

CONVITUS



PERSONALVORSORGE
MASSGESCHNEIDERT

PENSION FUND RULES

effective from 1st January 2025

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I. Glossary of Terms

OASI	Federal 'Retirement and Survivors' Insurance'
Appendix 1	Appendix 1 to the pension fund rules: Appendix 1 defines the pension plan of the pension fund (benefits and financing plan)
Employer	Employers joining the Foundation to provide occupational pension benefits for their workforces or as self-employed persons
Employees	Are under a contract of employment with an employer
Eligible spouse	Divorced spouse or former partner who is entitled to a benefit from pension compensation in the event of divorce or termination of the registered partnership
Professional Association	Professional association of self-employed persons without a workforce—a pension solution created on the basis of a written agreement with the Foundation, is provided
BVG	Swiss Federal Legislation on Occupational Retirement, Survivors' and Disability Pension Stipulations of 25 th June 1982
BVG age	Difference between current calendar year and year of birth
BVG retirement savings capital	The BVG retirement savings capital corresponds to the legally required minimum according to Swiss Federal legislation
BVV2	Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans of 18 th April 1984
BVV3	Ordinance on Tax Deduction for Contributions to Recognized Pension Plans of 13 th November 1985
Delegate	An employee and a representative of the employer of each pension fund is elected by the Pension Fund Commission of the Pension Fund to serve on the Foundation Board
General meeting of the delegates	Meetings of the delegates for the periodic election of Foundation Board members, unless elections are conducted by circular.
Beneficiaries	Persons insured by the Foundation

Registered partnership	Persons with the civil status "in a registered partnership", according to Swiss Federal legislation on the registered partnership of same-sex couples of 18 th June 2004, are treated as spouses
FZG	Swiss Federal Legislation on the Vested Benefits in Occupational Retirement, Survivors and Disability Pension Plans from 17 th December 1994
FZV	Swiss Federal Legislative Ordinance on the Vested Benefits in Occupational Retirement, Survivors and Disability Pension Plans from 3 rd October 1994
Terms and conditions of business	Business regulations for the pension fund commissions
Hypothetical Termination Benefits	Passive retirement savings capital, which the Foundation continues to provide for the recipient of disability benefits within the scope of their disability
DI	Swiss Federal Disability Insurance
IVG	Swiss Federal Law governing invalidity insurance from 19 th June 1959
Coordination deduction	Deduction from annual wages and/or annual income to take into account the benefits provided by (state) social insurance
MVG	Swiss Federal Legislation on Military Insurance from 19 th June 1992
Organisational rules and regulations	Organisational and Management Regulations of the Foundation
PartG	Swiss Federal Partnership Legislation from 18 th June 2004
Assets pool	Open or closed pool (separate account)
Self-employed	Self-employed persons who join the Foundation to provide for occupational pension benefits. The only criterion required by the Foundation is the OASI legal qualification as a self-employed person
Foundation	CONVITUS Collective Foundation, Basel, Switzerland
The Foundation Board	Supreme body of the Foundation, which is composed in parity
UVG	Swiss Federal Legislation on Accident Insurance of 20 th March 1981
Insured person	Employees or self-employed persons admitted to the Foundation

Insured salary	Insurance contributions and insured benefits are calculated on the basis of the annual salary, wage or income, less a coordination deduction from the insured income
Pension Fund Commission	The management organ of the pension fund
Pension fund	'Pension fund' for the associated employer within the Foundation, which forms its own administrative unit
WEF	Enablement of home ownership
WEFV	Ordinance on the Enablement of Home Ownership by means of Occupational Pension Plans from 3 rd October 1994
ZGB	Swiss Civil Code of 10 th December 1907

Persons with the civil status "in a registered partnership" are treated equally as spouses. This refers, among other things, to survivors, pension compensation when dissolving a partnership, as well as the requirement of approval of a cash pay-out of benefits and the pledging of retirement savings capital for the purposes of financing home ownership.

The language of the pension fund rules is intended to be 'gender neutral'. In all cases, references to males should also be read as including female insured persons.

II. General Information

Art. 1 Aim of the Foundation

- ¹ The Foundation has the purpose of implementing the obligatory and continuing occupational pension provision within the scope of the Swiss federal BVG legislation and its implementation rules.
- ² Self-employed persons and their workforces can be accepted. Self-employed persons without workforce can only be accepted into the Foundation if their professional association has agreed a pension solution with the Foundation.
- ³ The Foundation will pay at least the benefits according to the BVG legislation in every case. It can provide proof of performance at any time by carrying out a shadow calculation according to the legal requirements for each insured person and each pension recipient.

Art. 2 Registration and Supervision

The Foundation is recorded in the Register for Occupational Pension Schemes, with the responsible state supervisory authority and is subject to statutory supervision.

Art. 3 Insured Persons

3.1 Inclusion in the Pension Plan

- ¹ Employees, who have reached 17 years of age, but have not yet reached retirement age, according to Art. 21, Para. 1., and whose anticipated annual OASI contribution salaries exceed the minimum income amount, under Art. 2 and 7 BVG, are compulsorily insured against the risks of death and disability. As of 1st January, after reaching 24 years of age, they are also accepted into the pension fund. The Foundation reserves the right to use any divergent stipulations in the pension plan (Appendix 1). Acceptance commences at the date of inception of the contract of employment, but at the earliest on 1st January after reaching 17 years of age.
- ² Self-employed persons with a workforce who are voluntarily under the jurisdiction of the Swiss Federal BVG legislation can also be accepted into the Foundation together with their workforce. Self-employed persons without workforce who are members of a professional association that has agreed a pension solution with the Foundation can also be accepted into the Foundation.
- ³ Voluntary insurance, contracted under Para. 2, commences on the agreed acceptance date, but at the earliest on the first day of the month following receipt of the fully completed application by the Foundation; nevertheless, it is subject to Para. 4.
- ⁴ Acceptance into the Foundation for continued pension provision and/or for the insurance of benefit increases for benefits under the continued

insurance cover and only becomes valid after a confirmation is issued by the Foundation.

- ⁵ Insured persons with birth defects or insured persons who became disabled as a minor (see Art. 18, letters b and c of the Swiss Federal BVG legislation and Art. 23, letters b and c of the aforementioned BVG), will only be insured for survivor and disability benefits under the BVG regime.

3.2 Exceptions

- ¹ The following are not insured:

- a) employees who are at least 70% disabled as defined in DI, as well as employees who are provisionally insured with another pension scheme under Art. 26a of the BVG legislation;
 - b) employees who were partially disabled at the time of their acceptance within the meaning of the Swiss Federal Legislation on Disability Insurance (DI legislation) are included in the insurance insofar as their OASI amount of annual salary exceeds the minimum wage in accordance with Art. 7, Para. 1 of the Swiss Federal BVG legislation. This limit will be reduced accordingly by the sum of the partial pension entitlement. This reduction applies mutatis mutandis to persons during continued insurance under Art. 26a of the BVG legislation;
 - c) employees with a fixed-term employment contract of a maximum of three months. When a contract of employment is extended for more than three months, the obligation to provide security commences on the date when the extension was agreed. If several consecutive positions with the same employer last longer than a total of three months, and no interruption exceeds three months, the employee is insured from the beginning of the fourth month of employment. However, if it is agreed before commencing work that the total length of employment is to exceed three months, the employee will be insured from the start of the contract of employment;
 - d) employees who do not work or are not expected to work permanently in Switzerland, and who are sufficiently insured abroad, when they submit an application for exemption to the Foundation.
 - e) Employees who have reached retirement age (according to Art. 21, Para. 1) and who, to date, have not been entitled to pension insurance in the Foundation as employees
- ² The Foundation does not provide voluntary insurance for employees who work for several employers at the same time, pursuant to Art. 46 of the Swiss Federal BVG legislation.

Art. 4 Medical Certificate

- ¹ The Foundation can request a medical examination for new applicants, as well as in the case of applications for increased provision of death and disability benefit cover.
- ² The person to be insured should answer questions concerning his or her state of health comprehensively and truthfully. The Foundation is

entitled to request that a medical examination be undertaken, at a person's own expense.

- 3 Without written confirmation of admission from the Foundation, benefits are limited to the statutory minimum according to the BVG legislation. The Foundation can, at any time, reject an application from any voluntarily insured self-employed person for an increase in benefits.
- 4 The Foundation can make a limiting condition of five years cover for the risks of death and disability from the date of acceptance and/or from the date of an increase in benefits. The benefits protection yielded by the termination benefits may not be reduced by any reservation on health grounds unless such is already subject to another form of reservation. In this case, the already expired time of the reservation should be taken into consideration.
- 5 For the whole period of entitlement, the Foundation provides only the minimum legal benefits, if the medical conditions subject to the restriction cause death or inability to work, requiring the Foundation to provide death or disability benefits.
- 6 In cases of insurance for self-employed persons, the death and disability risk can be postponed on health grounds for three years at the most. Any such postponement is, however, not permissible if a self-employed person has been obligatorily insured for at least six months and then applies for voluntary insurance cover within the subsequent twelve months.
- 7 The insured person will be informed of any reservation after all the documents necessary for the decision of the acceptance examination have been made available.
- 8 If the insured person does not disclose pre-existing health impairments (breach of notification duty) or if false information is given during the health check, death or disability benefits could be reduced to the statutory minimum within 6 months of the Foundation becoming aware of the breach of the notification duty.

Art. 5 Start and End of the Obligation to Provide Security

5.1 Inclusion in the Insurance Plan

Acceptance commences at the date of inception of the contract of employment, but at the earliest on 1st January after reaching 17 years of age. These stipulations remain reserved according to Art. 3.1, as well as any divergent stipulations in the pension plan (Appendix 1).

5.2 Start and End of the Insurance Obligation

The insurance obligation ends when:

- a) entitlement to retirement benefits begins;
- b) the contract of employment is terminated; Art. 7 of these present pension plan rules remains reserved;
- c) the minimum salary has fallen short according to the pension plan (Appendix 1).

5.3 Unpaid Leave

- ¹ In the event of unpaid leave of up to one month, the insurance will continue to the previous extent, as stipulated in the pension fund rules. There is no obligation to inform the Foundation.
- ² The duration of any unpaid leave of more than one month should be reported to the Foundation.
- ³ A continuation of the insurance for a period of unpaid leave can only take place with the consent of the employer. The insurance will continue according to the agreement between the employer and the employee. The financing of the contributions and the extent of the insurance cover are regulated according to the pension plan (Appendix 1).
- ⁴ The maximum duration of unpaid leave is six months, subject to any divergent conditions in the pension plan (Appendix 1).
- ⁵ Insurance can only be continued if the insured person has extended non-occupational accident insurance under Art. 3, Para. 3 of the Swiss Federal UVG legislation by appropriate agreement.
- ⁶ The insured person can request that the insurance be suspended for the duration of the unpaid leave. The Foundation should be informed of such a suspension before the unpaid leave commences.

