

VI. NETHERLANDS – INSIGHTS FROM BUSINESS (INTERVIEWS)

STEF DAMEN – PROLOGIS

ROELOF GOUDSWAARD – PGGM

*HOSTED BY KEITH O'DONNELL & RUTGER
HAFKENSCHIED*

Taxand Real Estate Tax Seminar
> Dealing with distress and recovery from the downturn



“Dealing with Distress and Recovery from the Downturn”

*Insights from Institutional Investors –
the pension fund perspective*

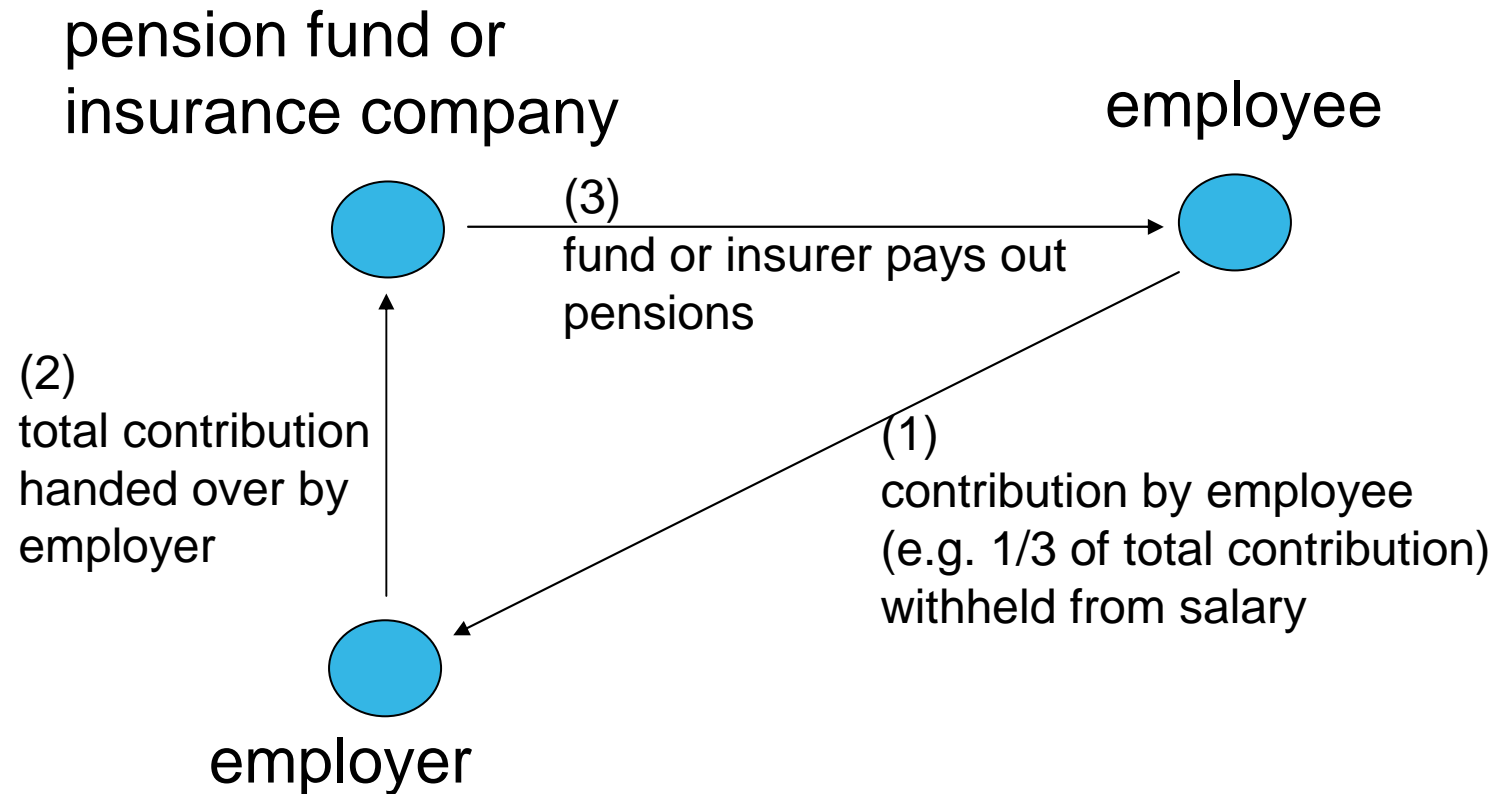
Roelof Goudswaard

2 February 2010

*Director Tax & Legal Affairs - PGGM NV
Chief Editor Dutch Journal for Compliance (“TvCo”)*



Pensionfundast 1.01 - Follow the money...



