AXA Foundation for Occupational Benefits

Occupational benefits

Regulations for the BVG/LPP basic occupational benefits insurance

AXA Foundation for Occupational Benefits, Winterthur

L1100.004-01.24

Table of contents

General provisions

Objective
Art. 1

1. The "AXA Foundation for Occupational Benefits, Winterthur" (hereinafter "Foundation") is a foundation for mandatory and extra-mandatory occupational benefits insurance. As a collective foundation, its objective is to protect employees of the affiliated employers as well as their family members and surviving dependents against the financial consequences of old age, disability and death as defined by these occupational benefits fund regulations.

2. The occupational benefits provided are governed by the occupational benefits fund regulations together with the occupational benefits plan of the affiliated employer. These regulations define the relationships between the Foundation and the affiliated employers, on the one hand, and the insureds and beneficiaries, on the other.

3. The Foundation shall guarantee at all times the minimum benefits provided for by the Swiss Federal Law on Occupational Retirement, Survivors' and Invalidity Pension Provision (BVG/OPA), as amended, provided these are not excluded by the occupational benefits plan within the scope of extra-mandatory benefits. The Foundation has been entered in the register for occupational pension schemes and is affiliated with the Guarantee Fund. The Foundation's organization is set out in the deed of foundation and in the by-laws.

4. Self-employed persons (without staff) insured through a professional association pension solution are deemed to have the same status as employees and, in addition, are subject to the same obligations as employers.

5. For the purposes of these regulations, insured members of the Board of Directors are deemed to have the same status as employees.

Occupational benefits fund
Art. 2

The Foundation manages a separate occupational benefits fund for each employer with which it has concluded an affiliation contract.

Collective occupational benefits funds are operated for professional association pension solutions.

Contents of the occupational benefits plan
Art. 3

1. The occupational benefits plan defines the pool of insureds, benefits and contributions agreed with the affiliated employer for each occupational benefits fund and/or group. Provided no other provisions are specified in the occupational benefits plan in consideration of the principles applying to the Foundation, the provisions apply as outlined in these occupational benefits fund regulations. The occupational benefits fund can offer up to 3 occupational benefits plans for the insured of every group insurance plan.

2. If there are separate occupational benefits plans for the basic BVG/LPP insurance and any extra-mandatory insurance, the provisions of these occupational benefits regulations regarding the minimum BVG/LPP benefits shall only apply to the BVG/LPP basic insurance.

3. If the occupational benefits fund or the Foundation is liquidated in part or in full, the provisions of the regulations on the partial and total liquidation of occupational benefits funds and the regulations on the partial liquidation of a collective foundation shall apply.

4. Any claim to surplus participation under the group insurance contract shall be governed by the separate surplus participation regulations.

Registered partnership
Art. 4

Registered partners under these occupational benefits fund regulations have the same rights and obligations as spouses for the duration of the registered partnership as defined by the Same-Sex Partnership Act (PartG/SSPA). If a registered partner dies, the surviving partner is deemed equivalent to a surviving spouse. A registered partnership dissolved by order of the court is deemed equivalent to a divorce.

Calculating the effective age
Art. 5

The effective age used to define the start date and amount of contributions, the savings contributions and the minimum vested benefits due is equivalent to the difference between the current calendar year and the insured's year of birth (= BVG/OPA age).

Enrollment conditions
Art. 6

1. All employees belonging to the group of insured mentioned in the occupational benefits plan shall be enrolled with the occupational benefits fund. The employer must register all persons to be insured by name.

2. Enrollment in the Foundation takes place when the conditions of Art. 6.1 are fulfilled. Provided the pension plan contains no provisions to the contrary, it takes place at the earliest on
   – January 1 following the person's 17th birthday for the risks of disability and death,
   – January 1 following the person's 24th birthday for retirement benefits.

3. Individuals who are partially disabled on enrollment in the Foundation shall be insured only for that part of the salary that corresponds to the remaining earning capacity pursuant to Art. 15 of the Occupational Pension Ordinance (BVV 2/OPO 2). Any thresholds that may be referred to in the occupational benefits plan will be reduced accordingly. Persons with a disability level of 70% or more are not accepted into the occupational benefits insurance plan.

4. Self-employed persons may be enrolled in a professional association pension solution or within the scope of the regulatory provisions provided they join together with their staff. However, pension coverage does not begin until written confirmation of enrollment is received from the Foundation.

Retirement
Art. 7

1. **Reference age**
   The reference age is defined in the occupational benefits plan. Upon reaching the reference age, insureds and recipients of a disability pension are entitled to a retirement pension until the last day of the month after they pass away.

2. **Early retirement**
   Insureds may request to take full or partial early retirement beginning from the first day of the month following their 58th birthday. In special cases as determined by the Federal Council, retirement benefits can be withdrawn earlier.

   Full early retirement presupposes the termination of the employment relationship.

   A partial early withdrawal is possible only with a commensurate reduction in the annual salary under old-age and survivors' insurance (AHV/OASI). The provisions under Art. 7.4 apply.

3. **Deferral or continuation of occupational benefits insurance beyond the reference age**
   If the employment relationship is continued beyond the reference age, it is possible to defer the payment of retirement benefits or to continue occupational benefits insurance for a maximum of 5 additional years, provided the AHV (OASI) salary reaches the entry threshold defined in the occupational benefits plan.
   a) Deferral of retirement benefits: No savings contributions are levied during the period of deferral of retirement benefits. Other contributions (cost and risk contributions and the contribution to the Guarantee Fund) may continue to be levied. The applicable provisions are defined in the occupational benefits plan.
   b) Continuation of occupational benefits insurance: Savings contributions and any restructuring contributions will continue to be levied until actual retirement, but at the latest until the first day of the month following the insured's 70th birthday. Other contributions (cost and risk contributions and the contribution to the Guarantee Fund) may continue to be levied. The applicable provisions are defined in the occupational benefits plan.

   When the AHV (OASI) reference age is reached, the benefits for partner's and orphan's pensions as defined in the occupational benefits plan for the period "on deferral of the payment of retirement benefits or continuation of the occupational benefits insurance beyond the reference age" apply. The disability benefits, the death lump sum exceeding the retirement assets, and the annuity certain are no longer insured.

4. **Early retirement with withdrawal of retirement benefits**
   Insureds may request to withdraw retirement benefits on early retirement. The proportion of retirement benefits withdrawn early may not exceed the extent of the reduction in the AHV (OASI) annual salary. The first partial withdrawal must amount to at least 20% of the retirement benefits. Partial retirement may be taken in a maximum of 3 stages, with the third stage by definition leading to full retirement. The insured is permitted to redefine the proportion of retirement benefits they wish to withdraw as a lump sum at each stage of partial retirement. A partial retirement stage that results in a remaining annual salary below the entry threshold defined

in the regulations will lead to full retirement. It is the insured's responsibility to clarify the tax implications of partial retirement.

The partial withdrawal is made from the mandatory portion of retirement assets and any extra-mandatory portion of retirement assets in equal proportion to their share of total retirement assets.

Continuation of the insurance of the current pensionable salary pursuant to Art. 13.4 is not possible.

Pension coverage
Art. 8

1. The coverage is valid worldwide. Provided the conditions for enrollment pursuant to Art. 6 have been met (start of occupational benefits insurance), it begins on the day on which the employment relationship starts at the employer affiliated with the Foundation or the entitlement to salary commences, but no later than when the employee sets out on their way to work. If the conditions are not met until a later date, the insured must register with the Foundation at this time. The pension coverage ends on the date when the insured leaves the Foundation.

2. **Definite coverage**
   The coverage is definite and unrestricted for
   – the minimum benefits pursuant to the BVG/LPP
   – the benefits acquired with the vested benefits brought into the occupational benefits fund, provided that these were insured without proviso under the previous pension fund.

   Coverage for the remaining benefits shall be definite and unrestricted, provided that the insured is fully fit for work when coverage commences and the occupational benefits under the regulations do not exceed certain limits determined by the Foundation. If this is not the case, these benefits shall only be provisionally insured at first.

   An insured is not considered fully fit for work under these pension provisions if, on commencement of the coverage, he/she
   – is forced to remain partially or fully absent from work for reasons of health
   – receives daily benefits as a result of an illness or accident
   – is enrolled in a government disability insurance plan
   – draws a pension on account of complete or partial disability, or
   – can no longer be fully employed in a position appropriate to his/her training and abilities for reasons of health.