5.4 Follow-up Cover

- ¹ The insured person remains insured for one month after the termination of the pension relationship in the event of disability or death, and for a maximum period until the beginning of a new pension plan.
- ² If the degree of disability of a recipient of disability benefits increases after the end of the additional coverage period for the same reason, the disability benefits are only increased within the framework of the statutory minimum benefits.

Art. 6 Insured Salary

6.1 Eligible annual salary

- ¹ Eligible salary generally corresponds to the annual salary subject to the OASI obligatory contribution income or OASI income-related contributions that were agreed upon at the beginning of the year of a self-employed person. It is defined in the pension plan (Appendix 1). In the case of a contract of employment during the year, the salary is converted to an annual salary.
- ² For employees who are not employed on a monthly basis, the annual salary is determined on the basis of the last known annual salary, taking into account the changes agreed for the current year.
- ³ Income earned by the insured person from an employer not affiliated with the Foundation cannot be taken into account for insurance purposes.

6.2 Coordination Deduction

- ¹ The coordination deduction is defined in the pension plan (Appendix 1).
- ² For part-time employees, the coordination deduction is calculated in accordance with the pension plan (Appendix 1).
- ³ In the case of partially disabled insured persons, the coordination deduction is reduced by the extent of the pension entitlement, as a percentage.

6.3 Insured Salary

- ¹ The insured salary corresponds with the planned OASI annual salary for contribution purposes or the OASI annual income of self-employed persons for contribution purposes, reduced by the coordination deduction.
- ² The insured salary corresponds with the minimum amount according to Art. 8, Para. 2 of the Swiss Federal BVG legislation, subject to any divergent rules as per the pension plan (Appendix 1).
- ³ The insured salary is limited by the maximum insured salary under the pension plan (Appendix 1) and may not exceed the statutory maximum of Art. 79c of the Swiss Federal BVG legislation (being ten times the upper demarcated amount, pursuant to Art. 8, Para. 1)
- ⁴ The statutory maximum under Art. 79c of the Swiss Federal BVG legislation includes all pension plans of the insured person who has arranged insurance with one or several other provision institutions.

6.4 Multiple Pension Plans

If the insured person has multiple pension plans and the total of all salaries and income subject to OASI contributions exceeds ten times the upper demarcated amount under Art. 8, Para. 1 of the Swiss Federal BVG legislation, the insured person must inform each of the pension institutions about the total number of pension plans, as well as his or her salary and income insured thereunder.

6.5 Continued Insurance of Previous Earnings in the Case of a Reduction in Salary

- ¹ Insured persons whose annual salary reduces after he or she reaches the age of 58 by up to a half at the most can require that the pension insurance for a maximum of the previous insured earnings be continued up to the statutory retirement age at the latest.
- ² The insured person makes up the employer and employee contributions covering the difference between the reduced insured earnings and the previous insured earnings. The financing of the contributions calculated on the reduced insured earnings will be undertaken according to the pension plan (Appendix 1).
- ³ The insured benefits for the risks of death and disability are calculated from the sum of the reduced insured earnings and the hypothetical insured earnings.

Art. 7 Voluntary Continued Insurance Cover upon Termination of Obligatory Pension Insurance after reaching 58 years of age

- ¹ Aafter reaching 58 years of age, insured persons who drop out of obligatory insurance agreements because a contract of employment has been terminated by the employer can continue to receive insurance cover voluntarily to the full previous extent. Self-employed persons are not permitted to continue to insure voluntarily under Art. 7.
- ² Applications for continued voluntary insurance cover should be submitted to the Foundation by the end of the time period of the pension plan at the latest, accompanied by a letter of termination of employment from the employer, and, in cases of immediate dismissal, within one month of the notification of the dismissal. Should an insured person fail to submit any such timely notification to the Foundation, the insurance contract will be immediately terminated by the Foundation.
- ³ Continued voluntary insurance cover and contribution obligations commence on the day after the termination of the contract of employment.
- ⁴ The insured person is entitled to build up additional pension capital by paying supplementary contributions during this continued voluntary insurance. The termination benefit remains with the Foundation. If an insured person enters into a contract with a new pension institution, the termination benefit will be transferred in its entirety to the new pension institution by way of buying into the full regulatory benefits in the new pension institution under the rules of the new trust. The insured salary will be reduced to correspond to the transferred termination benefit received.
- ⁵ The insured person pays risk insurance contributions corresponding to the employee and employer risk insurance contributions according to the pension plan (Appendix 1). If the insured person proceeds to extend the pension plan, he or she also pays the corresponding employee and employer pension capital savings contributions according to the pension plan (Appendix 1). The Foundation then determines the periodicity of the maturity dates for the contributions and invoices the insured persons directly.
- ⁶ An insured person can voluntarily insure for the whole pension plan or only for a retirement pension at a lower insured amount than his or her previous salary. Insured persons should select the type of insurance cover required, once and for all, at the commencement of the voluntary continued insurance. Any subsequent increase in the amount of an already reduced salary basis is no longer possible later.
- ⁷ Any continued insurance contract terminates without any follow-up cover upon death, upon suffering from at least a 70% disability, as well as upon reaching the statutory pensionable age. Partial retirement claims to the Foundation are not possible. If an insured person enters into a contract with a new pension institution for insurance cover, the contract with the Foundation is terminated when the full regulatory benefits purchasable are more than two-thirds of the termination benefit. Any residual amount of the termination benefit after a buy-in transfer to a

new pension institution to obtain full pension fund insurance will serve as a retirement pension benefit. The insurance conditions of Para. 9 are valid analogously here.

- 8 Notice of termination of pension insurance can be given at any time at the end of a month by the insured person or by the Foundation, when contributions are unpaid. If notice is given to terminate a voluntarily continued insurance contract, a retirement pension will be paid provided that a claim to a retirement pension exists under the pension fund rules at the date of termination. Otherwise, a termination benefit will be granted. The same applies to any part of a termination benefit which cannot be used for a buy-in purchase into a new pension institution to obtain full regulatory benefits.
- 9 If a voluntarily continued pension insurance contract has lasted for more than two years and a claim to retirement termination benefit exists under the pension plan rules, the insurance benefits are to be taken as a pension, subject to the pension plan (Appendix 1) providing for a minimum withdrawal of retirement savings capital. After two years of insurance cover, a termination benefit can no longer be used to finance a home purchase or to be otherwise pledged.

Art. 8 Retirement Savings Capital and Retirement Credits

8.1 Retirement Savings Capital

The Foundation maintains an individual retirement account for each insured person. This account shows the acquired retirement savings capital at any point in time.

The following will be credited to the individual retirement account:

- a) Joining contribution;
- b) Interest;
- c) Retirement credits;
- d) Buy-in amounts and other one-time deposits;
- e) Repayments of advance withdrawals in connection with the enablement of home ownership;
- f) Deposits as a result of divorce;

and/or subtracted:

- a) Advance withdrawals as part of the enablement of home ownership;
- b) Termination benefit upon divorce.

8.2 Interest Rate

The interest rate determining the interest on retirement savings assets, per asset pool and accepted year group, is determined annually by the Foundation Board, taking into consideration the investment income generated and the degree of cover.

The Foundation Board fixes the rates of interest applicable for the current financial year at the end of the financial year, as well as the interest rates for the intra-year departures in the following year.

The Foundation Board is guided by the technical interest rate of the Foundation when determining the interest on retirement savings capital.

The retirement related amounts credited during the current financial year do not yield any interest. All other deposits and withdrawals yield interest from the value date.

8.3 Amount of Retirement Credits

The annual retirement credits derive from the insured salary and the age of the insured person. The amount of retirement credits is specified in the pension plan (Appendix 1).

III. Financing

Art. 9 Start and End of the Contribution Obligation

- ¹ The obligation to contribute begins with the admission of the employee to Foundation.
- ² The contribution obligation ends whenever a contract of
 - a) employment is terminated, subject to any voluntarily continued insurance cover under Art. 7, Para. 2 of these present pension plan rules;
 - b) the minimum salary falls short;
 - c) entitlement to retirement benefits arises; or
 - d) upon the death of the insured person.The end of the time period for obligatory contributions is precisely on that date, i.e., on the day of the occurrence.
- ³ The insured person's contributions are deducted from his or her salary by the employer and transferred to the Foundation as per the usual payment modalities, together with the employer's contributions.
- ⁴ The total contributions paid by insured self-employed persons includes the employer's contribution to be paid in by the self-employed person as contributions for his or her workforce members. For self-employed persons without workforce, 50% of the total contributions are considered employer contributions.
- ⁵ In the event of an accident, illness, maternity leave, paternity leave, care for relative and children, military service, or for similar reasons the contributions continue to be levied, either by deducting them from further aligned salary or from salary replacement benefits. The Foundation reserves the right to make stipulations on exemption from the obligation to pay contributions (Art. 19.4).

Art. 10 Financing

The benefits provided by the Foundation are financed by its assets and the earnings from them, as well as from the contributions paid by the insured persons and their employers. The contributions paid in by the insured persons and their employers comprise amounts credited for pension benefits and risk insurance contributions. Risk insurance contributions serve to finance the risk of death, the disability benefit and the administration expenditure, as well as contributions to the security fund and statutory cost-of-living adjustments to invalid and survivors' pensions.

Art. 11 The Amount of Contributions

11.1 The Assessment of Contributions

The contributions of the insured person and the employer are defined in the pension plan (Appendix 1).

11.2 Choices Between Various Pension Plans

- ¹ With effect from 1st January, insured persons can, on an annual basis, voluntarily select to adjust their pension plan insurance contracts to take account of higher or lower retirement capital savings contributions under the pension plan (Appendix 1) for the following financial year.
- ² Any required alterations to the retirement savings capital contributions should be reported by the employer to the foundation in accordance with the pension plan (Appendix 1). In the case of any such report not being submitted in due time, the previous conditions will be observed without any retrospective plan change adjustment.
- ³ The Foundation reserves the right to use any divergent stipulations in the pension plan (Appendix 1).

Art. 12 Entry Contribution

12.1 Transfer of Vested Benefits, Due Date

- ¹ Vested benefits from former pension funds are to be transferred to the Foundation as a buy-in contribution. The vested pension benefits transferred are credited to the insured person's individual retirement account, even when the vested benefit transferred exceeds the buy-in amount needed to qualify for the maximum retirement savings capital according to the pension plan rules.
- ² The entry contribution is due upon entry into the Foundation.
- ³ The insured person should give the Foundation access to the statement of termination benefits from the previous pension plan. Any previous affiliation to a vested benefit bank and the form of pension protection should also be reported.

