

General Policy Conditions for vested benefits insurance (vested benefit policies) with one-year premium rates

Effective date: 1 January 2016

Art. 1 Identity of the insurer

Swiss Life as insurance carrier is a public limited company (plc) under Swiss law headquartered in Zurich and entered in the commercial register as

Swiss Life Ltd
General-Guisan-Quai 40
8022 Zurich

Art. 2 Benefits

1 - Lump-sum benefits are insured for the event of survival of the insurance term and for the event of death. The maturity date is stipulated in the vested benefit policy.

2 - In the event of survival, the accumulated retirement savings is paid out as an endowment sum on the date of maturity. This amount corresponds to the single allocations paid in by Swiss Life plus the interest earned up to the date of maturity of the vested benefit policy (vested benefit).

3 - In the event of death, a lump-sum death benefit is paid out. This corresponds to the vested benefit plus the interest earned up to the end of the calendar year in which death occurred. If death occurs during the last year of the insurance term, the lump-sum death benefit equals the amount of the endowment sum.

4 - If the vested benefit policy is terminated prematurely, the retirement savings accumulated up to the termination date (vested benefit plus interest earned up to the date of termination) is paid out.

Art. 3 Premium rate and interest rate

1 - Vested benefits insurance is based on the one-year group life insurance premium rates approved by the Swiss Financial Market Supervisory Authority (FINMA).

2 - The interest rate applied to the vested benefit is set by Swiss Life annually in line with the market environment.

3 - If Swiss Life adjusts the underlying one-year rates or part thereof, the adjusted framework shall apply to the relevant insurances.

Art. 4 Negligence and suicide

1 - Swiss Life waives the right conferred upon it by law to reduce payment of the insurance benefits if the insured event is brought about by the insured person or the entitled person through gross negligence.

2 - In the event of suicide, the full lump-sum death benefit is paid out.

Art. 5 Transfer of insurance entitlement and payment of retirement savings before maturity date

1 - In accordance with the provisions on pledging and pre-payment for home ownership, entitlements to insurance benefits may not be transferred or pledged.

2 - The accumulated retirement savings or a part thereof will be paid out in accordance with the legal provisions in the event of divorce or the dissolution of a registered partnership or may be used under the legal framework as an advance withdrawal to fund owner-occupied property. Otherwise, the entitlement to receive payment of the retirement savings before maturity only exists if the pension coverage is maintained in another legal form or if there are legally recognised grounds for a termination.

3 - Legally recognised grounds exist if the insured person

- is entitled to full disability income under the Swiss federal disability insurance (IV)
- is due to reach normal retirement age in accordance with Art. 13 cl. 1 of the BVG in five years or less
- is taking up self-employment and is no longer subject to mandatory occupational benefits
- is leaving Switzerland permanently; the insured person cannot request cash payment of the BVG retirement savings if he/she is moving to an EU/EFTA member state where he/she will remain mandatorily insured for retirement, death and disability benefits under the legal provisions
- is entitled to a surrender value which is less than his/her personal annual contribution (annual contribution in accordance with the pension fund regulations of the employee benefits institution which has paid the vested benefit for conclusion of the vested benefits insurance).

4 - In the case of married persons or persons living in a registered partnership, the written consent of the spouse/registered partner is required.

Art. 6 Designation of beneficiaries in the event of death

1 - Provided no beneficiary declaration in accordance with cl. 2 of this Article exists, the order and extent of entitlement to the lump-sum death benefit by the survivors of the deceased insured person - irrespective of the right of inheritance - is as follows:

Beneficiary category I

- a) the spouse or registered partner; in the absence of whom:
- b) the children who are entitled to an orphan's pension in accordance with Art. 20 and Art. 22 cl. 3 of the BVG, in the absence of whom:
- c) the unregistered partner (same or opposite sex) of an unmarried insured person
 - who had lived with the insured person in a continuous marriage-like relationship for at least the last five years prior to the latter's death, or
 - who has to support one or more dependent children from the relationship,in the absence of whom:
- d) other natural persons who were largely dependent on the insured person for support in the absence of beneficiaries from this first category:

Beneficiary category II

- a) the children who are not entitled to an orphan's pension in accordance with Art. 20 and Art. 22 cl. 3 of the BVG, in the absence of whom:
- b) the parents; in the absence of whom
- c) the siblings; in the absence of beneficiaries from this second category:

Beneficiary category III

the other legal heirs (excluding the community).

The apportionment of the death benefit between several beneficiaries shall result in each receiving an equal share, unless otherwise stipulated by the insured person.

2 - In a written declaration to Swiss Life, the insured person may change the order of beneficiaries within the same beneficiary category and/or determine a different share of the apportionment of the lump-sum death benefit between several beneficiaries of the same beneficiary category.

The ranking order of beneficiary categories I-III may not be changed among each other.

Art. 7 Place of performance

1 - The contractual obligations shall be fulfilled at the entitled person's domicile in Switzerland or, in the absence of such a Swiss domicile, at Swiss Life's head office.

2 - If the insured person's domicile is not in Switzerland, he/she must inform Swiss Life of an authorised person in Switzerland or provide a Swiss delivery address.

Art. 8 Notifications

1 - The insured person is obliged to send notifications (e.g. changes in address) to Swiss Life in writing.

2 - Swiss Life will send notifications to the last known address or to the authorised person of whom it has been informed.

3 - Special arrangements only apply if they have been confirmed in writing by Swiss Life's head office.

Art. 9 Place of jurisdiction

The entitled person may choose either Zurich or his/her domicile in Switzerland as the place of jurisdiction. The place of jurisdiction for Swiss Life shall be the Swiss domicile of the defendant. If this person resides abroad, the exclusive place of jurisdiction shall be Zurich.

Art. 10 Information on data protection

1 - To perform activities relating to the set up and management of a vested benefit policy, personal data must be processed. The entire data processing chain at Swiss Life, from the collection of data to its storage and destruction, takes place in accordance with the legal provisions of the Federal Law on Data Protection (DSG) and the special provisions on data protection contained in the BVG (Art. 25 FZG [Federal Law on Vested Benefits] and Art. 85 et seq. BVG).

2 - Swiss Life collects and processes personal data for the purpose of identifying the persons to be insured and for the correct execution of the vested benefit policy. The data may also be used in an anonymous form for statistical surveys and analyses within the Swiss Life Group.

3 - Swiss Life obtains the data from the application documents and other documents which the person to be insured is required to submit. Further data is collected and processed in the event of a claim.

4 - Swiss Life is authorised to transmit data to third parties in Switzerland and abroad, in particular to reinsurers and reinsurers, to the extent required for processing. The inspection of files and the transmission and disclosure of data to third persons takes place in accordance with the special provisions on data protection contained in the BVG.

5 - Swiss Life saves the data obtained from the processing of applications and contracts, and from business documents, **electronically** - in protected customer files and in administration and benefits systems.

In addition, these data collections may also be stored in **physical** form, as contract or benefits dossiers, in locked archive rooms.

6 - Contract documents and business correspondence are stored for a minimum of **ten years** following termination of the policy. Data and documents concerning employee benefits are stored for ten years following the end of the liability to pay benefits. If no employee benefits are paid due to lack of substantiation by the entitled person, the assets are transferred to the security fund ten years after the normal retirement age.

7 - Data relating to the health of the insured persons is subject to special protection. It is treated in the strictest confidence and is accessible only to specially authorised units. Swiss Life always observes a doctors' professional duty to maintain confidentiality.

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