therefore never decrease in value but constantly increases in value by at least the average guaranteed rate.

The guaranteed rate means that we who manage your capital must constantly weigh the risk of the capital decreasing in value against the aim of creating a high return. If you compare this with a unit linked pension insurance, you risk your entire pension capital in such an insurance which can give you a higher return but can also reduce the value of your capital and give you a lower pension.

Your savings carry different risks



¹⁾ Your risk capital is the bonus you have received over the years in addition to the guaranteed return.

²⁾ In a unit linked insurance you risk all your capital.

A weak value development during the year

Throughout the year you also receive interest that is calculated on your entire saved capital. This is called the bonus rate. For 2008 you will receive a bonus rate of 0%. At year-end the total pension capital (including bonus rate) exceeded the society's assets. The Board therefore decided on a reversal of previously allocated bonus of 8%. The reversal of previously allocated surplus naturally does not affect your guaranteed pension capital.

What return will you receive on your capital?

We whose job is to manage your money have many years of experience of asset management. Our aim is to give you • a good long-term return on your savings capital. It is also important that we keep costs at as low a level as possible.

The net return determines your pension

The return you receive is usually referred to as a bonus rate before deduction for administrative expenses and policyholder tax. Policyholder tax is a standard tax which is the same for all pension savers regardless of the return on your capital.

You who save with Kåpan Pensioner do so at very low costs compared with pensions companies and mutual funds.

Since pension savings are long-term even small differences in costs can be highly significant for your future pension. If you compare our cost of 0.1% of assets under management with an alternative that has total costs of approximately 1%, this means that your pension if you are 45 today will be approximately 15% higher from us, all other things being equal.

Our aim is stable long-term returns

Managing assets well is all about finding a balance between risk taking and anticipated return. We invest some of your capital in fixed-income securities since these are expected to provide a stable value development over time and we have promised you a guaranteed return.

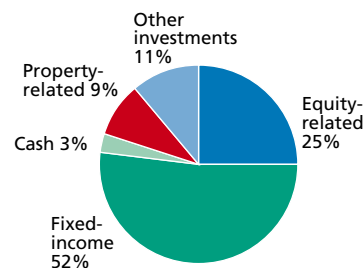
Normally we invest just over one-third of the capital in equities which is a more risky investment but which can also provide a higher return. We also invest in properties and other assets in order to complement the inherent risk in interest rate and share price trends. The aim is to achieve a good balance between risk and return by investing in a range of asset classes and give you a good long-term return.

Balanced funding ratio

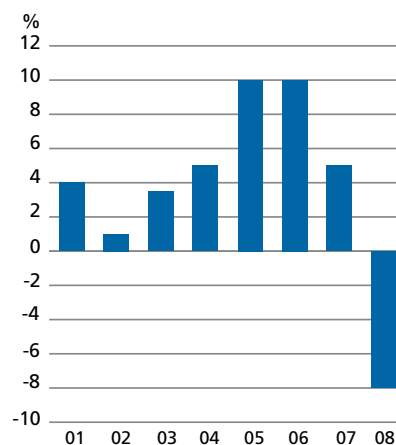
Kåpan Pensioner is subject to the rules in the EU's occupational pensions directive. The directive is based on the society's obligations being market valued on a regular basis. The society's obligations are the guaranteed pensions that we must pay over the next 60 years. The lower level of market interest rates has resulted in the obligations rising sharply in value which has reduced the society's equity. The size of the equity in the society therefore varies sharply depending on the level of market interest rate applying at the time.

The factor that determines the bonus rate we can give you is the society's funding ratio. This is the society's assets in relation to all the members' pension capital including bonus. Following the decision taken during the year to reverse a bonus rate, the society has a funding ratio of 100% which is a balanced level.

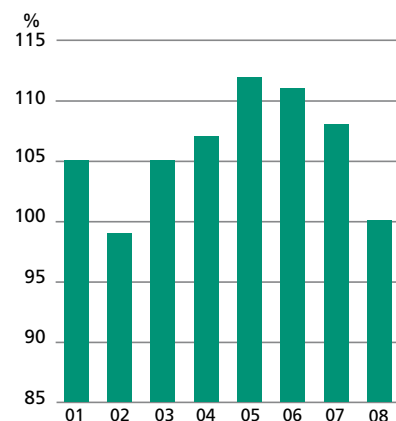
Breakdown of society's assets, 31 December 2007



Bonus rate including current reversal



Funding ratio



Like to know more about your Kåpan pension?

We wish to continue to keep our costs low. So this brochure is all you will receive from us in your letter-box for a while. Instead, you are welcome to visit our website www.kapan.se.

Here you will find more information about your Kåpan pension. You can also read more about us as an organisation and obtain answers to many other questions relating to your pension savings.

If you have any further questions or would like a personal estimate for a Kåpan Plus pension, please call the Kåpan section +46 60 18 75 85, or send an e-mail to kapan@spv.se.

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Pensions for Government Employees