12.2 Voluntary Buy-in

- ¹ Insured persons can voluntarily and at any time pay the Foundation an amount for buying-in purposes, up to the maximum regulatory benefits under the pension plan rules, provided that he or she has transferred all vested benefits to the Foundation and is fully able to work or earn a living on the date of buy-in.
- ² Voluntary buy-in amounts will be accounted for as follows:
 - a) credited to the individual retirement pension account until the maximum possible retirement savings level is reached under the pension plan rules.
Any excess amount will, after due consultation with an insured person, be used:
 - b) for buying into an early retirement benefit and/or voluntary OASI state bridging pension, provided that such is permitted by the pension plan (Appendix 1). Otherwise, any excess portion will be repaid to the insured person.
- ³ The amount of any voluntary buy-ins to the individual retirement savings capital must correspond, at most, to the difference between the maximum possible retirement savings capital (Appendix 1) and the

current level of savings capital. The maximum of any buy-in amount made by the insured person is reduced by:

- a) any non-transferred vested benefit and/or by any vested benefit to be transferred (pursuant to Art. 60a, Para. 3, BVV2);
 - b) any excess assets under Pillar 3a (Art. 60a Para. 2, BVV2).
- ⁴ If buy-ins have been undertaken, the resulting benefits may not be withdrawn in capital form from the Foundation within the next three years.
 - ⁵ If advance withdrawals have been made to enable home ownership, voluntary buy-ins may only be made once the advance withdrawals have been repaid.
 - ⁶ Re-buy-ins in the event of divorce or the dissolution of a registered partnership under Art. 22d of the Swiss Federal 'FZG' legislation, are excluded from the limitation.
 - ⁷ In the case of insured persons who have moved from abroad and have never belonged to a pension scheme in Switzerland, the annual buy-in amount may not exceed 20% of the insured salary in the first five years after joining a Swiss pension scheme. After five years have elapsed, buy-in amounts can be paid in analogously to the foregoing stipulations.

Art. 13 Buying-in for the Purposes of Early Retirement

- ¹ Buying-in amounts to purchase a reduction in pension benefit following early retirement, as well as for financing an OASI state bridging pension, are possible provided that such is permitted under the pension plan (Appendix 1). Any buy-in to an early retirement pension benefit is only possible from the age of 25 or, at the earliest, from the date of anticipated commencement of the retirement savings capital process, according to the pension plan (Appendix 1), provided that the insured person is entirely able to work or earn a living upon the date of buy-in.
- ² The following conditions should be met before buy-in deposits can be made into the purchasing account:
 - a) the insured person has already contracted a buy-in, up to the maximum buy-in amount under Art. 12.2 and
 - b) the insured person has fully repaid any advance withdrawals for financing home ownership. If repayment is no longer possible due to age, the advance withdrawal will be taken into account for the calculation of the maximum buy-in amount.
- ³ The maximum permissible amount of a 'one-off' deposit is calculated from the difference between the maximum possible retirement savings capital and any paid-in deposits already made and attracting interest, for the purposes of financing an early retirement pension. The maximum possible contribution for purchasing the reduction of an old-age pension and for financing any OASI bridging pension, at the specified date for early retirement, is calculated according to the pension plan (Appendix 1).

- 4 If an insured person dies before reaching the statutory retirement age, the contributions are paid as an additional lump-sum death benefit to the beneficiaries according to Art. 20.6.
- 5 If the insured person waives early retirement and this results in a higher benefit than is required for purchasing a reduction in the retirement pension and/or to finance an OASI state bridging pension at the date of actual retirement, then the benefit target under the pension-scheme rules for a retirement benefit may be exceeded, but by only 5% at the most. The Foundation will inform the insured person of the anticipated level of the excess savings capital, in so far as the insured person wishes to retire later than as pre-financed. In such a case, the employee contributions will be financed from the retirement savings capital, in accordance with the pension plan rules, up to the age of retirement. Upon the date of retirement, any excess savings capital will be forfeited to the foundation.
- 6 A possible withdrawal for financing home ownership should be taken into account.
- 7 The amount of any maximum buy-in can be deposited as a 'one-off' deposit by the insured person during any calendar year, and then remains unchanged during this period of time.

Art. 14 Bookkeeping and Accounts and Investment of the Assets

- 1 The financial year of the Foundation is the calendar year. The bookkeeping and accounts are closed off for the financial year on 31st December every year.
- 2 The final annual accounts and the annual report are to be prepared within six months, at the latest, from the end of the previous financial year.
- 3 The assets of the Foundation are to be managed in accordance with recognised principles, whereby the security of the financial investments and an appropriate yield are to be targeted, and the liquidity requirements of the Foundation are to be addressed. The Foundation Board issues financial investment instructions in this regard.

Art. 15 Financial Equilibrium

15.1 Assessment of an Occupational Pension-Scheme Expert

At least once every 3 years, a recognized expert on occupational pension schemes is required to draw up an actuarial balance sheet, which shall be submitted to the supervisory authority. If there is a shortfall in coverage, the expert will prepare an actuarial report annually.

15.2 Countermeasures in the Event of a Coverage Shortfall

- 1 Should an actuarial shortfall occur in a separate account (asset pool) or in any one pension plan, the Foundation Board will, together with the recognised expert for occupational pension schemes, and when the shortfall affects an individual pension plan within the Foundation, together with the pension fund commission of the respective pension

fund affected, determine suitable countermeasures to rectify such a coverage shortfall. The principles of proportionality and appropriateness should be observed. Reference is made here to Appendix 4 concerning principles and implementation.

- ² The Foundation will inform the supervisory authority, the employer and also the beneficiaries about the shortfall and the determined countermeasures.

Art. 16 Partial Liquidation

In the case of any partial liquidation of the Foundation, the persons insured by the Foundation are entitled to claim statutory termination benefits as well as an individual or collective claim to any residual funds of the Foundation, provided they have contributed to the creation of such free financial resources of the Foundation. In the case of any shortfall according to Art. 44 of the Swiss Federal BVV2 legislation, any termination benefits according to the pension plan rules within the scope of the shortfall will be reduced, as long as the retirement savings capital is not reduced, pursuant to Art. 15 of the Swiss Federal BVG legislation. The prerequisites and the proceedings for the accounting of a partial liquidation are regulated in Appendix 3.

IV. Pension Benefits

Art. 17 Insured Benefits

17.1 Overview of Insured Benefits

- ¹ The Foundation will provide the following benefits on retirement:
 - Retirement pension;
 - Retirement savings capital;
 - OASI bridging pension;
 - Pensioner's child pension.
- ² In the event of incapacity to work or earn a living before retirement, the Foundation will provide the following benefits:
 - Disability pension;
 - Child's disability pension;
 - Exemption from the contribution obligation.
- ³ In the event of death, the following benefits can be claimed from the Foundation:
 - Spouse's benefit;
 - Spouse's pension to divorced partners;
 - Partner's pension
 - Orphans' pension;
 - Death benefit.
- ⁴ If an insured person leaves the pension plan, a termination benefit is due.

17.2 Guarantee of BVG Minimum Benefits

The Foundation reserves the right to reduce the benefits listed under Art. 17.1 in accordance with the stipulations of Art. 24. However, the minimum benefits under the Swiss Federal BVG legislation are guaranteed in any event.

Art. 18 Retirement Benefits

18.1 Retirement in line with statutory retirement age

Retirement in line with statutory retirement age takes place on the first day of the month after reaching the age specified in the pension plan (Appendix 1), and corresponds to the retirement age pursuant to Art. 21, Para. 1, AHVG. Any divergent stipulations can be found in the pension plan (Appendix 1). For women, regardless of the transitional provisions in relation to the change to the AHVG on 17th December 2021 (AHV 21), the retirement age from the 1st January 2025 will be 65 years of age.

18.2 Early Retirement

- ¹ The insured person has the option of retiring early between the earliest date in the pension plan (Appendix 1) and the normal statutory retirement age, but at the latest at the age of 63.
- ² Should the pension plan of an insured person be terminated at an age where early retirement under the pension rules is possible and should the statutory pensionable age not yet be reached at the point in time of the termination, a retirement benefit will only be granted if the insured person informs the pension provider within 3 months after termination of his or her pension-plan membership that he or she intends to claim a retirement benefit. Otherwise, a termination benefit will be granted.

18.3 Partial Retirement Benefit

- ¹ From the date when partial retirement can be claimed according to the pension fund rules (Appendix 1), a partial retirement benefit can be granted. The following conditions must all be met:
 - a) Regarding a partial retirement benefit, at least 20% of the retirement benefit derived from existing retirement savings must be withdrawn;
 - b) The proportion of retirement benefits received before retirement age may not exceed the proportion of the salary reduction;
 - c) Partial retirement may take place across a maximum of five stages;
 - d) Withdrawal of retirement benefits as a lump sum is permitted across a maximum of three stages. This also applies if the salary earned from one employer is insured by several pension funds. One stage includes all withdrawals of retirement benefits in the form of capital within one calendar year;
 - e) If the remaining annual salary falls below the entry threshold of the associated pension plan (Appendix 1), the entire retirement benefit must be drawn.
- ² The insured person can postpone receipt of retirement benefits until the age of 70, provided they continue to work and the remaining annual salary does not fall below the entry threshold of the associated pension plan (Appendix 1).

18.4 Continuation of Pension Insurance According to the Statutory Retirement Age

- ¹ If employment continues beyond the statutory retirement age, the insured person can request continuation of the pension insurance without savings contributions, in so far as they were already a member of the pension institution before the statutory retirement age and their remaining annual salary does not fall below the entry threshold of the associated pension plan (Appendix 1).
- ² Where the savings process is continued, the contributions towards financing retirement benefits shall be regulated according to the pension plan (Appendix 1). The retirement benefit is due as soon as the annual salary falls below the entry threshold of the associated pension plan (Appendix 1) or the insured person reaches the age of 70.

- ³ There is no further entitlement to incapacity benefits (disability pension, disabled person's child's pension, exemption from contributions). In the event of incapacity to work, insurance cover ends at the end of the month that the person became unable to work and the planned retirement benefits are paid. In the event of death, entitlement is based on the survivors' benefits provisions for the recipients of retirement pensions. If the retirement benefit is paid out exclusively as capital according to the pension plan, the entitlement to survivors' benefits is solely dependent on the level of the existing retirement savings capital. No other benefits are paid.
- ⁴ The withdrawal of pension capital to finance home ownership is no longer possible.
- ⁵ If the insured person has purchasing opportunities at the time of statutory retirement age, voluntary buy-ins to improve benefits can also be made while the pension plan is in progress. The potential for purchase is reduced by the retirement credits, investments and interest obtained during the period of continued insurance.