3. **Provisional insurance coverage**
   The Foundation will inform the insured if certain benefits can only be insured provisionally, and request that the insured provides additional information on the state of his/her health. If necessary, the Foundation may request additional information from a physician or require a medical examination.

   If a pension claim arises while coverage is provisional,
   – the benefits acquired with the vested benefits brought into the fund and which were subject to a proviso with the previous pension fund shall be paid, taking the proviso into account
   – the remaining provisionally insured benefits shall not be paid if the pension claim arises from circumstances (accident, illness, physical defect) which occurred before the provisional coverage commenced.

   Based on the documents submitted, a proviso for the risks of disability and death for reasons relating to health can be applied. The proviso is valid for a maximum of 5 years. A proviso instituted by a previous occupational benefits institution can remain in effect, in which case any period that has expired so far is applied.

   If the insured person refuses to participate in any parts of the medical examination, the benefits for the risks of disability and death will be reduced to the minimum defined in statutory provisions.

   If incapacity for work or death should occur during the term of the proviso, the benefit restriction continues to apply even after the term of the proviso ends. The benefit restriction applies in particular also to disability cases relating to incapacity for work that sets in during the term of the proviso.

   The Foundation must inform the insured person in writing whether pension coverage is granted as usual or with a proviso.

4. **In the event of an increase in occupational benefits,** the provisions of Art. 8.2 – 8.3 shall apply mutatis mutandis to the benefits which must be insured additionally.

5. **Breach of disclosure obligation**
   If the insured person provides incorrect information about their state of health, the Foundation has the right to reduce its insured benefits retroactively to the start of the pension or to refuse them altogether. The statutory minimum benefits including the pension coverage acquired through the vested benefits brought into the fund are reserved. The Foundation informs the insured person accordingly in writing within 3 months after learning of the breach of disclosure obligation.

Obligations of the insured
Art. 9

1. If the insured belongs to more than one pension fund and the sum of his/her salaries and income subject to AHV/AVS contributions is more than 10 times the upper BVG/LPP limit, he/she must inform the Foundation of all his/her pension fund memberships and the salary and income insured with each fund.

2. The insured must notify the employer (for the attention of the Foundation) within 30 days of any changes in his/her marital status or if he/she becomes liable or ceases to be liable to support dependants.

3. On termination of the employment relationship, the person withdrawing from the Foundation must make the information required for the transfer of vested benefits available.

4. Recipients of disability or survivors' benefits must notify the Foundation of any creditable income (e.g. domestic or foreign social benefits, benefits from other occupational benefits institutions, income from continued employment).

   Furthermore, they must report all occurrences that affect the pension relationship. These include in particular
   - Change in address
   - Change in bank account
   - Change in marital status
   - Change in entitlement to pensions vis-à-vis social insurance providers (AHV, disability, accident, or military insurance, foreign social insurance schemes)
   - Resumption of work or improvement in the capacity for work
   - Birth and adoption of children
   - Completion or discontinuation of a training program by children entitled to a pension
   - Death of a child entitled to a pension.

   The survivors must inform the Foundation immediately if a person entitled to a pension dies.

Foundation's duty to provide information
Art. 10

1. On enrollment as well as following any changes in benefits, but at least once a year, the insured person receives a pension fund certificate with the currently valid information on his pension. The insured person may, at any time, obtain their pension fund certificate and further information on their pension provision via the Foundation's online portal.

2. On request, the Foundation shall provide the insured with additional information on the status of his/her pension coverage and the business activities of the Foundation.

3. Every insured may request the Foundation to provide him/her with all his/her personal data administered by it and to correct the data if necessary.

Vested benefits brought into the fund
Art. 11

The insured is obliged to transfer all vested benefits from previous pension funds or vested benefits institutions to the Foundation when joining.

Vested benefits from the Liechtenstein system of occupational benefits insurance may be deposited.

The vested benefits brought into the fund shall be used to increase the retirement assets.

Salary definitions

Annual salary
Art. 12

1. The annual salary is the last known salary subject to AHV (OASI) contributions at the affiliated employer, adjusted in consideration of any agreed changes for the current year.

   Unless other terms are specified in the occupational benefits plan, any occasional salary components are excluded. Within the scope of these occupational benefits fund regulations, such amounts include:
   – one-off, or unforeseeable, or irregular special remuneration, gratuities and bonuses,
   – gifts for anniversary service years, unless they are paid more frequently than every 5 years.

2. The effective annual salary that applies to the pension is defined in the occupational benefits plan, in compliance with the statutory minimum provisions

3. The employer must notify the Foundation of the effective annual salary that applies to the pension by January 1 or on the enrollment date. Salary changes during the year are taken into account from the date of the change and result in a modified annual salary in accordance with Art. 12.1.

4. If the insured worked for the employer for less than one year (e.g. temporary staff), the effective annual salary that applies to the pension shall be deemed to be the salary the insured would have received if they had worked for an entire year.

5. The annual salary for an insured whose number of working hours and income vary greatly is deemed to be the average annual salary for the profession concerned. Where applicable, these rates are set out in the occupational benefits plan.

6. An insured who also works for one or more other employers may not insure the income received from these employers under these occupational benefits fund regulations. If the insured receives salaries from multiple employers affiliated with the Foundation, each employment relationship is treated differently.

Pensionable salary
Art. 13

1. The pension benefits and contributions are calculated on the basis of the insured salary. The insured salary is set out in the occupational benefits plan. If necessary, the Foundation brings any coordination deductions and minimum and maximum amounts set out in the occupational benefits plan into line with the statutory federal provisions. Subject to Art. 13.4, the total pensionable salary with all current pension funds may exceed neither the income subject to AHV contributions nor 10 times the upper BVG threshold.

2. If an insured's effective annual salary that applies to the pension temporarily decreases due to illness, accident, unemployment, maternity/paternity leave, family care leave, the arrival of an adopted child, or similar reasons, the previous insured salary shall continue to be insured for as long as the employer is obliged to continue payment of salary in accordance with Art. 324a of the Swiss Code of Obligations (CO), or during the period of maternity leave in accordance with Art. 329f CO, or paternity leave in accordance with Art. 329g CO, or family care leave in accordance with Art. 329i CO, or adoption leave in accordance with Art. 329j CO. The insured may, however, submit a written request to reduce the insured salary.

3. The occupational benefits plan may stipulate that any coordination deductions and minimum and maximum amounts for part-time employees shall be determined in accordance with their actual employment status.

4. Insureds whose effective annual salary drops by no more than half between the first day of the month following their 58th birthday and the reference age may request to continue their insurance under the occupational benefits plan at the current insured salary. The insurance which continues to cover the current insured salary applies only to the portion of occupational benefits which are not being used to pay out retirement benefits. This is subject to the precondition that the corresponding contributions will continue to be paid in full, in accordance with Art. 44. The continuation of the current pensionable salary assumes that the insured is fully fit for work.

Pensionable salary in the event of disability
Art. 14

1. If an insured is fully unfit for work, the salary earned immediately prior to the commencement of the inability to work shall remain valid for insurance purposes.

2. If an insured is partially disabled, the insurance shall be divided into an “active” part and a “disabled” part. The salary to be split into 2 parts equals the salary valid immediately prior to the commencement of the inability to work. The split is carried out based on the benefits level as defined in Art. 20.5. Any limits mentioned in the occupational benefits plan shall be reduced accordingly.

   The salary underlying the “disabled” part of the insurance shall remain constant.

   The salary underlying the “active” part of the insurance shall equal the annual earned income. The same shall apply for individuals who were partially disabled on enrollment with the occupational benefits fund.

   The pensionable salary shall equal at least the BVG/LPP minimum salary.

Occupational benefits

Overview of benefits
Art. 15

The occupational benefits plan sets out which of the following benefits are insured:

a) on reaching the reference age:

– retirement pension	Art. 18
– lump-sum withdrawal of the retirement pension	Art. 18
– AHV bridging pension	Art. 18
– pensioner’s child’s pension	Art. 19

b) in the event of disability:

– contribution waiver	Art. 21
– disability pension	Art. 22
– disabled person’s child’s pension	Art. 23

c) in the event of death:

– partner’s pension	Art. 26
– orphan’s pension	Art. 27
– lump sum payable at death	Art. 28
– annuity certain	Art. 29

Additional benefits may be insured pursuant to the principles issued by the Board of Trustees.

