

Minutes of Ad-Hoc Team meeting - May 11th 2016

Present: Pierre Chaigneau, Peter Vine, Denis Hill, Peter Taylor, Lars Gellerstad, Hans Ackermann, Georges Darrer, Ed Peter

The meeting design involved the following subjects:

- **Thoughts about what the likely future of our DISA Pension Fund will be,**
- **Communication with DISA Pensioners and with DISA management.**
- **Formation of a DISA Pensioners Association.**
- **TPG/RAP**

Future of the Fund: We discussed whether it would be likely that the fund could be transferred to an insurance company. This seems unlikely at this point as it is estimated that DuPont would have to pay around 300 million to an insurance co. to get them to take over the obligations.

The fund is indeed a closed fund and it is likely that the merger and ensuing 3-way split will involve partial liquidations (like with Chemours) as active participants will be assigned. The underlying obligation to serve the beneficiaries the benefits they have accrued will in any case subsist and the responsibility of the founder will follow on to whichever company it is finally assigned to. That responsibility includes importantly the obligation to ensure the full funding to cover all obligations.

We explained to our team members that the contact team (Pierre, Denis, Georges) had given a copy of the Benito Cachinero-Sanchez letter to our contacts in February 2016 asking them to consider sending out a similar letter to pensioners.

Swiss law is very specific about how pension funds are managed and how beneficiaries are covered and also what obligations the founder (DISA) has. Swiss law does not allow pensioners to be represented on the pension board. We consider that our contact team has achieved a good degree of trust and frank exchange with the DISA Pension Fund representatives and we wish to keep this channel open and working.

It seems clear that our interaction with DISA has two main directions and we should probably try to set up our meetings accordingly. The first and main subject is the health of the fund. The second one concerns those items that have an impact on pensioners but that are specific to the DISA/retiree relation and is outside the frame of the LPP law, i.e. the TPG/RAP program and the extension of GEM rates to pensioners for health insurance. In both these cases the Pension Fund representatives have no real leverage.

Communications: It is obvious that there is a lot of concern, justified or not within the retiree community. Our main tools are newsletters (e-mailed) and our website. We also realize that some communications must come for DISA/Pension Fund directly, such as a letter similar to the one sent to US pensioners. Our role should be more on the “educational” side, providing interpretation and explanations of complex or legal matters as well as providing a place for people to ask questions or make comments.

We will update the Facts Sheet on the website and we send explanatory newsletters to our community explaining each topic simply and separately, while referring to the more inclusive explanations for those interested. (Action: Georges)

We have limited access to pensioners since we are not allowed to obtain a list of addresses directly from Aon, but we will push for a flyer to be added to the 2015 pension report that Aon will send out later this year.

Formation of the DISA Pensioners association. We reviewed whether the creation of an association would have negative impacts on our communication link with DISA. We agreed that we are considered 'de facto' as representatives of a part of the pensioners and think that the creation of the association will not have a negative impact.

The team agreed that we should immediately proceed with this. The creation of an association is based on a set of statutes, 3-4 initial members and can be created by those members at an initial General Assembly. There is no need to register the association, its statutes suffice. We did this today and we will finalize the proposed statutes, have them signed by the team and announce this fact to all our contacts, requesting them to pass this information around in their community to help widen our membership. We will plan a general assembly later this year to start the cycle (normally general assemblies have to be conducted every year)

We have agreed that the yearly membership would be 30.- CHF and Hans will provide Georges with the necessary bank references for these to be sent to our potential new members. (Action Hans, Pierre, Georges & Ed)

TPG/RAP: Denis has been very active with this subject over time and has stepped up his activity in line with the new focus on the subject within DuPont. In his discussions he has uncovered items that need to be interpreted and eventually corrected. He will seek out an actuary to help him zero in on these items and provide some support for his claims. We also discussed the issue raised by Ursus Jaeggi, who is being asked to refund apparently excess TPG corrections he has received in the past. We disagree with this point of view as this program was not run professionally in the past and such errors, if they occurred, should be ignored (Action: Denis)

We ended that meeting by deciding to write to our contacts in DISA, following up on our request for a reassurance letter and announcing the creation of the association. (Action: Pierre)