18.5 Retirement Pension

- ¹ Entitlement to a retirement pension occurs on the first day of the month following:
 - a) Termination of the contract of employment as a result of retirement as an actively insured person, provided that the conditions of Art. 18, Para. 2 of the pension fund rules are met in cases of early retirement;
 - b) Expiry of a temporary disability pension upon reaching the statutory retirement age;
 - c) Termination of voluntarily continued insurance cover in accordance with Art. 7 of the pension fund rules, following the termination of a contract of employment, when early withdrawal from the pension scheme is possible according to its rules on the date of the termination of employment, and the voluntarily continued insurance cover has run for more than two years;
 - d) any claim expires on the last day of the month of death.
- ² The amount of the retirement pension is calculated from the retirement savings capital available at the date of retirement and the age-dependent conversion rate according to the pension fund plan (Appendix 2). Any divergent stipulations in the pension plan (Appendix 1) always take preference.

18.6 Changes in Anticipated Benefits (death of the old-age pensioner)

- ¹ Insured persons can, before drawing the first retirement pension, adapt the anticipated married couples retirement pension according to the pension plan (Appendix 1). An increase in the anticipated benefits leads to a reduction in the retirement pension; a reduction leads to an increase.
- ² The following apply in all cases of adaptation of the anticipated benefits:

- a) An increased married couples pension or partner's pension must not exceed the reduced retirement pension;
 - b) The retirement pension reduced by an increase in the anticipated married couples retirement pension must not be less than the calculated minimum retirement pension according to BVG;
 - c) In the case of a reduction in the anticipated married couples retirement pension, the survivors' benefits must not be less than that calculated according to BVG.
- ³ Unmarried insured persons without a civil partner cannot adjust the anticipated benefits.
 - ⁴ The insured person should inform the Foundation in writing about changes to the anticipated married couples retirement pension at least three months before drawing the first retirement pension. In doing so the retirement pension will be adjusted for life. The decision is irrevocable.
 - ⁵ The Foundation may stipulate that the increase in the deferred spouse's pension is dependent on a medical examination.
 - ⁶ The right to choose does not apply to reducing the partner's pension.

18.7 Retirement Savings Capital

- ¹ The insured person can receive their retirement benefits in the form of a lump sum at the time of retirement. The maximum lump sum withdrawal is based on the pension plan (Appendix 1). This also applies to insured persons whose disability benefit is converted into a retirement pension upon reaching statutory retirement age. In such cases, the continued retirement savings capital according to the pension rules is decisive.
- ² When a withdrawal of capital is required, all co-insured benefits will be reduced proportionately.
- ³ An application for a withdrawal of capital is to be made on the application form provided by the Foundation, whereby a time period of not more than six months should elapse between the date of signing of the application form and the date of the capital withdrawal claim.
- ⁴ If an insured person is married or lives in a registered partnership, the written consent of the spouse or registered partner is required before any pay-out of the retirement savings capital in cash. Proof of signature is to be evidenced by an identity card, but the Foundation can also request that signatures are certified by a notary or public official. Should the insured person not be able to obtain approval or if approval is rejected, then an appeal can be made to the court.
- ⁵ If the insured person is unmarried or does not live in a registered partnership, proof of civil status is required for any cash pay-out of the retirement savings' capital.

18.8 Financing the Voluntary OASI Bridging Pension

- ¹ In the event of early retirement, the insured person can apply for an OASI state bridging pension, provided that provision has been made for this possibility in the pension plan (Appendix 1). Pension claims begin with the retirement pension and end upon the death of the insured

person, but in any event upon reaching the statutory OASI state pensionable age. A voluntary OASI state bridging pension is also possible for insured persons who have selected a voluntary continued insurance contract in accordance with Art. 7.

- ² The amount of the OASI state bridging pension can be selected by the insured person himself or herself, whereby its amount may not exceed the maximum OASI state retirement pension. An OASI bridging pension will not be adjusted when the OASI retirement pension is increased.
- ³ The retirement savings capital assets are reduced by the amount (of the cash value) necessary to finance the OASI state bridging pension and the retirement pension, and the co-insured benefits are reduced for life as a result.
- ⁴ The reduction will not apply when the OASI bridging pension is pre-financed by the insured person.
- ⁵ Upon the death of an insured person, the amount of any OASI state bridging pension not yet drawn will be paid out on a 'one-off' basis to the survivors, according to Art. 20.6. Any divergent regulation in the pension plan (Appendix 1) will take precedence over this stipulation.

18.9 Pensioner's Child Pension

- ¹ Recipients of a retirement pension are entitled to a child's pension for every child entitled to claim an orphan's pension in the event of the death of the pensioner.
- ² The amount of the pension is specified in the pension plan (Appendix 1).
- ³ Entitlement to a pensioner's child pension expires when the pension eligibility of the child ceases or when the retirement pensioner dies.

Art. 19 Disability Benefits

19.1 Definition of Disability and Assessment of Degree of Disability

- ¹ Incapacity to work in the sense of these rules is applicable when
 - a) insured persons are suffering from an illness or the consequences of an accident, which result in impairment of their physical or mental abilities and
 - b) the exercise of employment in the relevant, equal labour market after reasonable treatment and reintegration measures seems to be rendered partly or wholly impossible on a permanent or long-term basis and
 - c) a subsequent loss of income is thereby experienced.
- ² A disabled person is entitled to disability benefits, when he or she
 - a) was insured with the Foundation when the incapacity to work, whose cause led to the disability, commenced and
 - b) is at least 40% disabled.
- ³ An insured person is also entitled to disability benefits, when he or she

- a) is at least 20% but less than 40% unable to work as a result of a birth disorder when starting work, and insured to at least 40% when the incapacity for work caused by the disability increased;
- b) was at least 20% but less than 40% unable to work as a result of a birth disorder when starting work, and insured to at least 40% when the incapacity for work caused by the disability increased;

In both cases, entitlement is limited to the BVG minimum benefits.

- ⁴ The degree of disability as well as the commencement and alteration of a claim is essentially determined by the degree statutorily determined by the Swiss Federal IV under consideration of the occupational activity insured by the Foundation.
- ⁵ The Foundation generally recognizes the point in time when the disability leading to the inability to work occurred, as well as the degree of disability in as far as the disability decision is not obviously unsustainable or formally incorrect.

19.2 Disability Pension

- ¹ The entitlement to a disability pension begins with the insured person's entitlement to a pension from the disability insurance (IV). A degree of disability of less than 40% does not represent grounds for entitlement to a disability pension.
- ² The partial pension entitlement is calculated as a percentage of the full disability pension. Pension entitlements which arise from 1st January 2022 are defined as follows (a new pension gradation):
 - a) a degree of disability of at least 70% entitles the insured person to a full disability pension.
 - b) for a degree of disability of at least 50% to 69% the disability pension is awarded according to the degree of disability;
 - c) in the case of a degree of disability of 40% to 49%, there is a gradation as a percentage of the full pension of 25% to 47.5%, whereby every percentage point of the degree of disability represents 2.5% of the disability pension.
- ³ For pension entitlements which arose before 1st January 2022, the following pension gradation applies in derogation from Para. 2, letters b) and c) (the old pension gradation):
 - a) A three-quarters pension for a degree of disability of at least 60%;
 - b) A half pension for a degree of disability of at least 50%;
 - c) A quarter pension for a degree of disability of at least 40%.
- ⁴ Regarding the system of pension gradation, the following transitional provisions apply:
 - a) In the case of insured persons whose pension entitlement arose before 1st January 2022 and who had already reached the age of 55 on 1st January 2022, the old pension gradation according to Para. 3 remains in force.
 - b) The pension entitlements according to Para. 3 are transferred to the new pension gradation according to Para. 2 when the degree of

disability of the insured person changes by at least 5% as a result of a pension review, and they have not yet reached the age of 55 by 1st January 2022. The previous pension entitlement remains the same, even after a change in the degree of disability, provided that the application of the new pension gradation according to Para. 2 results in the previous pension entitlement reducing if there were an increase in the degree of disability or increasing if there were a decrease in the degree of disability.

- c) The new pension gradation according to Para. 2 will be applied to pension entitlements arising from insured persons who had not yet reached the age of 30 by 1st January 2022 or at the latest by 1st January 2032. If, in doing so, the pension sum paid out drops in comparison with the previous pension sum paid out, the insured person will continue to be awarded the previous pension sum paid out until the degree of disability changes by at least 5%.
 - d) An application for the new pension gradation according to Para. 2 will be suspended during provisional continued insurance under Art. 26a of the BVG.
- ⁵ The amount of the full annual disability pension is determined in the pension plan (Appendix 1). Provisions concerning reductions remain reserved according to Art. 24.
- ⁶ Commencement of the disability pension entitlement is defined in the pension plan (Appendix 1). A pay-out of the disability pension will be deferred for as long as the insured person is receiving a full salary or
- a) daily benefits from a daily sickness benefit insurance that draws on military or accident insurance instead, amounting to at least 80% of the lost salary and
 - b) the daily allowance insurance was at least 50% co-financed by the employer.
- ⁷ Entitlement to the disablement pension expires:
- a) if the incapacity to work ceases; subject to the provisions of Art. 26a OPA
 - b) upon the death of the insured person;
 - c) if the insured person reaches retirement age pursuant to Art. 21, Para. 1 AHVG. In such cases, the disability pension will be replaced by a retirement pension according to Art. 18.5. This corresponds to at least a BVG disability pension adjusted to the cost of living. When ascertaining the minimum degree of benefit, the retirement pension derived from continuing the regime of the Swiss Federal 'BVG' legislation is not decisive. Regarding current disability pensions for women between 1961 and 1963, the retirement age is 65.

19.3 Child's Disability Pension

- ¹ Disability pension recipients are entitled to a child's disability pension for every child who could claim an orphan's pension (Art. 20.5) in the event of their death. The same calculation principles apply as for the disability pensions.

- ² The amount of the pension and other eligibility requirements are set out in the pension plan (Appendix 1).
- ³ The entitlement to a child's disability pension lapses if the child's entitlement to a pension ceases or the entitlement to the disability pension expires. In the cases of foster children, a claim ends when the child returns to a parent or is maintained by a parent.