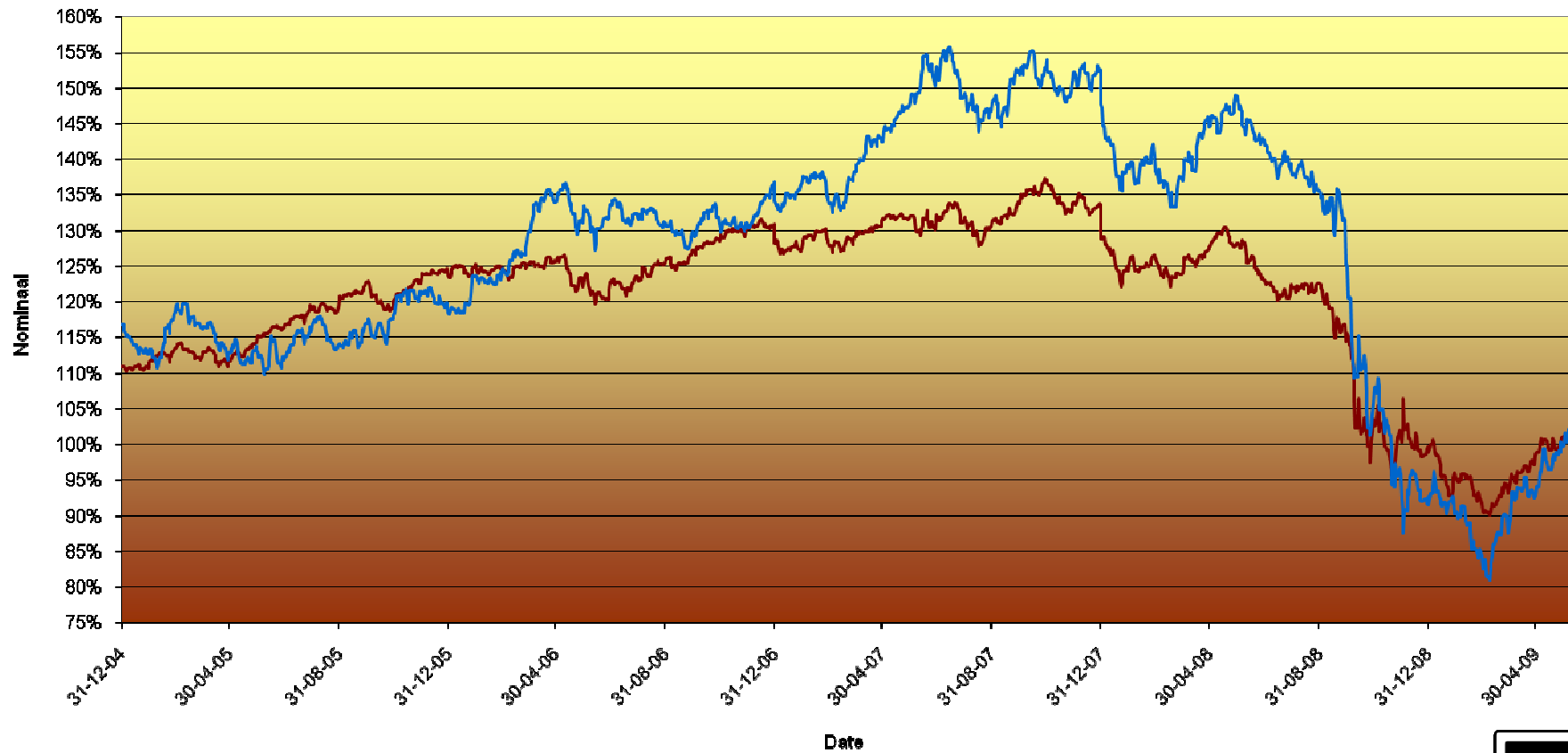
Assets and Technical Provisions

- I. Impact “New Financial Framework” effective 1/1/2007
- II. Indexation-ambitions, translated into ALM and SIM
- III. Prudent Person Principle laid down in EU IORP Directive
- IV. Responsibility for strategic policy *as well as* translation into tactical decision making process
- V. Regulator’s (“DCB”) report on PF’s investments in Real Estate (Funds) (also: *Alternatives, Private Equity*)



Impact of NEE on coverage ratios

Coverage ratio plotted by using Real Interest Rates (blue) vs. Fixed Rate of 4% (red)



I. Corporate Governance Codes (Tabaksblat / Frijns / Streppel)

II. Pension Fund Governance - different animal?

III. SRI & PRI requirements for fund investments?



IV. Compliance issues

I. “Declaration of investments beliefs”

II. Responsible Investment policies

III. Transparency initiatives

IV. Exclusion lists

V. Class Actions



Legal developments: mounting pressures...

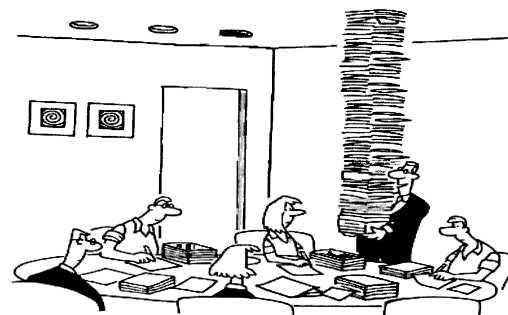
Management incentives

- Alignment / Conflict of Interest
- Key Man clause



Management Fees

- *The management fee is afloat but should be too*



keep the manager manager to walk away

Governance

- Side letters?