Swiss Life Ltd, General-Guisan-Quai 40, P.O. Box, 8022 Zurich

Swiss Life Collective Foundation Invest, Zurich
(foundation)

Pension fund regulations

Swiss Life Business Premium

Effective date: 1 January 2021

Contents

A. General provisions

Art. 1 Object, basis of the contract and pension fund regulations

1 - Object

The object of this employee benefits plan is to implement measures providing the insured persons and their survivors with cover against old age, death and disability risks, pursuant to Art. 1e BVV 2.

The Swiss Life Collective Foundation Invest (the foundation) provides non-mandatory occupational provisions and has therefore not been entered in the register of occupational pension funds.

The foundation is affiliated to the national security fund.

2 - Basis of the contract

The relationship between the employer and the foundation is governed by the terms of a contract of affiliation. The foundation shall maintain a separate Vorsorgewerk (employee benefits unit) for each affiliated company.

3 - Pension fund regulations

The pension fund regulations govern the relationship between the foundation and the insured persons or beneficiaries.

The pension plan sets out the type and amount of the pension benefits, their financing and the nature of the savings process. It is drawn up by the Administrative Board as part of the pension plans offered and is an integral part of the pension fund regulations.

The pension fund regulations are passed by the Board of Trustees. The German-language version shall prevail.

Art. 2 Data protection

The employer shall provide the foundation or Swiss Life Ltd with the information required to implement employee benefits. If necessary, Swiss Life Ltd will pass on this data and other data generated in the administration of the employee benefits to other insurers, e.g. reinsurers. In the event of recourse to a liable third party, the foundation is authorised to pass on to the liable third party, or to the liability insurers, any information required to enforce its legal rights.

The foundation and Swiss Life Ltd ensure confidential treatment of the data. The entire data processing chain, from the collection of the data to its storage and destruction, takes place at Swiss Life Ltd or at the premises of authorised third parties in accordance with the legal provisions of the Federal Law on Data Protection (DSG) and the special provisions on data protection contained in the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) (Art. 85 et seq. of the BVG). Data may be passed on to representatives of Swiss Life Ltd for the purposes of providing pension advice to the insured person.

This does not include, however, any medical data. Insured persons, who do not consent to their data being passed on, should send an e-mail to this effect (datenschutz@swisslife.ch).

Art. 3 Administration of employee benefits and information for insured persons

1 - Administration of employee benefits

An Administrative Board is responsible for administering employee benefits, implementing these regulations and providing the insured persons with relevant information. The Administrative Board is governed by the regulations.

Any matters which arise for which there are no provisions under these pension fund regulations or the regulations shall be settled by the foundation's executive bodies within the framework of the law.

2 - Information for insured persons

Insured persons are notified every year of

- their insured benefits and other information relating to their employee benefits
- the composition of the Administrative Board
- the organisation and financing of the Vorsorgewerk

When selecting an investment strategy, the insured person shall be informed of the various investment strategies and the associated risks and costs.

The insured person can also request the following yearly reports of the foundation from the Administrative Board:

- the annual report with information on the Vorsorgewerk
- the annual report with information on the foundation as a whole.

Art. 4 Admittance to employee benefits

1 - Admittance

All employees are admitted to employee benefits if they fulfil the following conditions:

- they are required to contribute to AHV
- their AHV annual salary is more than one and a half times the upper limit according to Art. 8 cl. 1 BVG
- they have not yet reached retirement age
- they do not remain insured on a temporary basis in accordance with Art. 26a of the BVG
- they are not at least 70% disabled as defined by the IV
- they belong to the group of insured persons stated in the pension plan

2 - Date of admittance

Admittance to employee benefits occurs

- on commencement of the contract of employment or
- when the insured person fulfils the conditions for admittance to employee benefits

but at the earliest on 1 January following completion of the 17th year of age.

The ages of admittance for the risk and savings process are laid down in the pension plan.

3 - Self-employed persons

Self-employed persons can with the agreement of the foundation have themselves insured by the employee benefits unit of their employer. The provisions for employees apply mutatis mutandis to self-employed persons. This is notwithstanding any provisions to the contrary.