19.4 Exemption from the Contribution Obligation

- ¹ The obligation to pay contributions for employees and employers no longer applies after the waiting time period defined in the pension plan (Appendix 1) for the duration of a medically certified incapacity to work due to illness or accident of at least 40%. The extent of exemption from paying contributions depends on the date of inception of incapacity to work (Art. 19.1 Para. 1) after a medically certified degree of incapacity for work has been established on the basis of the insured annual salary on the date of inception of incapacity for work.
- ² From the date of the inception of incapacity for work (Art. 19.1 Para. 1), the obligation to pay contributions for employees and employers lapses as per the percentage share of the entitlement to a pension is pursuant to Art. 19.2, Paras. 2 and 3.
- ³ During the period of provisionally continued insurance cover according to Art. 26a of the Swiss Federal 'BVG' legislation, the right to exemption from contributions remains the same as before the cancellation or reduction of the disability pension under the state DI Insurance.
- ⁴ The entitlement to exemption from paying contributions according to Para. 2 ends upon the discontinuance of the disability.
- ⁵ The stipulations of Art. 24.3 apply analogously.

Art. 20 Survivors' Benefits

20.1 Eligibility Conditions

The survivor is entitled to benefits if the deceased:

- a) was insured at the time of death or at the start of the incapacity to work, the cause of which led to death; or
- b) was at least 20% but less than 40% unable to work as a result of a birth defect when starting work, and insured to at least 40%, and if the incapacity for work caused by the disability then increased; or
- c) became disabled as a minor and was therefore at least 20% but less than 40% unable to work when he or she took up employment, and was insured to at least 40% when the incapacity for work increased, and was the cause which led to death; or
- d) received a retirement or disability pension from the Foundation at the date of death.

In the cases mentioned under Parts b and c, entitlement is limited to the 'BVG' legislation minimum benefits.

20.2 Spouse's Pension

- ¹ The surviving spouse is entitled to a spouse's pension (extended cover). Possible limitation of the eligibility requirements is reserved to the conditions according to Art. 19 BVG in the pension plan (Appendix 1). If the spouse does not fulfil any conditions for receiving a spouse's benefit, he or she has the right to a one-off settlement in the sum of three times the annual spouse's benefit.
- ² The amount of the annual spouse's benefit upon the death of the actively insured person or a disability pension recipient is determined in the pension plan (Appendix 1). Provisions concerning reductions remain reserved according to Art. 24.
- ³ The amount of the annual spouse's benefit upon the death of an old-age pensioner is set out in the pension plan (Appendix 1). The Foundation reserves the right to make any changes to the expected benefits in accordance with Art. 18.6.
- ⁴ If the spouse is more than 10 years younger than the insured person when the entitlement to a spouse's pension arises, the pension will be reduced by 1% of the full spouse's pension for each year or partial year in excess of 10 years.
- ⁵ Should a marriage be contracted after the insured person has reached regular pensionable age and/or the longest possible continuation of pension provision as provided for in the pension plan (Appendix 1), there only remains entitlement to a spouse's pension according to BVG.
- ⁶ There is no reduction under Para. 5 if the conditions for entitlement to a life partner's pension were met before the marriage.
- ⁷ Should a spouse's pension be partially reduced by Para. 4, a survivor's claim under the Swiss Federal BVG legislation at least continues to exist.
- ⁸ The spouse's pension is first paid in the month following the death of the insured person, but at the earliest after the end of payment of the full salary or salary benefits.
- ⁹ The spouse's pension expires on the death or remarriage of the spouse.
- ¹⁰ If there is entitlement to a spouse's pension, the spouse entitled to benefits can also draw the pension as capital. Partial withdrawals are not possible. If capital is withdrawn, this nullifies all other claims of entitled persons against the Foundation. The provisions of Art. 18.7, Paras. 3 and 4 are to be observed.
- ¹¹ The level of the lump sum capital which can be withdrawn will be calculated according to actuarial principles and through application of the current principles of the Foundation, applicable on the date of the claim for a pension. The Foundation can reduce the capital withdrawal on account of a possible remarriage.

20.3 Eligibility of a Spouse in the Event of Divorce or of a Partner on Dissolution of a Registered Partnership

- ¹ A divorced spouse is entitled to a spouse's pension, provided that at the time of death:
 - a) the marriage has lasted for at least ten years and

- b) the divorced spouse, in a case of divorce, has been awarded a pension under Art. 124e Para. 1, Art. 125 or Art. 126, Para. 1 of the Swiss Federal ZGB (Swiss Civil Code).
- ² If a registered partnership is legally dissolved, the former partner is treated as a divorced spouse, provided that at the time of the death, cumulatively:
 - a) the registered partnership had lasted for at least ten years;
 - b) the former partner has been awarded a pension according to Art. 124e, Para 1 of the Swiss Federal Civil Code or Art. 34 Para. 2 and 3 PartG.
 - ³ The amount of the survivors' pension awarded to divorced spouses or former partners is limited to the minimum amount of the spouse's pension under the BVG legislation. The benefit is reduced by the amount by which, together with the congruent benefits of other social insurance schemes (domestic and foreign), it exceeds the entitlement from the divorce court decision or court decision on the dissolution of a registered partnership.
 - ⁴ Entitlement to survivors' benefits exists provided the pension would have been awarded under the divorce decree. The spouse's pension also lapses when the divorced spouse dies or remarries or when a registered partnership is entered into.

20.4 Partner's Pension

- ¹ Should the insured person become deceased, the surviving partner is entitled to the same benefits as a surviving spouse (Art. 20.2), provided that, at the time of death, he or she meets the following conditions:
 - a) both life partners are not related to each other (Art. 95 ZGB) nor are they in a stepchild relationship to each other and
 - b) are neither married nor in a registered or other civil partnership at the time of death; and
 - c) the surviving partner is evidenced as having lived for the last five years before the death continuously in the same household and has maintained a life partnership in an exclusively mutual relationship or the surviving partner must provide for at least one child; and
 - d) the partnership was notified to the Foundation during the lifetimes and before any initial claim to a possible disability and/or retirement pension and
 - e) the life partner does not receive a survivors' pension from a previous marriage or civil partnership and has not received any lump-sum survivors' benefit instead of any such pension. A one-off settlement pursuant to Art. 20.2 Para. 1 of this pension fund rules is precluded.
- ² Any other eligibility requirements divergent from those in Para. 1 are defined in the pension plan (Appendix 1).
- ³ The criterion for a common household is also fulfilled when an intention existed to maintain a common household, but such could not be initiated on objective grounds.

- 4 The stipulations of the spouse's pension also apply mutatis mutandis to the life partner's pension with regard to the amount and reduction rules. The duration of a civil partnership is equated to the duration of a marriage. If the life partner does not meet the eligibility requirements for a life partner pension, he or she is not entitled to a one-off settlement.
- 5 The Foundation is to be notified in writing of a life partnership on an official form provided by the Foundation.
- 6 The life partner's pension expires on the death of the surviving partner or if he or she marries or enters into a registered partnership or a new civil partnership. Dissolution of the partnership must be reported to the Foundation immediately.
- 7 If there is entitlement to a spouse's pension, the spouse entitled to the benefits can also draw the pension as capital. Partial withdrawals are not possible. If capital is withdrawn, this nullifies all other claims of entitled persons against the Foundation.
- 8 The level of the lump sum capital which can be withdrawn will be calculated according to actuarial principles and through application of the current principles of the Foundation, applicable on the date of the claim for a pension. The Foundation can reduce the capital withdrawal on account of a possible remarriage.

20.5 Orphans' Pension

- 1 In the event of the death of an actively insured person or a retirement or disability pension recipient, every child is entitled to an orphan's pension, provided that the child has not yet reached the age specified in the pension plan (Appendix 1).
- 2 Foster children of the insured person or the recipient of the retirement or disability pension are entitled to an orphan's pension if they are being cared for and brought up permanently by the deceased free of charge.
- 3 Step-children for whom the insured person or pension recipient had to pay at least 50% of the maintenance are also entitled to an orphan's pension.
- 4 The amount of the orphans' pension is specified in the pension plan (Appendix 1).
- 5 The orphan's pension is first paid in the month following the death of the insured person, but at the earliest after the end of payment of the full salary or salary benefits.
- 6 If the orphan's pension replaces a current pension, the entitlement to it arises on the first of the month following the date of death.
- 7 Entitlement to an orphan's pension expires when the orphan dies, but at the latest when the child reaches the age specified in the pension plan (Appendix 1). Eligibility lasts, at most, until the age of 25 when:
 - a) a child is still in education or
 - b) is at least 70% unable to work and does not receive a disability pension from an occupational pension scheme or from accident or military insurance.

In the case of foster children, entitlement ends when the foster child returns to a parent or is maintained by a parent.

If the child is permanently unable to work, the Foundation Board will decide on a lifelong payment of the pension.

20.6 Lump Sum Death Benefit

¹ If an actively insured person or a disability pension recipient dies before retirement and the available retirement savings capital is not sufficient or is not completely sufficient to finance one of the survivors' benefits, according to Art. 20.2–20.5 of these pension plan rules, a lump-sum death benefit will be due. Any voluntary buy-ins of the insured person will be paid out. This sum is reduced by any (not repaid) advance withdrawals made towards the enablement of home ownership (Art. 27.1) and/or by any withdrawal as a result of pension compensation in the event of divorce (Art. 22). Any additional lump-sum death benefit is defined in the pension plan (Appendix 1).

² Heirs are entitled to a lump-sum death benefit, regardless of the right of inheritance, in the following rank order:

- a) the spouses and orphans who are entitled to benefits under these pension plan rules, and if these persons do not exist, then
- b) the natural persons who have received substantial support from the insured person or the person who has been in a cohabitation relationship with the insured party continuously for five years prior to death (definition according to Art. 20.4 of these pension plan rules) or who has to provide for the maintenance of one or more children, provided that no survivors' pensions can be obtained from other pension schemes, and if these persons do not exist, then
- c) the children of the deceased who do not meet the eligibility requirements of Art. 20.5, and if these persons do not exist, then
- d) the parents, and in their absence, then
- e) the siblings of the deceased insured person.

Divorced spouses or step-children in accordance with Art. 20.5 Para. 3 are not entitled to a lump sum death benefit. If there are no beneficiaries under this stipulation, the lump sum death benefit will revert to the Foundation or the respective assets pool.

The Foundation reserves the right to use any divergent stipulations in the pension plan (Appendix 1).

³ Persons under letter b) are only entitled to claim when they are registered with the Foundation.

⁴ The actively insured person or pensioner drawing disability benefits can request changes in the prescribed beneficiary groups of Para. 2, at any time, by means of a written application to the Foundation as follows:

- If no persons exist under Para. 2, letter b, the beneficiaries under Para. 2, letters a and c can be amalgamated.
- If no persons exist under Para. 2, letter b, the beneficiaries under Para. 2, letters a and c can be amalgamated.