Retirement assets
Art. 16

1. Retirement assets are accrued for each individual insured.

2. The insured’s retirement assets are increased by:
   - savings contributions
   - vested benefits brought into the fund
   - amount paid in from pension benefits settlement on divorce
   - benefits purchased and amounts paid in
   - repayment of advance withdrawals for financing residential property
   - repurchase of benefits after divorce
   - share of vested benefits received or share of pension transferred as a lifelong pension or lump sum after divorce
   - interest

   The pension plan regulates the details regarding the treatment of purchases and the resulting benefits.

The insured's retirement assets are reduced by:
– advance withdrawals under the promotion of home ownership option
– partial pay-outs as a result of a divorce
– partial transfers to 1e occupational benefits institutions
– capital to finance retirement and survivors' benefits that fall due

3. The amount of the annual savings contributions is governed by the occupational benefits plan.

4. Interest is calculated on the accrued retirement assets at the end of the previous year and credited to the retirement assets at the end of each calendar year.

5. Contributions or withdrawals earn interest on a pro rata basis during the year in question. Funds withdrawn from retirement assets also earn interest on a pro rata basis in the year they are withdrawn.

6. If a pension claim arises or an insured withdraws from the occupational benefits fund during the course of a year, the accrued retirement assets at the end of the previous year shall form the basis for the interest calculation. Interest for the current year shall be paid pro rata to the date on which the pension claim arises or the vested benefits are paid out.

7. The Board of Trustees determines the interest rate for retirement assets. The Foundation shall inform the insured of the applicable interest rate every year.

Prospective retirement assets at the reference age
Art. 17

The prospective retirement assets at the reference age consist of
– the accrued retirement assets, plus
– the sum of the savings contributions under the applicable occupational benefits plan for the years remaining until the reference age is reached, with interest. The savings contributions shall be calculated on the basis of the last full insured salary of the insured.

Retirement benefits

Retirement pension and lump-sum withdrawal of retirement pension
Art. 18

1. Upon reaching the reference age, insureds and recipients of a disability pension are entitled to a retirement pension until the first day of the month after they pass away. The insured also has the option of withdrawing part or all of the retirement assets, as set out in the provisions of Art. 37.

2. The amount of the annual retirement pension is based on the retirement assets on the retirement date; in the case of a partial withdrawal, the amount is based on the corresponding portion multiplied by the conversion rate valid at that time. The conversion rates are determined by the Board of Trustees, provided the authority to do this has not been delegated to the occupational benefits fund commission. In the event of early retirement with withdrawal of a retirement pension, a lower conversion rate applies; if the occupational benefits insurance is deferred or continued beyond the reference age, the conversion rate is increased.

   The Foundation shall inform the insured of the applicable conversion rates every year. If the occupational benefits fund commission decides to set higher conversion rates in the occupational benefits plan, the costs incurred will be borne by the occupational benefits fund.

3. If the retirement pension replaces a current disability pension, the retirement pension shall not be less than the inflation-adjusted statutory disability pension.

4. The occupational benefits fund commission may decide to provide for an AHV (OASI) bridging pension in the occupational benefits plan. Any associated costs incurred will be borne by the occupational benefits fund.

Pensioner's child's pension
Art. 19

1. Entitlement to a pensioner's child's pension arises if the insured draws a retirement pension and has children eligible for a pension pursuant to Art. 51.

2. The pension claim lapses if the conditions for pension eligibility pursuant to Art. 51 are no longer fulfilled or if the insured dies.

3. The amount of the annual pensioner's child's pension is specified in the occupational benefits plan.

Disability benefits

General provisions
Art. 20

1. **Incapacity for work, occupational disability, disability**
   These terms are defined as follows as far as they pertain to the disability benefits:
   - Incapacity for work is the full or partial inability – on account of physical, mental or psychological health problems – to perform any reasonable function in one's current profession or field of work. If the incapacity for work lasts for an extended period, a job in another profession or with another remit may also be considered reasonable.
   - Occupational disability is the total or partial loss of the ability to earn an income in the stable labor market in question after reasonable treatment of an impairment of bodily, mental or psychological health, and efforts to reintegrate the insured into the workforce.
     To assess if a case falls under occupational disability, only the consequences of the person's health impairments must be taken into consideration. In addition, occupational disability exists only if an objective opinion states that a recovery can be ruled out.
   - Disability is defined as the permanent or temporary inability to earn a living.
     Unemployed minors shall be considered to be disabled if the impairment of their bodily, mental or psychological health is expected to lead to the total or partial inability to earn a living.
     Persons who are of age and were unemployed before the impairment of their bodily, mental or psychological health and who cannot be reasonably expected to work shall be considered to be disabled if it is impossible to continue to employ them in their present remit. To assess if a case falls under disability, only the consequences of the person's health impairments must be taken into consideration. In addition, disability exists only if an objective opinion states that a recovery can be ruled out.

     The Foundation has the right to request additional information and proof or to obtain these itself. It can oblige the insured person to undergo an examination by its medical experts at any time. The Foundation will bear the costs.

2. **Eligibility requirements**
   Entitlement to a contribution waiver as defined in Art. 21 assumes that the insured's incapacity for work is at least 40% and that he/she was insured under these occupational benefits fund regulations at the time the illness/injury which made him/her unfit to work was sustained. Regarding the eligibility criteria governing exemption from contributions to the occupational benefits plan, the minimum threshold for the required incapacity for work may be reduced to 25%.

   Entitlement to disability benefits as defined in Art. 22 and Art. 23 is contingent upon the insured being recognized as disabled pursuant to the Invalidity Insurance Act (IVG/InvIA). They shall then also be deemed disabled by the Foundation effective from the same date and at the same level, provided they were insured with the Foundation at the onset of the incapacity for work whose cause led to their disability. A level of disability of less than 40% does not confer any entitlement to benefits under any circumstances. The minimum threshold conferring entitlement to disability benefits in the occupational benefits plan may be reduced to 25%.

   If the occupational benefits plan already stipulates an obligation to pay benefits from a level of disability of 25%, the obligation to pay benefits will lapse if the level of disability falls below 25%.

3. **Waiting period**
   The waiting period is the minimum effective period of incapacity for work or disability that must elapse before the insured person is entitled to receive benefits. This waiting period is specified in the occupational benefits plan.

   If the agreed waiting period is 24 months and the daily benefits in the event of inability to work due to illness are not paid for the entire 24-month period, the disability pension and disabled person's child's pension shall be granted from the date on which the entitlement to daily benefits lapses, but not before the date on which the entitlement to an IV/AI pension commences.

4. **Level of disability**
   The level of disability is determined on the basis of the relationship between the income from

employment which the insured could earn in a stable labor market by performing a job that may be reasonably expected from him/her after he/she has become disabled, has received medical treatment and has been reintegrated into the workforce, and the income from employment which he/she could have earned if he/she were not disabled.

5. **Calculation of benefits**
   Benefits shall be paid as follows:

Level of incapacity for work/disability in %	Level of benefits in %
0 – 39	0
40	25
41	27.5
42	30
43	32.5
44	35
45	37.5
46	40
47	42.5
48	45
49	47.5
50 – 69	exact level
From 70	100

   For insured members whose incapacity for work occurred prior to January 1, 2022, the regulations for the calculation of benefits in place at the onset of the incapacity for work are applied until such time as disability as defined by disability insurance (IV) becomes effective. If disability occurs after January 1, 2022, the calculation of benefits system valid from January 1, 2022, is applied as of the time the pension commences.

6. **Duty to cooperate**
   Subject to Art. 1.2, benefits will be reduced or refused temporarily or permanently if an insured person withdraws from or refuses reasonable treatment or efforts to reintegrate him into work life that are likely to improve in his earning capacity significantly or open up new job possibilities, or if he does not of his own accord contribute as much as can be reasonably expected toward such measures.

