

PREVEDI

Country	Italy
Name of Organization	Prevedi
Main activity	Pensions



General Information

Presentation

Prevedi is a non -profit organization established by a collective agreement between the Organization of the National Trade Unions (Feneal - UIL Filca - CISL and Fillea - CGIL) and the Association of National Employers' (ANCE ANAEPA - Confartigianato, ANSE - ASSOEDILI - CNA, FIAE -CASA, CLAAI) of the construction industry.

Prevedi has been solely designated to provide benefits for the workers of the building industry associated with a supplementary pension.

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Organization

- **The Assembly of Delegates**

It is the greatest body of the association and deliberates on the management of the Pension Fund, it is composed of sixty members delegated to represent equally all companies and all workers members of the Fund. Once elected, the Assembly shall hold office for four years.

In particular, Article 16 of the Statute provides the main responsibilities to the Assembly, such as the election of the members of the administrative board as well as the supervisory council, approval of the balance sheet of the pension fund.

- **The Board of Directors**

It consists of 18 members elected by the delegates to ensure the equal representation of workers and employers for the management of the Pension Fund. Members of the Board

must meet certain standards of integrity and professionalism required by the provisions in force, and shall hold office for three years and cannot be re-elected more than twice.

The main responsibilities of the board are the election of the president and vice president, the identification of the address for the organization and management of the fund, the approval of the annual financial statements and its submission to the Assembly, communication campaigns to members, selection of the managers of the fund assets, and conclusions regarding agreements and evaluation of results of the management.

- **The Board of Auditors**

The Board of Auditors is composed of four members elected by the Assembly of Delegates in accordance with the principle of equal representation of businesses and workers associated with the Fund. The members of the Board of Auditors must meet certain standards of integrity and professionalism required by the provisions in force, and shall hold office for three years and cannot be re-elected more than twice.

The Board of Auditors monitors the administration of the Fund, monitors compliance with law and the Charter, the principles of proper administration and in particular the organizational, administrative and accounting procedures adopted by the Fund and its actual operation. The Board of Auditors shall also carry out the audit, ensuring the proper use of accounts and correspondence of the budget, records and giving in a special report, an opinion on these financial statements.

Regulatory framework

- Supervision commission of Pension Funds (COVIP)
- Decree no. 252, December 5, 2005 (entitled "Regulation of complementary pension schemes», replacing the previous Decree. 124, 1993)

Benefits

- **Retirement**

The Prevedi Pension Fund operates under the policy of individual capitalization, which provides that the insurance status, made up by contributions during working life and the returns produced by the Pension Fund are used for the service of benefits intended exclusively to the beneficiaries (or in case of death, his/her heirs). Building up a supplementary pension through Prevedi for many reasons:

- a) **The “Business” contribution of 1% on wages** is added by the employer to the remuneration of workers enrolled in the Fund (as required by the National Collective Labour), assuming, for example, a gross annual income of € 20,000 The contribution company's amounted to €200 per year;
- b) **Tax deductions:** the contributions paid by the employee and the employer, are deductible from taxable income of the member. The tax deductions for the member enrolled in the Fund consists of a percentage of the income equal to the sum of the marginal tax rate (i.e.: the highest applicable to the employee) of income tax and any additional regional and municipal levels.
- c) **The representation of members:** the Fund is an association (non-profit) has a legal personality under Article 4 co.1 of Legislative Decree no. 252 / '05. It follows that the workers

enrolled (and their employers) are members of the pension fund, and elect their representatives on the governing body membership of the Fund: the Assembly of Delegates.

d) **The cost of the membership:** Prevedi as a non -profit organization requires an annual membership fee, which is deducted from the contributions of members, amount very low (18 Euros for 2007). All revenue from dues paid by members is perceived as extra after the coverage of administrative and operation costs of the Fund and shall be returned to the same members distributing on their individual pension.

e) **The compensation provided by Edilcard:** For workers enrolled in the pension fund, compensations paid by Edilcard in reimbursement of medical expenses and illness/injury are doubled.

- The compensation from Edilcard per employee without writing to Prevedi ranges from a minimum of €1,000 to a maximum of €5,000

- The compensation from Edilcard per employee with writing to Prevedi ranges from a minimum of €2,000 to a maximum of €10,000.

f) **Asset management:** contributions to the Fund are invested by professional pension fund managers, according to the criteria and limits set by the existing legislation to protect the members of the fund. Financial managers are selected by the Board of Directors of the Fund through appropriate public tenders, carried out in accordance with the procedures established by Legislative Decree no. 252/05 and the Commission of Supervision of the Pension Funds (Covip). In order to participate in these tenders, the candidate companies for the assets management must meet certain requirements of the provisions in force and properly integrated by the Board of Directors. After selecting the assets managers, the Pension Fund is required to set agreements based on models provided by the Covip, which include policy and investment strategies of resources, the performance goals to be pursued, the risk limits and details of the operational constraints that operators must comply.

Employee Group Covered

- The workers, employees and managers to which applies the National Collective Labour Agreement of the "**Construction -industry**" (signed by Feneal - UIL Filca - CISL, CGIL with Fillea - ANCE on January 29th 2000) and another collective agreement for the craft industry (signed by Feneal - UIL Filca - CISL, CGIL Fillea - with - ANAEPA CONFARTIGIANATO , ANSE - CNA - CNA ASSOEDILI , FIAE - CASARTIGIANI , on 1 June 2000) ;
- Employees of unions and employers, national and local signatories of national collective employment agreements in the immediately preceding subparagraph;
- Employees of joint bodies of the construction industry;
- Pension Fund staff on permanent contracts who have passed the probation period

Eligibility

All permanent employees mentioned after the probation period.

Cost Sharing

Shared costs required by plan rules

Employee contributions

Employee contributes at the minimum 1% of the gross salary taken into account for the

calculation of the severance pay

Employer contributions

Minimum contribution payable by the employer is equal to 1% of the worker's salary required for the calculation of severance pay.

Financing

Investment manager

Information

- Through the website where different types of documentation are fully provided from the enrolment to the request for transfer of the pension, request for payment of the pension (annuity), for early retirement, request to increase the rate of the severance pay intended to regulation, information regarding the contribution deductions, etc.
- Through the social partners
- Members receive annual statements regarding their pension level and rights.