- ⁵ On the basis of a written notification to the Foundation, the claims of beneficiaries within any one beneficiary group (Paras. 2 and 4) may be described in more detail if the pension purpose can be achieved better in this way. The Foundation checks the entitlement at the point in time of the death and, upon acceptance of an appropriate order, does not provide any guarantee that the altered beneficiary arrangement is legally implementable in the case of death. Should no notification from insured persons or the recipients of disability pensions from the Foundation exist, the lump sum death benefit will be distributed evenly among all beneficiaries within any one beneficiary group, that is according to the head count.
- ⁶ The notification under Paras. 3 and 4 should be submitted in writing during the insured person's lifetime, on the official form provided by the Foundation.
- ⁷ If a person is supported to a significant extent by the insured person's benefits, the type and scope of the support should be specified together with the application for benefit.

Art. 21 Vested Termination Benefit

21.1 Eligibility Conditions

The insured person is entitled to a termination benefit if the pension plan ends on one of the following grounds:

- a) a contract of employment is terminated before an insured event occurs. The right to any voluntary continued insurance under Art. 7 Para. 2 of these pension fund rules is reserved;
- b) self-employed activity is terminated before a pension claim is made, or self-employed persons terminate voluntarily continued insurance under Art. 44 of the Swiss Federal BVG legislation;
- c) the end of provisionally continued insurance according to Art. 26a Paras. 1 and 2 of the Swiss Federal BVG legislation is reached;
- d) the statutory requirements for subordination to the Swiss Federal BVG legislation are unlikely to be permanently met;
- e) voluntary continued insurance under Art. 47a of the Swiss Federal BVG legislation is terminated and no claim exists for early retirement under the pension fund rules at the time of termination.

21.2 Amount of Termination Benefit

- ¹ The termination benefit is calculated in accordance with the Vested Benefit Legislation (FZG). The termination benefit corresponds to the total retirement savings capital at the date of the termination. If the calculation of the termination benefit according to Art. 17 or 18 of the FZG legislation is higher, this amount will be paid out.
- ² From the first day after termination of the pension plan, the termination benefit is subject to the minimum interest in accordance with the BVG legislation.

21.3 Receipt of Pension Protection, Cash Payment

- ¹ The termination benefit will be transferred to the new pension institution. If an insured person does not join a new pension scheme, he or she can receive pension protection in the form of a vested benefit policy, or in the form of a vested benefit account.
- ² Before leaving, the insured person should notify the Foundation to which new pension scheme or to which vested benefit bank the termination benefit is to be transferred. If this notification is not received, the Foundation will transfer the termination benefit with interest to the statutory governmental benefit institution, according to the BVG legislation, at the earliest after six months, but no later than after two years. If the insured person dies after the additional coverage and the termination benefits were not yet paid out, the Foundation can transfer these to the statutory governmental benefit institution, according to the BVG legislation, before a period of six months has elapsed.
- ³ Insured persons can request a lump sum cash payment of the whole termination benefit, if:
 - a) they permanently leave Switzerland or
 - b) they take up self-employment as their main occupation and are no longer subject to compulsory occupational pension schemes; or give notice of termination as a self-employed person to their existing pension scheme to undertake another self-employed activity; or
 - c) the termination benefit is less than their annual contribution to retirement savings and risk insurance.

Those insured persons who reside outside of Switzerland and who seek to become self-employed are to be treated on the basis of letter a). Should, however, such persons seek to become self-employed in Switzerland, the same criteria apply as for persons resident in Switzerland (see also letter b), whereby the entire termination benefit can be paid out in a lump sum.
- ⁴ Insured persons may not demand a cash pay-out of the termination benefit as per letter a) of the foregoing paragraph, up to the amount of retirement savings capital under Art. 15 of the Swiss Federal BVG legislation if:
 - a) such persons continue to be compulsorily insured under the legislation of a member state of the EU or EFTA for the risks of old age, death and disability;
 - b) they continue to be compulsorily insured under Icelandic or Norwegian statutory requirements for the risks of old-age, death and disability;
 - c) they reside in Liechtenstein.
- ⁵ If the insured person is married or lives in a registered partnership, the written consent of the spouse or registered partner is required for the cash payment of the termination benefit. Proof of signature is to be evidenced by an identity card, but the Foundation can also request that signatures are certified by a notary or public official.

- ⁶ When the signatures of spouses or registered partners cannot be obtained or if these are not forthcoming, then an appeal can be made to the court.
- ⁷ If the insured person is unmarried or does not live in a registered partnership, proof of marital status is required for the cash payment of the termination benefit.
- ⁸ In addition, the Foundation can make a cash pay-out dependent on certain documentation and their currentness. Evidence is to be provided by the applicant.

Art. 22 Pension compensation in the event of divorce or dissolution of a registered partnership

22.1 General Information

- ¹ Only the legally binding decisions of the Swiss courts are binding on the Foundation.
- ² The following stipulations apply mutatis mutandis even if a registered partnership is dissolved. In such cases, the pension compensation is based on a legally binding court dissolution decision.

22.2 Pension Compensation Before Retirement

- ¹ If the marriage of an insured person is dissolved, and the Foundation is obliged by a final court divorce decree to transfer a portion of the termination benefit acquired during the marriage to the pension scheme of the divorced spouse, all insured benefits shall be reduced proportionately in the obligatory and supra-obligatory component, insofar as they are defined in the pension plan (Appendix 1) on the basis of the retirement savings capital. The retirement savings capital is also reduced proportionately in obligatory and supra-obligatory portions by the transferred termination benefit.
- ² If the marriage of a recipient of a disability pension is dissolved and the Foundation is obliged by a final court divorce decree to transfer a portion of the hypothetical termination benefit to the pension scheme of the divorced spouse, the disability pension payment and all deferred benefits shall be reduced proportionately in the obligatory and supra-obligatory component insofar as they are defined in the pension plan (Appendix 1) on the basis of the retirement savings capital. The accumulated retirement capital shall also be reduced proportionately by the transferred-in termination benefit in the obligatory and supra-obligatory component. If the Foundation is paying child's pensions at the time divorce proceedings are initiated, the amount of these pensions shall remain unchanged.
- ³ If entitlement to a retirement pension arises during ongoing divorce proceedings, or if the disability pension is replaced by a retirement pension for a person receiving a disability pension, then the retirement pension is transferred to the entitled spouse after the transfer of the termination benefit as a result of the reduction in the retirement savings capital, with the benefit recalculated, either at the time of retirement, or at the time of the cancellation of the disability pension. If this calculation

results in a lower retirement pension than the pension paid from the start of the pension payments up to the legal effect of a court divorce decree, it is reduced equally between the two spouses by the sum of the overpaid pension benefits. The portion attributable to the entitled spouse is deducted from the termination benefit to be transferred. The portion accruing to the pension recipient shall be converted using an actuarial calculation into a retirement pension, and the future pension benefit will be reduced by this amount for the lifetime of the insured member. The deferred survivors' benefits shall be calculated on the basis of this reduced retirement pension. For the reduction, the statutory requirements of Art. 19g of the FZV legislation shall apply.

22.3 Pension Compensation After Retirement

- ¹ If a recipient of a retirement pension is legally obliged as part of a divorce decree to transfer part of his pension to the divorced spouse, the future retirement pension is reduced by this amount. The deferred survivors' benefits shall be calculated on the basis of this reduced retirement pension. Any child's pensions already being paid when divorce proceedings are initiated shall not be affected by the pension compensation.
- ² The pension awarded to the divorced spouse shall be converted on an individual basis into a lifelong retirement pension, in accordance with the actuarial principles (Art. 19h VBO) that apply when the divorce decree takes legal effect.
- ³ Entitlement to the pension from pension compensation ends with the death of the entitled spouse.
- ⁴ If a divorced spouse is a member of a pension scheme, the individually calculated pension is transferred to the pension scheme once a year, with interest at half the regulatory interest rate applicable that year, as fixed under Swiss Federal BGV legislation. The transfer shall be made proportionately to the obligatory and supra-obligatory component.
- ⁵ If the divorced spouse has reached the minimum age for early retirement in accordance with Art. 1, Para. 3 of the BVG and is unable to transfer his or her entitlement into a pension scheme, the pension becomes payable pursuant to Art. 23.1 Para. 3 direct to the payment address determined by the beneficiary.
- ⁶ If the pension is transferred to a pension scheme, the divorced spouse may request a lump-sum payment in place of a lifelong pension. The amount of the lump-sum capital payment is calculated according to actuarial principles and according to the basic tenets of the pension fund of the obligated spouse. A written declaration should be made before the first pension payment.

22.4 Buying-in After a Pension Compensation Arrangement

- ¹ An insured person can, pursuant to Art. 22.2 Para. 1 and 2 of the pension fund rules, at any time, reintroduce the amount payable to the entitled spouse into the pension fund, in whole or in part. This means that beneficiaries of disability benefits can request a repurchase buy-in of

their disability portion, except in cases of lifetime-award disability pensions.

- ² Rebuying-in purchases never lead to an increase in a disability pension which was previously calculated as pension compensation or a reduced current disability pension.
- ³ Deposits are credited equally, as when debiting accounts after a divorce, and proportionately between the obligatory and supra-obligatory retirement savings capital.

22.5 Acceptance of a Pension Compensation

- ¹ Should an insured person be awarded a termination benefit or a pension from a divorced spouse based upon a judicial divorce decision, the amount will be credited proportionately between the obligatory and the supra-obligatory old-age savings capital.
- ² If a beneficiary of a disability or retirement pension is awarded a termination benefit or a pension following a decision in a legally binding divorce decree, the termination benefit or the periodic pension payment can only be brought into the Foundation if the foundation maintains an retirement credit for part-time employment. The credit shall be made proportionally to the obligatory and supra-obligatory component.

Art. 23 Payment

23.1 Due Maturity Date

- ¹ The prerequisite for a pay-out is submission in good time to the Foundation of the required and requested certification of the benefit claim entitlement.
- ² Capital benefits become due 30 days after the Foundation has received all the documentation required to substantiate the claim.
- ³ Pension payments are, as a rule, paid monthly. If the entitlement to a pension does not arise on the first day of the month, a partial pension is paid. The pension is paid until the end of the month in which the entitlement to benefits expires, in accordance with these rules.
- ⁴ The termination benefit is due upon leaving the Foundation.