7. **Provisional continuation of insurance**
   If the disability pension (IV) is reduced or suspended because the insured's disability level is now lower, the insured will continue to be covered by the occupational benefits institution that is liable for benefits under the same terms for 3 years, provided that the insured participated in reintegration measures as defined in Art. 8a IVG before benefits were reduced or suspended or that the pension was reduced or suspended because the insured resumed work or increased his/her working hours.

   Similarly, pension coverage and entitlement to benefits remain in force for as long as the insured receives provisional benefits as defined in Art. 32 IVG.

   In the period of continued insurance and entitlement to benefits, the occupational benefits institution will reduce the disability pension according to the insured person's reduced disability level, but only to the extent that the reduction is offset by any supplementary income the insured earns.

   The insured persons affected are deemed to be disabled as defined in these occupational benefits regulations.

Contribution waiver
Art. 21

1. Entitlement to a contribution waiver arises after the waiting period defined in Art. 20.3 ends.

2. If the incapacity for work is expected to last longer than 6 months, the case must be registered with the disability insurance (IV) before the end of these 6 months. Otherwise, the Foundation has the right to cancel the contribution waiver.

3. Subject to Art. 20.7, entitlement to benefits ceases if the insured's level of incapacity for work drops below 40%, if the DI (IV) office rejects the obligation to pay benefits or discontinues its benefit payments, or if the insured reaches the reference age defined in the occupational benefits plan at the time incapacity for work sets in, subject to Art. 61.4, or dies. If the occupational benefits plan already stipulates an obligation to pay benefits from a level of disability of 25%, the obligation to pay benefits will lapse if the level of disability falls below 25%.

4. Insureds with a partial incapacity for work are partially exempt from contributions; the extent of this exemption is defined according to the benefits table set out in Art. 20.

Disability pension
Art. 22

1. Entitlement to a contribution waiver arises on expiry of the waiting period pursuant to Art. 20.3. There shall be no entitlement to a disability pension for as long as the insured receives daily benefits from the IV/AI.

2. Subject to Art. 20.7, entitlement to the pension ceases if the DI (IV) office discontinues its benefits, or if the insured resumes work, reaches the reference age as defined in the occupational benefits plan when incapacity for work sets in, subject to Art. 61.4, or dies If the occupational benefits plan already stipulates an obligation to pay benefits from a level of disability of 25%, the obligation to pay benefits will lapse if the level of disability falls below 25%.

3. The amount of the annual disability pension is specified in the occupational benefits plan.

   The minimum pension equals the statutory disability pension. This consists of:
   - the accrued retirement assets (pursuant to the BVG/LPP calculation of conformity) at the time that entitlement to a BVG/LPP pension arises, and
   - the future savings contributions (without interest) for the remaining years until the insured reaches the reference age, based on the BVG (OPA) tables as well as the insured BVG (OPA) salary and using the statutory conversion rate for retirement pensions.

4. Upon reaching the reference age, the disability pension is replaced by the retirement pension pursuant to Art. 18 or withdrawal of the retirement savings pursuant to Art. 37.

Disabled person's child's pension
Art. 23

1. Entitlement to a disabled person's child's pension arises at the same time as the claim to a disability pension, provided that the insured has eligible children pursuant to Art. 51.

2. Subject to Art. 20.7, entitlement to the pension ceases if the conditions governing eligibility pursuant to Art. 51 are no longer met or the DI (IV) office suspends its pension benefits, or if the insured resumes work, reaches the reference age as defined in the occupational benefits plan when incapacity for work sets in, subject to Art. 61.4, or dies.

3. The amount of the annual disabled person's child's pension is specified in the occupational benefits plan. The minimum pension equals 20% of the statutory disability pension.

Change in the level of disability
Art. 24

If the level of disability changes, the case shall be re-examined and the benefits adjusted, if necessary. If, as a result of a reduction in the level of disability, the benefits paid out were too high, these benefits must be repaid. The previously defined pension and thus also the entitlement to the pension is increased, reduced or revoked if, following a revision to the DI (IV) pension, the level of disability under occupational benefits insurance changes by at least 5 percentage points. The Foundation is authorized to redefine the pension and thus also the entitlement to the pension at any time and without reference to the DI (IV) decision if it is determined that the previous decision was incorrect.

Death benefits

General provisions
Art. 25

Entitlement to death benefits arises if the insured
- was insured under these occupational benefits fund regulations at the time of his/her death or on the occurrence of disability the cause of which led to death; or
- was at least 20% but less than 40% disabled as the result of a congenital defect at the time when he/she started working and was insured for at least 40% at the time that the level of the disability, the cause of which led to death, increased; or
- became disabled while still a minor and was therefore at least 20% but less than 40% disabled at the time when he/she started working and was insured for at least 40% at the time that the level of disability, the cause of which led to death, increased; or
- received a retirement or disability pension from the Foundation at the time of death.

Partner's pension
Art. 26

The occupational benefits plan specifies whether spouses and unmarried partners or exclusively spouses are beneficiaries, and whether the

L1100.004-01.24

partner's pension falls under basic or extended coverage.

1. **Basic coverage**
   Entitlement to a partner's pension arises if the insured dies and
   - is survived by a spouse who at the time
     a) is responsible for the maintenance of one or more children, or
     b) is 45 or older and the marriage lasted at least 5 years. The period during which the spouses reside in a domestic partnership in the same household and domicile without interruption up to the marriage is counted toward the length of the marriage.
   - or is survived by an eligible partner pursuant to Art. 26.5 who, at the time
     a) is required to pay support for one or more joint children, or
     b) is 45 or older.

   If neither of these conditions pursuant to a) or b) are met, a single lump-sum settlement will be paid in the amount of 3 annual pensions.

   Entitlement shall lapse if the eligible person marries or dies.

2. **Extended coverage**
   Entitlement to a partner's pension arises when the insured dies and is survived by a spouse or an eligible partner pursuant to Art. 26.5.

   Entitlement to a pension lapses if the eligible person marries before turning 45 or if that person dies. In the event that the eligible person marries before turning 45, a single lump-sum settlement will be paid in the amount of 3 annual pensions.

3. **Amount of the partner's pension**
   The amount of the partner's pension is governed by the occupational benefits plan.
   The minimum pension equals
   - 60% of the statutory disability pension before reaching the reference age
   - 60% of the statutory retirement pension after reaching the reference age.

4. **Reduction and discontinuation of the pension**
   The pension shall be reduced by 1% for each year or part of a year by which the eligible person is more than 10 years younger than the deceased.

   The pension is furthermore reduced if the marriage or beginning of the joint household and domicile of the domestic partnership occurred after the deceased turned 65, and the reduction amounts to 20% for each year or part thereof in excess of this threshold.

   The reduction of the partner's pension pursuant to the preceding two paragraphs no longer applies if, at the time of the marriage after turning 65, a domestic partnership in the same household and domicile already existed and had been entered into prior to turning 65, and the length of the domestic partnership continued without interruption up to the marriage combined with the duration of the marriage was at least 5 years at the time of death.

   No pension is paid if the insured married after having turned 69 or if the conditions for a life partnership entitling the partner to a pension were met after the insured turned 69 or if they, at the time of the marriage or beginning of the life partnership entitling a partner to a pension, had turned 65 and suffered from a serious illness of which they were aware and died within 2 years following the marriage or beginning of the life partnership entitling a partner to a pension.

   These restrictions shall not apply if they infringe on the minimum benefits specified by the BVG/LPP.

5. **Requirements for entitlement of the unmarried partner**
   The entitlement of an unmarried partner to a partner's pension requires there to be a life partnership entitling the partner to a pension. The surviving partner has no entitlement if he/she already receives a surviving spouse's pension or surviving partner's pension from a domestic or foreign pension plan.

   A life partnership entitling a partner to a pension exists if, at the time of death:
   a) both partners are unmarried and not related to each other, and
   b) they are not registered within the meaning of the Act on the Registered Partnership between Persons of the Same Sex, and
   c) both partners have been in a domestic partnership in the same household and domicile without interruption for 5 years immediately prior to the death of the insured (health situation permitting). If the insured is divorced, the earliest date of the beginning of the life partnership is the date on which the divorce of the insured became final and binding;
      or
      the insured supported the surviving partner to a significant degree;

or
the surviving partner is required to pay support for one or more joint children.