23.2 Default Interest on Arrears

- ¹ In the case of pension or capital pay-outs, default interest on arrears should be paid from the date of debt enforcement proceedings or when legal action is initiated. This corresponds to the Swiss Federal BVG legislation minimum interest rate.
- ² If the Foundation does not transfer the due termination benefit within 30 days of receipt of the information required for the transfer, default interest on the amount of the minimum interest plus 1 percent will be paid from the end of this time period.

23.3 De Minimis threshold

- ¹ When the retirement or disability pension is less than 10%, the spouse's pension is less than 6% and the orphan's pension is less than 2% of the minimum retirement pension of the OASI state benefit, a lump-sum payment will be made to the person entitled to claim instead of a pension. In the case of retirement pensions, as well as temporary disability pensions on the basis of statutory BVG legislation logic, the retirement savings capital according to the pension fund rules will be paid out instead of a pension or the projected retirement capital savings without interest. In all other cases, lump sum capital savings pay-outs will be calculated according to actuarial principles and in line with Foundation principles applicable at the time of the claim.
- ² A lump sum payment nullifies all other claims of entitled persons against the Foundation.

23.4 Ceding and Mortgaging

- ¹ To the extent permitted by law, benefit claims from these rules are not subject to enforcement and may not be ceded or mortgaged before they mature and fall due. Mortgaging is reserved under the stipulations for the enablement of home ownership by means of occupational pension scheme funds.
- ² Claims for benefits that have already fallen due may only be offset against claims that the employer has assigned to the Foundation, when these claims relate to contributions which have not been deducted from earnings.

23.5 Reimbursement Obligation

- ¹ Benefits received illegitimately must be reimbursed. The recovery can be waived if the recipient of the benefit acted in good faith and reimbursement would lead to extreme hardship.
- ² Should the Foundation grant an advance benefit pursuant to Art. 23.6 Para. 2 and if the definitively liable insurer foresees a lower benefit, on the basis of its own applicable terms and conditions, then the difference shall be reimbursed to the Foundation.
- ³ The statute of limitation time periods apply, pursuant to Art. 35a Para. 2.

23.6 Advance Benefit Liability

- ¹ When an insured person is not a member of a pension scheme liable to grant benefits when the entitlement to benefits occurs, then the pension scheme to which he or she last belonged is liable for advance benefits. The Foundation will provide the advance payment within the framework of the statutory minimum benefits according to the Swiss Federal BVG legislation. When the pension scheme liable for obligatory benefits has been definitely ascertained, then the pension scheme liable for the advance benefit can claim compensation for the advance benefit from the former.
- ² If the assumption of the pension payment by compulsory accident or military insurance or a provider of occupational retirement, survivors'

and disability benefits according to the BVG legislation, is disputed, advance payment from the Foundation may be required. The Foundation will provide the advance payment within the framework of the statutory minimum benefits according to the Swiss Federal BVG legislation. If the case is adopted by another insurance provider, the latter should reimburse the advance payments as part of its obligation to pay benefits.

23.7 Reimbursement of a Vested Benefit, Offset Settlement

If the Foundation has to provide survivors' or disability benefits after transferring the termination benefit, the termination benefits should be reimbursed to the extent necessary to finance the survivors' or disability benefits. Survivors' and disability benefits will be reduced if the reimbursement is not made.

Art. 24 Crediting of Third-Party Benefits, Benefit Reductions

24.1 Overcompensation

- ¹ Survivors' and disability benefits are reduced insofar as these, together with other offset incomes, pursuant to Art. 24.2, exceed 90% of the presumed lost earnings or the presumed annual income of a self-employed person.
- ² Retirement benefits are reduced in the same manner as long as benefits are provided from military or accident insurance or comparable benefits are provided by foreign institutions. The Foundation is not obliged to compensate benefit reductions under Art. 20, Para. 2b and 2c of the Swiss Federal UVG legislation and Art. 47, Para. 1 of the Swiss Federal MVG legislation.
- ³ While the provisional insurance cover continues and entitlement to benefits is maintained in accordance with Art. 26a BVG, the disability pension shall be reduced in accordance with the insured person's reduced degree of disability, but only to the extent to which the reduction is compensated by additional income of the insured person.
- ⁴ If, in the event of divorce, a retirement or disability pension is split following normal retirement age, the share of the pension that was awarded to the entitled spouse shall still be taken into account when calculating any reduction in the spouse's pension.
- ⁵ In all cases, at least the minimum benefits in accordance with the BVG and its regulations for calculation will be provided.
- ⁶ Within the scope of an overcompensation reduction, child disability pensions are reduced proportionally to disability pensions.

24.2 Eligible Income, Exceptions

- ¹ Only benefits of the same type and intent, which are, as a result, granted to the beneficiary in case of need, count as eligible income.
- ² The incomes of the surviving spouse and/or registered partner and any orphans to be credited are added together.
- ³ Eligible income is considered to be:

- a) OASI/DI benefits with the exception of helplessness allowance;
- b) benefits from foreign social security institutions;
- c) compulsory accident insurance or military insurance benefits;
- d) benefits from other domestic and foreign pension schemes and vested benefit institutions;
- e) daily allowances from compulsory insurance;
- f) benefits from private insurances to which the employer has contributed at least half of the premiums;
- g) the earned or replacement income of a disabled insured person, which is or can still be reasonably achieved. In this regard and as a rule, the presumed possible earning capability as well as the actual physical disability earnings, together with the residual earning capability of the insured person, based upon the degree of disability as determined by the Disability Insurance Authority are taken into account.

One-off lump-sum payments are counted against their pension conversion value.

- 4 The following benefits are not taken into account:
 - a) private insurance benefits;
 - b) helplessness allowances, compensation, severance payments and similar benefits;
 - c) the additional income that is achieved while participating in measures for reintegration, according to Art. 8a of the DI legislation.
- 5 The beneficiaries should provide the Foundation with information about all eligible income and report any changes immediately.

24.3 Benefit Reduction

- ¹ The Foundation can reduce, suspend or refuse survivors' or disability pensions to the appropriate extent if the OASI or DI state schemes reduce, withdraw or refuse their benefits, if the beneficiary caused death or disability through his or her own gross negligence or rejects a reasonable integration measure of the DI institution.
- ² The Foundation is not obliged to compensate for benefit rejections or cutbacks which restrict, suspend, cancel or refuse Compulsory Accident Insurance or Swiss Federal Military Insurance, on the basis of legislation under Arts. 21 ATSG, 37 and 39 UVG or Arts. 65 and 66 MVG. To this effect, the pension scheme can offset the benefits of such insurers within its overcompensation calculations in full, against the presumed possible earning capability.

24.4 Precautionary Ceasing of Pension Payments

The pension institution shall cease to make pension payments as a precautionary measure, based on Art. 52a ATSG, from the point in time at which it becomes aware that the Disability Insurance Authority has already decreed precautionary ceasing of payment of the disability pension.

Art. 25 Claims Against Liable Third Parties

The Foundation can request that the applicant for survivors' or disability benefits cede the claims to which he or she is entitled in the event of a claim against liable third parties by him or her, up to the amount of its obligation to provide benefits, insofar as the Foundation does not exercise the claims of the insured person, his or her heirs or other beneficiaries in accordance with the Swiss Federal BVG legislation. The Foundation is entitled to postpone benefits until such claims are assigned to it.

Art. 26 Adjustment of Benefits to take account of Price Trends

The pension payments will be adjusted within the limits of the Foundation's financial capabilities in relation to the cost of living. The Foundation Board will decide annually whether and to what extent the pension will be adjusted. These resolutions are explained in the annual report. The BVG statutory minimum benefits, including adjustments regarding the BVG inflation are in any case guaranteed.

V. Home Ownership

Art. 27 Home Ownership

27.1 Early Withdrawals and Pledges

- ¹ The insured person can claim an amount for home ownership for his or her own use before the granting of a pension benefit according to the pension plan (Appendix 1), but no later than the date of reaching the statutory retirement age. The insured person can pledge this amount or his right to pension benefits for the same purpose. The foregoing is, however, subject to restrictions following voluntary continued insurance cover, according to Art. 7, Para. 9 of these pension fund rules.
- ² If an insured person is partially disabled within the meaning of the state DI legislation or is provisionally insured according to Art. 26a of the Swiss Federal BVG legislation, this right only applies to the part of the retirement capital which does not correspond to the partial pension entitlement or the provisionally voluntary continued insurance cover.
- ³ The advance withdrawal is deducted proportionally from the obligatory and supra-obligatory retirement savings capital. In the case of repayment of an advance withdrawal the credit to the retirement account is made in the same ratio in favour of the obligatory and supra-obligatory retirement savings capital, as for the advance withdrawal.
- ⁴ If the insured person is married or lives in a registered partnership, the written consent of the spouse or registered partner is required for advance withdrawal and mortgaging. Proof of signature is to be evidenced by an identity card, but the Foundation can also request that signatures are certified by a notary or public official. Should the insured person not be able to obtain approval or if approval is rejected, then an appeal can be made to the court.
- ⁵ If the insured person is unmarried or does not live in a registered partnership, proof of marital status is required for early withdrawal and mortgaging.
- ⁶ The provisions of the Ordinance on the Enablement of Home Ownership by means of Occupational Pension Plans (WEFV) apply for all other matters.
- ⁷ Further information can be obtained from the fact sheet issued by the Foundation Board.

27.2 Benefit Reduction

By written application, the insured person can request information in writing regarding the amount available for home ownership and the benefit reduction associated with such a withdrawal. Upon special request, the Foundation will mediate additional insurance to cover the insurance gaps that arise.

27.3 Due Maturity Date

- ¹ The Foundation will pay out benefits no later than 6 months after the insured person has submitted a claim. In the event of a shortfall, the Foundation can extend this period to 12 months. If there is a significant shortfall, the Foundation can refuse to pay the advance withdrawal, which is to be used to repay mortgage loans.
- ² If the liquidity of the Foundation is jeopardized by advance withdrawals, the Foundation can postpone the completion of the applications. The Foundation Board will establish a priority order for the processing of such applications.

27.4 Charges

The Foundation will invoice the insured person for internal and external charges.