6. **Claim by divorced spouse**
   The divorced spouse is treated the same as the spouse, provided that the marriage lasted for at least 10 years and the divorce decree stipulates the payment of a pension to the divorced spouse pursuant to Art. 124e para. 1 or 126 para. 1 SCC.

   The benefit is reduced by the amount by which it, together with the other insurance benefits that are related to the death of the insured, in particular the AHV and IV, exceeds the claim under the divorce decree.

   There is no entitlement if the divorced spouse is awarded a pension share pursuant to Art. 124a SCC in the divorce decree.

   The divorced spouse stops receiving a pension when they remarry or die.

Orphan's pension
Art. 27

1. Entitlement to an orphan's pension arises if the insured dies leaving eligible children pursuant to Art. 51.

2. The entitlement to an orphan's pension lapses if the conditions for eligibility pursuant to Art. 51 are no longer fulfilled.

3. The amount of the annual orphan's pension is specified in the occupational benefits plan.
   The minimum pension equals
   – 20% of the statutory disability pension before reaching the reference age
   – 20% of the statutory retirement pension after reaching the reference age.

Lump sum payable at death
Art. 28

1. Entitlement to the lump sum payable at death arises if the insured dies before reaching the reference age in accordance with Art. 7.

2. The amount of the lump sum payable at death is set out in the occupational benefits plan.

3. **General order of beneficiaries**
   The following shall be entitled to the full lump sum payable at death:
   a) the spouse of the insured;
      if none:
   b) the children eligible for a pension under Art. 51;
      if none:
   c) the natural persons that the insured person supported to a significant extent and the person with whom the insured had formed a partnership as defined in Art. 26.5; persons already receiving a partner's pension from a domestic or foreign pension plan have no entitlement to a lump sum payable on death;
      if none:
   d) the children of the insured who are not entitled to a pension under Art. 51;
      if none:
   e) the parents of the insured;
      if none:
   f) the siblings of the insured.

   If none of the persons mentioned in Art. a) to f) are available, half of the lump sum payable at death shall be paid to the other legal heirs to the exclusion of the community.

   Beneficiaries in the same category shall receive equal parts of the death lump sum.

4. The lump sum payable at death does not form part of the deceased's estate.

Annuity certain
Art. 29

1. Entitlement to an annuity certain arises if the insured dies before the reference age. The persons mentioned in Art. 28.3 are entitled to this annuity.

2. The entitlement to an annuity shall lapse on the date on which the insured would have reached the reference age defined in the occupational benefits plan at the time of his/her death.

3. The amount of the annual annuity certain is specified in the occupational benefits plan.

General provisions on occupational benefits

Guarantee Fund
Art. 30

1. As prescribed by law, the Foundation is affiliated with the Guarantee Fund.

2. The occupational benefits plan describes the financing of the contributions to the Guarantee Fund.

Repayment of benefits received wrongfully
Art. 31

The Foundation will seek repayment of benefits received wrongfully, including interest. Repayment may be waived if the insured and/or beneficiaries acted in good faith and repayment would lead to significant hardship.

Cost-of-living adjustments
Art. 32

Statutory survivor's and disability pensions which have been paid out for more than 3 years shall be adjusted in line with price trends until the beneficiary reaches the reference age as stipulated by the Swiss Federal Council.

Survivors' and disability pensions not subject to a cost-of-living adjustment in accordance with Art. 1, as well as retirement pensions, are adjusted to inflation based on the Foundation's financial capabilities. The Board of Trustees decides annually if and to what extent pensions will be adjusted.

Coordination with accident and military insurance
Art. 33

1. Entitlement to disability and survivors' benefits is independent of whether disability or death was caused by illness or accident.

2. However, if benefits are payable by an accident insurer pursuant to the Swiss Federal Law on Accident Insurance (UVG/LAA) or a military insurer pursuant to the Swiss Federal Law on Military Insurance (MVG/LAM), the partner's orphan's, disability and disabled person's child's pensions due in accordance with these regulations shall be limited to the statutory minimum. In addition, there shall only be an entitlement to these pensions if the benefits from the occupational insurance fund and any other benefits pursuant to Art. 34.2 do not exceed 90% of the earnings presumed to have been foregone.

3. Any claim to a disability or disabled person's child's pension shall arise only if the accident insurer or military insurance stops payment of daily benefits and replaces the daily benefits with a disability pension.

4. If accident and illness occur together, the provisions of Art. 33.2 – 33.3 shall apply only to the part which is a result of the accident.

5. If the insured event results from negligence, any reduction or refusal of accident or military insurance benefits shall not be compensated.

6. The restrictions of Art. 33.2 shall not apply to insured who are not subject to the UVG/LAA and thus were registered separately. If they were not registered, only the statutory minimum benefits shall be paid in the event of an accident.

7. More extensive accident coverage may be granted by the occupational benefits plan.

Correlation with other insurance benefits
Art. 34

1. The Foundation shall reduce the disability and survivors' benefits if these benefits, together with the creditable income pursuant to Art. 34.2, exceed 90% of the earnings presumed to have been foregone. The estimated lost income corresponds to the total earned and replacement income that the insured person would have received if the injuring event had not occurred.

2. Creditable income includes benefits of the same type and purpose paid to the eligible person by domestic and foreign social security plans and pension institutions due to an injuring event, such as pensions. This does not include lumpsum payments, care allowances for persons unable to look after themselves, impairment compensation, settlements, assistance contributions, or similar benefits. Also taken into account are daily benefits from mandatory insurances, as well as daily benefits from voluntary insurances, if these are financed by the employer by at least 50%. Orphan's pensions for the children of the eligible person shall also be taken into account. Recipients of disability benefits are also credited for any continued income from gainful employment or replacement income, or any income which the insured can still be reasonably expected to earn, except in the case of supplementary income earned while the person participates in a reintegration program in accordance with Art. 8a IVG (InvIA).

3. The Foundation shall reduce its benefits to the same extent if the AHV/AVS – IV/AI reduces, withdraws or withholds a benefit because the eligible person has caused the death or disability through gross negligence or resists the IV/AI's integration efforts.

Subrogation and assignment
Art. 35

At the time of the insured event, the Foundation shall succeed in the name of the occupational benefits fund to the claims of the insured, their dependants and other beneficiaries under these regulations against any third parties who are liable for the insured event up to the amount of the statutory benefits.

Persons who have a claim to an extra-mandatory disability or survivors' pension must assign their claims against any third party liable for the insured event up to the amount of the benefits payable by the Foundation.

Payment of occupational benefits
Art. 36

1. Regulatory pension benefits are due 30 days after the Foundation has received all the information it needs in order to establish eligibility for such a payment. If the benefits have been pledged, the pledgeholder's written consent is required before the benefits can be paid out.

   If, pursuant to Art. 40 BVG (OPA), the Foundation has a duty to notify in the event that the insured member fails to comply with his/her maintenance obligations, payment of lump-sum benefits will be made – subject to any other instructions by the court – at the earliest 30 days after delivery of the notification of the lump-sum payment to the responsible debt collection assistance authority.

2. Pensions that are due shall be paid monthly in advance on the first day of each month.

   If the liability to pay benefits commences during the course of a month, the corresponding pro rata amount shall be paid.

   If a survivors' pension replaces a current pension, the new pension shall be paid for the first time at the beginning of the following month.

3. **Review of entitlement to benefits**
   The Foundation can request proof of entitlement at any time. In the absence of such proof, the Foundation will cease paying benefits by observing the provisions of Art. 1.2.

4. **Default interest**
   If the Foundation is in arrears with paying pension benefits, it must pay default interest based on the current BVG minimum interest rate.

Lump-sum payment of retirement pension and partner's pension
Art. 37

1. The insured may choose to draw all or part of the retirement assets instead of receiving a retirement pension. All further claims to benefits vis-à-vis the Foundation will lapse in the scope of the retirement lump-sum payment. The insured must submit a corresponding written declaration before the first pension payment is due. The provisions under Art. 52.1 are reserved.

   If purchases were made in the last 3 years before retirement, the benefits resulting from these purchases may not be drawn as a lump sum. Insureds who chose to continue their insurance for more than 2 years in accordance with Art. 52.1 may only draw their retirement benefits in the form of a retirement pension.

   In the case of a partial retirement lump-sum payment, the mandatory portion of retirement assets and any extra-mandatory portion of retirement assets are used in equal proportion to their share of total retirement assets

   If the insured is married, a full or partial retirement lump-sum payment is only permitted with the written consent of the spouse. The insured shall have recourse to the court if consent cannot be obtained, or if it is refused.

2. The eligible spouse or domestic partner may request a lump-sum payment instead of a survivors' pension. A corresponding declaration must be submitted before the first pension payment is due.

   The lump sum shall equal the cash value of the pension due, less 3% for each year or part of a year by which the eligible person is younger than 45. It shall equal at least 4 annual pensions but shall not be less than the accrued retirement assets.

   The divorced spouse may request a lump sum under the same conditions as the surviving spouse.

3. If, at the time the pension is drawn, the annual retirement pension or the disability pension payable in the event of full disability amounts to less than 10%, the partner's pension to less than 6%, and any child's pension to less than 2% of the minimum AHV (OASI) retirement pension, a lump sum will be paid instead of a pension.

Withdrawal

Withdrawal from the Foundation
Art. 38

1. An insured shall leave the occupational benefits fund if he/she no longer fulfills the conditions for enrollment pursuant to the occupational benefits plan and no pension claim has arisen. This applies in particular when the insured leaves the company's employment. Continuation of insurance in accordance with Art. 52 is reserved.

2. The withdrawing insured is entitled to vested benefits, provided that he/she has accrued retirement assets. This is calculated in accordance with Art. 15, 17 and 18 of Swiss Federal Law on Vesting in Pension Plans (FZG/VBA).

3. If the insured leaving the institution is partially unable to work or is disabled, they are entitled to vested benefits in proportion to the active part of their retirement assets, as defined in Art. 16. If they subsequently fully regain their capacity for work, without resuming their working relationship with the affiliated employer, they are also entitled to vested benefits for the continued part of their pension coverage after terminating their employment relationship.

Amount of the vested benefits
Art. 39

1. The vested benefits shall be transferred to the insured's new occupational benefits institution in Switzerland or Liechtenstein in accordance with their instructions.

2. The vested benefits must at least fulfill the conditions of Art. 17 FZG/FLLP and shall consist of the following:

   a) Vested benefits brought into the occupational benefits fund, plus interest, and any single contributions paid in by the insured, plus interest

   b) The sum of all contributions for retirement benefits made by the insured pursuant to the occupational benefits plan, plus interest.
   At least one-third of the total contributions paid by the employer and the insured pursuant to the regulations must be regarded as a contribution by the insured.

   c) A premium on the sum calculated in accordance with b) above. At the age of 21 this premium amounts to 4%. It increases by 4% annually up to a maximum of 100%. No supplement is calculated for amounts defined in Art. 44 (2) and Art. 52.1.

3. If the insured is married, the cash payment is only permitted with the written consent of the spouse. The insured shall have recourse to the court if consent cannot be obtained or if it is refused.

4. The vested benefits shall become due on the date that the insured leaves the occupational benefits fund. The vested benefits shall earn interest if the amount due can only be transferred at a later date. The interest rate is defined in Art. 2 paras. 3 and 4 FZG/FLLP.

5. In the case of partial or full liquidation of the occupational benefits fund or the Foundation, the provisions of the regulations on the partial and total liquidation of occupational benefits funds and on the partial liquidation of a collective foundation apply as well.

Use of the vested benefits
Art. 40

1. The vested benefits shall be transferred to the pension fund of the new employer in accordance with the insured's instructions.

2. On request of the insured, the vested benefits shall be paid out in cash if

   a) the insured permanently leaves the economic zone of Switzerland and Liechtenstein. If the insured moves to an EU/EFTA country and remains subject to compulsory retirement, disability and death coverage under the laws of this country, the vested benefits equaling the accrued BVG/LPP retirement assets cannot be paid out in cash.

   b) the insured becomes self-employed and is no longer subject to the mandatory occupational benefits insurance

   c) the vested benefits amount to less than one annual contribution by the insured.

   The insured must submit the documents required to release the cash payment.

If additional service years were purchased, the vested benefits purchased with this sum may not be drawn in the form of a lump sum during the next 3 years.

3. If the insured is married, the spouse must approve the cash payment in writing. The insured shall have recourse to the court if consent cannot be obtained or if it is refused.

4. If the vested benefits have been pledged, the pledgeholder's written consent is required before the benefits can be paid out in cash.

5. If, pursuant to Art. 40 BVG (OPA), the Foundation has a duty to notify in the event that the insured fails to comply with his/her maintenance obligations, the cash payment will be made – subject to any other instructions by the court – at the earliest 30 days after delivery of the notification of the lump-sum payment to the responsible debt collection assistance authority.

6. If the vested benefits can be neither transferred to another pension fund nor paid out in cash, the amount is paid into a vested benefits policy or a vested benefits account in accordance with the notification by the insured person. In the absence of such notification, the vested benefits are paid into the Substitute Occupational Benefit Institution at the earliest within 6 months, but no later than 2 years after the person leaves the company.

Temporary extended coverage; continuation of the pension plan
Art. 41

After the insured leaves the occupational benefits fund, coverage against the risks of disability and death shall remain valid until the insured joins a new pension fund, but not for longer than one month.

Insured persons who terminate their mandatory benefits insurance can continue their coverage with the Substitute Occupational Benefit Institution.

Under the conditions set out in Art. 52, the continuation of pension provision is possible in this Foundation.

Change in the number of working hours
Art. 42

In the event of a change in the insured's number of working hours, his/her accrued retirement assets shall be retained in full.

Contributions

Obligation to contribute
Art. 43

1. The liability to pay contributions shall commence on the date of the insured's enrollment with the occupational benefits fund.

2. The obligation to pay contributions ceases on the death of the insured, but at the latest when he/she draws the full amount in retirement benefits or withdraws early from the occupational benefits fund due to leaving the company or permanently earns less than the minimum salary as defined in Art. 2 Art. 1 of the BVG. The insurer reserves the right to waive contributions in the event of disability.

3. The insured's contributions shall be deducted from his/her salary by the employer and transferred to the Foundation together with the employer's contributions.

4. The employer finances its contributions with its own funds or from a contribution reserve fund set up for this purpose.

5. The provisions of Art. 52 apply to contributions during periods of voluntary continued insurance in accordance with Art. 47a BVG (OPA).

Contribution amounts
Art. 44

The amount and composition of regular contributions are set out in the occupational benefits plan. Employer contributions must equal at least the total of those of all insured persons (shared contributions). The provisions of Art. 52 apply to contributions during periods of voluntary continued insurance in accordance with Art. 47a BVG (OPA).

The insured must pay all contributions for continuing the insurance of the removed salary component pursuant to Art. 13.4, unless the occupational benefits plan defines another arrangement regarding their financing. These contributions are exempt from shared contributions.

The employer can make contributions to the occupational benefits fund in favor of the insured. The resulting benefits shall be allocated to the insured in accordance with objective criteria.

The contributions for special expenses are set out in the separate cost regulations.

Purchase of additional benefits
Art. 45

1. Within the framework of the legal provisions, the insured may purchase additional benefits as specified in the regulations in order to improve his/her pension coverage. The decision to do so may be made on enrollment with the occupational benefits institution or at a later date, but no later than a pension claim is made. Benefit purchases are primarily used as a means of closing a pension gap resulting from divorce.

   The maximum possible purchase amount as specified in the regulations corresponds to the difference between the maximum possible retirement assets at the time of purchase and the actual retirement assets. The maximum purchase amount is reduced by any non-transferred vested benefits as well as by any Pillar 3a assets, provided these exceed the maximum permitted amount for persons with occupational benefits insurance pursuant to Art. 60a para. 2 BVV 2 (OPO 2). The maximum possible retirement assets correspond to the retirement assets that would be accrued in accordance with the occupational benefits plan if there were no gaps in contributions and the current pensionable salary were to apply until the date of purchase. The specifics are set out in the annex to the occupational benefits plan. If the insured already receives retirement benefits from an occupational benefits institution or has drawn retirement benefits, the maximum purchase amount is reduced by the amount of these retirement benefits.

   If the occupational benefits plan is continued past the reference age, the maximum possible retirement assets will equal the amount that would have been reached at the time of the regular reference age under the plan and the pensionable salary valid at that time and if contributions were paid without any gaps.