VI. Particular Stipulations

Art. 28 Obligation to Inform and Notify

- ¹ The insured persons and the pension benefit recipients should provide the Foundation with accurate information about all conditions relating to their pension benefit, in particular about changes in civil status and family relationships, without a specific request so to do.
- ² At the request of the Foundation, persons entitled to a pension should provide proof of life. Disabled persons should report details of their other pensions and earned income, as well as changes in the degree of disability.
- ³ The Foundation is authorized at any time to obtain a medical certificate on the health status of a disabled insured person at his or her own expense. If the insured person opposes a medical examination or refuses to accept employment which is available and which is reasonable with regard to their knowledge and skills, as well as their state of health, the Foundation can reduce, refuse or withdraw disability benefits.
- ⁴ The insured person and the beneficiaries are obliged to provide the Foundation with the required and requested information and documentation, and to submit documentation relating to any benefits, reductions or refusals of any other insurance institutions or third parties stipulated in Art. 24. In the event of refusal, the Foundation can reduce the benefits at its discretion.
- ⁵ Insured persons who have several pension plans and whose total salaries and income subject to the OASI legislation, exceed the upper demarcation set out in Art. 79c of the BVG legislation, should inform the Foundation about the entirety of their pension plans and the salaries and income insured therein.
- ⁶ The Foundation declines all liability for any adverse consequences that may result from a violation of the aforementioned obligations for insured persons and pension recipients or their survivors. Should the Foundation incur damage as a result of such infringements, the Foundation Board may hold the person at fault liable.
- ⁷ The entitlement to pension benefits lapses if the insured person or other persons claiming or receiving benefits unjustifiably fail to meet the obligation to provide information and notification, with the result that the claim or its scope cannot therefore be determined. The request for benefits will be deferred or the alignment of already guaranteed benefits will be suspended, if:
 - a) despite a written request with reference to the legal consequences, the information, documents and medical certificates requested by the Foundation are not supplied; or
 - b) if the insured person fails to undergo a medical examination; or
 - c) if a medical practitioner whom the Foundation wishes to consult is not released from medical confidentiality.

- ⁸ The Foundation can require the insured person to submit details of his or her income, as determined by the OASI state pension agency (per individual account statement).

Art. 29 Information for Insured Parties and Pension Recipients

- ¹ The Foundation will inform its insured persons, pursuant to Art. 86b Para. 1 of the Swiss Federal BVG legislation, annually in an appropriate form
- a) concerning their entitlement to benefits, the insured salary, the contribution rate and their retirement savings capital;
 - b) concerning the organization of the Foundation, its financing, as well as the members of the Foundation Board, composed with equal representation.
- ² Upon request, the Foundation will provide information about the investment income, the underwriting risk history, the administrative costs, the calculation of the actuarial reserve, the formation of the reserves and the development of the coverage ratio.
- ³ In the event of a vested benefit event, the Foundation will draw up a termination statement and give statutory and regulatory options for maintaining pension protection.
- ⁴ Upon request, the insured persons and pension recipients will be given further necessary information.

Art. 30 Taxation Consequences

The insured person is recommended to clarify his or her tax liability with his or her competent tax authority, in particular in relation to buy-in purchases, the repayment of advances for home ownership, cash withdrawals or savings capital withdrawals. The Foundation cannot assume any responsibility in this regard.

Art. 31 Data Protection and Duty of Confidentiality

- ¹ For the purpose of implementation of an occupational pension plan the pension institution will collect, process and retain personal data.
- ² In order to fulfil its functions, the pension institution can transmit data to other insurance institutions, authorities as well as the reinsurer of the Foundation (hereinafter referred to as external data receivers) to be further processed, within the framework of the legal data protection provisions. Where necessary, the insured person will provide his or her written consent.
- ³ The pension institution and the participating external data receivers have to take all necessary organisational and technical measures to ensure compliance with the relevant legal data protection provisions and the strictly confidential treatment of data.
- ⁴ All staff members of the Foundation responsible for the running, management and control or supervision of the business of the Foundation are subject to a legal duty of confidentiality, concerning all knowledge of personal details of beneficiaries and pensioners and

business affairs of the Foundation and the employers. These legal obligations also extend beyond the termination of their activities for and on behalf of the Foundation.

- ⁵ Otherwise, the statutory requirements apply (Art. 85a to 86a of the BVG and Swiss Federal data protection legislation).

Art. 32 Reporting of wrongly received benefits and measures in the event of neglect of maintenance obligations

- ¹ Pension institutions who discover during the execution of their duties that a person has wrongly withdrawn benefits are entitled to report this to the relevant social insurance authorities, as well as to the relevant pension institution regulators.
- ² If a specialist department issues a notification according to Art. 40 BVG, the pension institution must immediately inform the specialist departments about the following forthcoming claims of their reported insured person:
- a) payment of a benefit as a one-time lump sum capital savings pay-out to the value of at least 1,000 Franks;
 - b) cash payment according to Art. 5 FZG to the value of at least 1,000 Franks;
 - c) early withdrawal of capital to finance home ownership according to Art. 30c of this law and according to Art. 331e OR.
- ³ The institution must also report to the specialist department the mortgaging of the pension assets of this insured party according to Art. 30b and pledging of these assets.
- ⁴ Reports sent according to Paras. 1–3 should be in writing in the form of registered post or in another format with an acknowledgement of the receipt.
- ⁵ The pension institution may undertake a transfer of funds according to Para. 2 at the earliest 30 days after delivery of a message to the specialist department.

VII. The Organisation of the Foundation

Art. 33 The Organs and Authorised Signatories

- ¹ The supreme organ of the Foundation is the Foundation Board. It manages the Foundation in accordance with legislation, the articles of association, rules and regulations and legal supervisory instructions
- ² The corporate organs of the Foundation are:
 - The Foundation Board
 - The pension fund commissions
 - The general meeting of the delegates
 - The auditors and
 - experts on occupational pension funds.
- ³ The Foundation Board comprises a minimum of 4 members. The members of the Foundation Board are elected to office by the delegates of the pension fund commissions. Half of the members are elected from among representatives of the employers and half are elected from among representatives of the employees. The Foundation Board is self-constituting and elects a Chairperson and a Vice-Chairperson from its members. The Foundation Board issues organisational and administrative rules and regulations by which the organisation and the functions of the corporate organs are regulated.
- ⁴ When a representative of an employer or a representative of the employees leaves office, as a result of a termination of the association agreement of the employer or the termination of a contract of employment or deselection from a pension fund commission, membership on the Foundation Board is also terminated.
- ⁵ The period of office of a member of the Foundation Board is four years. Members of the Foundation Board can be re-elected upon expiry of their period of office.
- ⁶ Meetings of the Foundation Board are called by the Chairperson, or in his or her absence, by the Vice-Chairperson, as often as business requires, but at least once in the Spring and once in the Autumn, every year. All members of the Foundation Board are entitled to requisition the Chairperson to call an immediate meeting, upon stating the purpose and reasons therefor.
- ⁷ The Foundation Board forms a quorum when an absolute majority of the members attends a meeting. Should any member of the Foundation Board be prevented from attending a meeting, that member can be represented at the meeting by another member acting as a proxy. The Foundation Board passes its resolutions and conducts its elections based upon a simple majority of the votes cast. In the event of a tied vote without any agreement being possible within the Foundation Board, the business is adjourned. Should no agreement during a second meeting on the business be possible, a mutually agreed neutral arbitrator is appointed to decide upon the matter. If no agreement is reached via an arbitrator, the matter is referred to the supervisory authority. Voting on resolutions by circular is permitted. The passing of resolutions on certain

items of business requires a qualified majority of 2/3 of the members of the Foundation Board (Art. 2.5 of the Organisational and Administrative Rules and Regulations).

- 8 Minutes of meetings are kept, which are signed by the Chairperson and the minute-taker.
- 9 The Foundation Board manages the business of the Foundation in accordance with statutory requirements, the Articles of Association of the Foundation, the rules and regulations of the Foundation, as well as by following the instructions of the supervisory authority. The Foundation Board takes all decisions necessary for achieving the corporate purposes and issues the requisite implementation provisions.
- 10 The Foundation Board appoints an independent fiduciary company as auditor, as well as a recognised expert for occupational pension schemes to audit the financial balance (pursuant to Art. 53 of the Swiss Federal BVG legislation).
- 11 The Foundation Board delegates the operative business management—within the scope of a separate administrative agreement—to a business office, provided this is permitted under law, the Foundation statute, the organisational and administrative rules and regulations and statutory supervisory stipulations. The business office implements the resolutions of the Foundation Board and executes the current business of the Foundation; the business office is under obligation to the Board to carry out its instructions.
- 12 The Foundation Board appoints the authorised signatories and determines the form of their signatures.
- 13 Each of the pension schemes associated with the Foundation forms a pension fund commission as its regulatory body. The associated pension fund commission comprises an equal number of representatives of the employer and the employees. The organisation and the duties of each of the pension fund commissions are regulated in the business rules and regulations for each pension fund commission.
- 14 The details of the organisation of the Foundation are regulated in the organisational rules and regulations of the Foundation.

Art. 34 Additional Rules and Regulations

- 1 In addition to the organisational rules and regulations (including election and remuneration rules), there are also regulations on costs, investments, property pooling, partial liquidation (Appendix 4), as well as the rules and regulations for transfers to reserves and value fluctuation reserves.
- 2 All rules and regulations are determined by the Foundation Board and updated as required. These are to be submitted to the supervisory authority. The supervisory authority has to issue an approval order for the partial liquidation regulations.

VIII. Final Provisions

Art. 35 Jurisdiction

- ¹ The competent court of law is to decide in the event of a dispute. The place of jurisdiction is the Swiss headquarters or place of residence of any defendant or the corporate domicile of the employer where the insured person was employed.
- ² Otherwise, the stipulations of Arts. 73 and 74 of the Swiss Federal BVG legislation apply.
- ³ Only the German language version of the pension fund rules is legally binding.

Art. 36 Application of the Rules and Regulations and the Filling of Loopholes

- ¹ Any necessary implementation provisions in the pension fund rules are issued by the Foundation Board.
- ² The Foundation Board or a pension fund commission can deviate from the stipulations of these pension fund rules in special cases, with due consideration of equality before the law and of the prohibition of arbitrary action, when their application would mean particular hardship for affected persons and any deviation conforms with the spirit and purpose of the Foundation. Cases of hardship can only be financed out of the free funds of the relative pension scheme.
- ³ In cases where these rules or the underlying statute law do not contain any obligatory ruling, the Foundation Board will formulate a ruling which corresponds to the spirit and purpose of the Foundation.

Art. 37 Updating the Rules and Regulations; Coming into Effect

- ¹ These rules can be changed at any time based upon a resolution of the Foundation Board whilst respecting all acquired rights and observing statutory requirements. The responsible supervisory authority should be informed of any changes to the rules and regulations.
- ² Stipulations which provide for or result in additional services on the part of the employer cannot be introduced without the employer's approval.
- ³ These rules and regulations were adopted on 8th September 2025 by an equally represented Foundation Board and came into legal and statutory force on 1st January 2025. They replace the previous rules and regulations dated 1st January 2025.
- ⁴ Current pensions and benefits are not subject to alterations.

The Foundation Board