   The calculation of the maximum possible retirement assets takes into consideration the actuarial interest rate defined in the occupational benefits plan.

2. Provided they are fully able to work and have purchased any gaps in their pension benefits pursuant to para. 1, the insured may purchase more than the full regulatory benefits in order

to partially or wholly eliminate any reductions which may arise in the event of an early withdrawal of retirement benefits. Any such purchase is capped at the amount that eliminates the difference between the reduced retirement pension on early retirement and the non-reduced retirement pension on regular retirement. If the insured waives the right to retire early, the maximum benefits permitted under the regulations may not be exceeded by more than 5%. If the percentage of retirement assets accrued is greater, this amount is transferred to the Foundation upon maturity.

3. A minimum amount of CHF 1,000 applies per purchase.

4. Benefits purchased will be used to increase the extra-mandatory retirement assets. Repurchased benefits in the context of divorce are used in the same proportion as for the original purchase to increase the mandatory and extra-mandatory retirement assets.

5. If advance withdrawals were made to finance residential property, additional benefits may be purchased only after all advance withdrawals have been repaid. This does not apply
   – in cases where repayment of the advance withdrawals is no longer possible, provided that the sum of the purchase of additional benefits and the advance withdrawals does not exceed the maximum benefits that are permitted under the regulations
   – to the repurchase of benefits transferred to the spouse in connection with divorce pursuant to Art. 49.6.

6. Purchasing additional benefits is no longer possible after a partial withdrawal, except in connection with a divorce as defined in Art. 49.6.

7. See Art. 46 for the tax treatment of the purchase.

Other provisions

Tax treatment
Art. 46

For the tax treatment, in particular of purchases, advance withdrawals for residential property, and partial withdrawals of retirement benefits (partial retirement), the legal provisions and the tax practices of the tax authorities are definitive. When reviewing tax privileges in connection with a purchase, the tax authorities generally consider a tax subject’s overall assets, in particular the assets held with other pension institutions (consolidated view). The insured person is responsible for clarifying and carrying out a tax-privileged purchase, advance withdrawal for residential property, or partial withdrawal. The Foundation rejects all liability in the event of a refusal of the tax privilege following a purchase or partial withdrawal.

Promotion of home ownership
Art. 47

1. The insured may make an advance withdrawal of retirement benefits to purchase a residence for their own use until the reference age, provided no pension claim has been made. Insureds who have chosen to continue their insurance for more than 2 years in accordance with Art. 52 are not permitted to withdraw early or pledge vested benefits for the purpose of financing owner-occupied residential property.

2. Until this same date the insured may also pledge their claims to retirement benefits and vested benefits in order to acquire residential property for own use.

3. Advance withdrawal and pledging of benefits are governed by the statutory provisions as well as the regulations for the promotion of home ownership.

4. An advance withdrawal leads to a reduction by the amount withdrawn in the mandatory portion of retirement assets and any extra-mandatory portion of retirement assets in equal proportion to their share of total retirement assets. The benefits dependent on the retirement assets shall be reduced accordingly.

   A pledge shall not cause any reduction in benefits. However, the realization of a pledge shall have the same effect as an advance withdrawal.

The full or partial repayment of an advance withdrawal is included in the mandatory or the extra-mandatory part of the retirement assets in the same proportion as when the amount was paid out. If corresponding information is unavailable, the inclusion shall be made in line with the proportions held in each portion of retirement assets immediately prior to the repayment.

Assignment and pledging
Art. 48

The claim on benefits before they are due may neither be assigned nor pledged. The provisions of Art. 47 remain reserved.

Divorce
Art. 49

1. On divorce the competent Swiss court will decide on the spouse's claims to vested benefits accrued during the marriage up to the time when the divorce proceedings were initiated.

   In the absence of a divorce decree to the contrary, the following provisions apply.

2. If the insured has not yet reached the reference age and is not disabled, the vested benefits accrued from the time of the marriage until the initiation of divorce proceedings and any advance withdrawals for the purchase of residential property will be split according to the divorce decree.

   The amount and use of any vested benefits transferred to the spouse are subject to the legally effective divorce decree. The mandatory portion and any extra-mandatory portion of retirement assets are thereby reduced by the vested benefits portion to be transferred in equal proportion to their share of total retirement assets. The benefits dependent on the retirement assets shall be reduced accordingly.

3. If the insured person is fully or partially disabled, the accrued vested benefits pursuant to Art. 49.2 is the amount that the insured person would be entitled to on reactivation at the time of the split.

   Ongoing disability benefits are not reduced as a consequence. However, their mandatory and extra-mandatory portions will be adjusted accordingly. The reversionary retirement and survivors' benefits based on retirement assets will be reduced.

4. On partial or full retirement of the insured person during the divorce proceedings, the Foundation can reduce the vested benefits and the retirement benefits according to the provisions of Art. 19g FZV.

5. If the insured person is drawing a retirement pension, this is split in accordance with the divorce decree. The mandatory and any extra-mandatory portion of the current retirement pension of the obligated spouse are reduced in proportion to their share of the total pension by the amount of retirement pension to be split. Any entitlement to an existing retired person's child's pension at the time of initiation of divorce proceedings remains unchanged.

   The entitled spouse has a lifelong entitlement to the pension share according to Art. 124a SCC. There is no entitlement to survivors' benefits. Prior to reaching the reference age, the Foundation transfers the pension share pursuant to Art. 124a of the Swiss Civil Code (ZGB/SCC) with the agreement of the eligible spouse as a one-time lump-sum payment or alternatively to the occupational benefits or vested benefits institution on an annual basis. If the eligible spouse has reached the reference age or is drawing a full disability pension, they receive the pension share pursuant to Art. 124a SCC paid out in installments in advance on the first day of the month, provided their entitlement has not already been settled in the form of a one-time lump-sum payment.

6. The insured may purchase additional benefits for the sum of the transferred vested benefits according to Art. 22d FZG. This will increase the occupational benefits accordingly.

7. Until it is verified that the legal pension claims of the entitled spouse have been met, the Foundation reserves the right to demand additional documents for examination of the facts. As long as these have not been provided, it may reject any payment request of the insured person.

8. Vested benefits brought in following divorce or pension shares pursuant to Art. 124a SCC are used in line with the proportions of the withdrawal of pension provision from the obligated spouse to raise the mandatory or extra-mandatory portion of the retirement assets. The notification of the transferring occupational benefits or vested benefits institution is definitive.

Retirement benefits transfer to a 1e occupational benefits institution
Art. 50

In compliance with the statutory provisions, the requirements of the supervisory authority, and the principles of the Foundation, the occupational benefits fund commission may decide to transfer part of the retirement assets to an occupational benefits institution as set out in Art. 1e BVV 2 (OPO 2). The separate agreement of each individual insured is required before transferring the retirement assets to a 1e occupational benefits institution. Each insured may decide at their discretion the portion of retirement savings that is to be transferred.

The occupational benefits plan in place, and the maximum pensionable salary in particular, must be adjusted accordingly. The only assets that may be transferred are those relating to the extra-mandatory portions of the retirement assets from salary components above the upper limit of one and a half times the threshold according to Art. 8 para. 1 BVG/LPP that exceed the full purchase of benefits as specified in the regulations of the adjusted occupational benefits plan.

Children eligible for a pension
Art. 51

1. The children of the insured who are eligible for a pension are
   - his or her children and foster children entitled to an AHV/IV pension
   - stepchildren who receive full or primary financial support at the time of his or her death.

2. The final age at which the child is still eligible for a pension is set out in the occupational benefits plan.

3. Children shall be eligible for pension benefits past the final age for as long as they have not completed their education or are at least 70% disabled. However, the pension entitlement does not extend beyond the first of the month following their 25th birthday.

4. Entitlement to a pension lapses if the child dies.

Continuation of pension provision
Art. 52

1. **Continuation of insurance upon exit after 58th birthday**
   An insured who exits mandatory insurance after reaching their 58th birthday because their employer has terminated the employment relationship can request that pension provision be continued on the basis of Art. 47a paras. 2 – 7 BVG (OPA) within 3 months of the employment relationship being terminated.The insured has the option of continuing to build savings contributions during such time as the retirement provision is continued. If pension provision has been continued for more than 2 years, the retirement benefit must be withdrawn in the form of a pension. Early withdrawals or pledges for the purposes of financing home ownership are then no longer possible. The contributions required for the continuation of pension provision are paid entirely by the insured person.

   Pension provision ends on the death of the insured person, on early retirement or when the reference age is reached. Pension provision will end if the insured person joins a new occupational benefits institution where more than two-thirds of their vested benefits are required to purchase full benefits as allowed for under the new institution’s regulations.

   The insurance coverage can be ended by the insured at any time and by the Foundation if any contributions are outstanding.

2. **Sector-specific early retirement models**
   The continuation of pension provision within the framework of a sector-specific early retirement model is based on the provisions set out in the annex to the occupational benefits plan.

Data protection
Art. 53

1. The Foundation passes on the insurance-related data of its insured and pension recipients to other occupational benefits and insurance institutions insofar as this is necessary to fulfill occupational benefits purposes. The Foundation may transfer the processing of data, by agreement, to third parties in Switzerland or abroad, provided that prevailing data protection regulations ensure adequate protection of data and the data processors are subject to a statutory duty of confidentiality or undertake to comply with the same.

2. The Foundation is authorized to issue aggregated data about the beneficiaries to the employer.

3. The provisions of the BVG (OPA) concerning the processing of personal data, inspection of documents, duty of confidentiality, disclosure of data and administrative assistance apply in par-

ticular. The provisions of the Federal Act on Data Protection (FADP) apply in all other respects.

Measures to remedy a cover shortage
Art. 54

The Foundation must at all times be able to guarantee that it can meet its regulatory obligations. If the Foundation nevertheless suffers a cover shortage, the Board of Trustees must implement suitable restructuring measures.

If an occupational benefits fund invests all or part of its pension assets for its own account, the competent occupational benefits fund commission must implement suitable restructuring measures if there is a cover shortage.

Provided that the Foundation complies with the statutory provisions, the following measures in particular can be implemented to eliminate the cover shortage:
- Review/adjustment of investment strategy
- Contributions by employer foundations or welfare funds
- Voluntary payments by the employer
- Payments by the employer into a separate "Employer contribution reserve fund with a waiver of usage" or transfer of normal employer contribution reserves to this account
- Lower interest rate or zero interest rate for the extra-mandatory retirement assets
- Lower interest rate or zero interest rate for the retirement assets in accordance with the imputation principle
- Restrictions on the time and amount of an advance withdrawal or refusal to pay out advance withdrawals to finance home ownership if the advance withdrawal is intended for the repayment of a mortgage.
- If the above or other measures do not have the desired effect, restructuring contributions can be levied from the employer and the insured persons. The employer's restructuring contribution must equal at least the total of all restructuring contributions paid by the insured persons.
- If the restructuring contributions also do not have the desired effect, the minimum BVG interest rate may be undercut by a maximum of 0.5% for the duration of the cover shortage, but not for longer than 5 years.

Any reduction in the interest rate for the retirement assets will also apply to the calculation of the minimum vested benefits pursuant to Art. 39.2.

Amendment of the occupational benefits fund regulations
Art. 55

The board of trustees shall decide on any amendments to the occupational benefits fund regulations.

Occupational benefits plan
Art. 56

The occupational benefits fund commission shall establish the occupational benefits plan within the limits imposed by the principles applying to the Foundation.

Transfer of vested benefits if the contract is rescinded in part or in full
Art. 57

If the affiliation contract is partially or fully rescinded, the related claims to vested benefits of the withdrawing insured persons or persons entitled to a pension are transferred to the new occupational benefits institution.

Entitlements include
- the amount of the withdrawing active insured persons' retirement assets, plus any prorated share in the surplus participation in accordance with the regulations on surplus participation, less any surrender penalty due under the group insurance contract concluded by the Foundation and any shortfall under the regulations on the partial and total liquidation of occupational benefits institutions and on the partial liquidation of collective foundations
- the amount of the withdrawing disabled insured persons' retirement assets, plus any share in the surplus participation in accordance with the regulations on surplus participation, less any surrender penalty due under the group insurance contract concluded by the Foundation
- the surrender value for withdrawing persons entitled to a pension, taking into account the provisions of Art. 53e BVG/LPP,
- any additional assets of the occupational benefits fund, namely the entitlements in accordance with the regulations on the partial and total liquidation of occupational benefits funds or on the partial liquidation of a collective foundation, plus any employer contribution reserves.

If the vested benefits are transferred after the date of liquidation, the benefits portion equalling the BVG/LPP retirement assets shall earn interest at the minimum interest rate set by the Federal

Council, and the remainder shall earn interest at rates set by the Board of Trustees (for the respective assets).

Place of performance
Art. 58

The place of performance is the place of residence of the eligible person or his/her representative in Switzerland or an EU/EFTA country. If no such place of residence exists, benefits are paid at the domicile of the Foundation. Occupational benefits are paid in Swiss francs.

Administration of justice
Art. 59

Any disputes arising from this contract can be brought only before a Swiss court. The place of jurisdiction is defined in Art. 73 BVG.

Entry into force
Art. 60

These regulations enter into force on January 1, 2024, and replace the version of January 1, 2023.

General transitional provisions
Art. 61

1. Benefits for insured events that occurred before the new regulations entered into force are processed in accordance with the regulations that were valid at the time of the insured event. The following Arts. 61.2 – 62 remain reserved.

2. Once the insured person has reached the reference age as defined in Art. 7, the regulatory provisions on reaching the reference age continue to apply to the current retirement benefits and reversionary entitlements to survivors' benefits. Any subsequent regulatory changes are not taken into consideration.

3. The regulations that apply for disability benefits are those that were in place at the time of the onset of the incapacity for work, the cause of which led to disability. The provisions under Art. 61.4 and Art. 62 are reserved.

4. If disability benefits end because the person has reached the reference age as defined in the pension plan at the onset of incapacity for work, retirement benefits come into effect. In the case of women for whom the reference age of 64 was defined in the occupational benefits plan upon onset of the incapacity for work, the following transitional provision applies to the point at which disability benefits end after reaching the reference age: For women born in 1960 or earlier, the reference age is reached on the first of the month after they turn 64. For women born between 1961 and 1963, the reference age is increased incrementally by 3 months each year. For women born in 1964 or later, the reference age is reached on the first of the month after they turn 65. In the case of women for whom the reference age of 62 was defined in the occupational benefits plan upon onset of the incapacity for work, the disability benefits also end on the first of the month after they turn 62.

5. If disability benefits end because the insured person dies before having reached the reference age, the death benefits are calculated based on the provisions that were in effect when incapacity for work began, unless the order of beneficiaries as defined in Art. 28.3 applies. The order of beneficiaries in accordance with Art. 28.3 is subject to the current regulatory provisions.

Specific transitional provisions relating to the 7th disability insurance revision

Transfer of disability pensions being drawn on January 1, 2022, to the new pension system
Art. 62

1. If entitlement to a disability pension arose prior to January 1, 2022, and if the insured had already turned 55 as of this date, the entitlement to disability benefits will continue to be governed by the regulations that were in place at the onset of the incapacity for work.

2. If entitlement to a disability pension arose prior to January 1, 2022, and if the insured had not yet turned 55 as of this date, the entitlement to disability benefits will continue to be governed by the regulations that were in place at the onset of the incapacity for work. However, if – following a pension review by disability insurance (IV) – the level of disability in occupational benefits insurance changes by at least 5 percentage points, disability benefits are adjusted in line with the new pension system as set out in Art. 20.5. This said, if the adjustment were to result in a decrease in the benefit level despite the increase in the disability level, or were the benefit level to increase following a reduction in the disability level, the existing benefit level will remain

in place. The regulations in force at the onset of the incapacity for work will also remain valid in the event of a pension review.

3. If entitlement to a disability pension arose prior to January 1, 2022, and if the insured had not yet turned 30 as of this date, the entitlement to benefits will be defined no later than January 1, 2032, in accordance with the provisions of Art. 20.5. If this results in a decrease in the benefit entitlement, the existing disability benefits will continue to be paid until such time as, in the event of a pension review, the disability level in occupational benefits insurance changes by at least 5 percentage points.