Art. 5 Benefits coverage

1 - Commencement and expiry

Insurance coverage commences on the day of admittance to the employee benefits plan and expires on the day on which the insured person leaves the plan.

2 - Benefits coverage without limitation for pre-existing conditions

Benefits coverage without a limitation for pre-existing conditions always exists for benefits acquired with the transferred vested benefits, provided they were insured by the previous employee benefits institution without a limitation for pre-existing conditions

If a person is healthy and fully capable of working upon admittance to the employee benefits plan, there is generally no limitation for pre-existing conditions with regard to entitlement to benefits under these pension fund regulations.

3 - Benefits coverage with limitation for pre-existing conditions

The foundation or Swiss Life Ltd can make its assumption of coverage for employee benefits, on admittance to the employee benefits fund or in the case of subsequent benefit increases, dependent on the results of an examination by a doctor.

In this case, the Foundation or Swiss Life Ltd initially assumes provisional coverage with effect from the date entered in the notification of entry. On receipt of the doctor's report, a decision is made as to whether the coverage shall be assumed on a definitive basis, with or without a limitation for pre-existing conditions. A limitation for pre-existing conditions may be set for a maximum duration of five years. Benefits acquired with the transferred vested benefits shall only be affected by limiting conditions previously imposed up to a maximum duration of five years, and only for the remainder of that five-year period still to run. The limitation shall be communicated to the insured person.

A limitation has the following effect if an insured event occurs:

If, within the duration of the limitation for pre-existing conditions, the health problems specified in the limitation lead to the insured person's death or an incapacity to work which leads to disability or death, no entitlement to death benefits exists to the extent mentioned above and no entitlement to disability benefits exists throughout the whole period of disability. If an insured event occurs due to a cause other than that stated in the limitation or after the limitation period has expired, the limitation has no effect.

4 - Exclusion clause

If a person

- is not fully capable of working prior to or upon admittance to employee benefits and
- the cause of this incapacity to work leads to disability or to death during the waiting period for disability benefits,

there will be no entitlement to benefits in accordance with these regulations.

Art. 6 Duty to inform, report and cooperate

1 - Obligations

Insured persons or their survivors must supply true and correct information on circumstances affecting employee benefits and must produce the required documents in support of their entitlements. In particular, the following information must be provided without delay:

- changes in civil status: marriage, remarriage, registration of partnership (Federal Registered Partnerships Act), etc.
- withdrawal from the employee benefits plan due to summary dismissal or the immediate termination of the employment relationship by mutual agreement
- death
- withdrawal from the employee benefits plan due to termination of the employment relationship
- retirement
- change in degree of disability or recovery of earning capacity
- death of benefit recipient
- cessation of a child's entitlement to benefits: completion of education, attainment of earning capacity
- any qualifying income: Swiss and foreign social security benefits, benefits from other employee benefits institutions, income from employment, etc.

If the foundation deems a medical examination to be necessary, the insured person must undergo an examination. The insured person or his/her survivors have a general duty of cooperation in clarifying an entitlement to benefits.

2 - Consequences of failure to fulfil obligations

Neither the foundation nor the employer will be liable for the consequences of failure to fulfil the aforementioned obligations. The foundation reserves the right to reclaim any excess benefit payments it may have made.

B. Definitions and application

Art. 7 Age

1 - Saving age

Saving age describes the relevant age for the savings process. It corresponds to the difference between the current calendar year and the insured person's year of birth.

2 - Risk age

Risk age describes the relevant age for calculating risk contributions. It is expressed in years and whole months.

Art. 8 Children entitled to benefits

The following children of the insured person are entitled to benefits

- natural and adopted children
- foster children entitled to benefits under the AHV/IV regulations
- wholly or largely dependent stepchildren

The final age for any entitlement to benefits for children is set out in the pension plan. Entitlement to benefits exists beyond the final age if

- the child is still in education, but not beyond completion of the 25th year of age
- the child becomes disabled before completion of the 25th year of age. The entitlement to benefits applies up to the attainment of earning capacity.. If the child is itself entitled to disability income under the BVG, UVG or MVG, there is no entitlement to these benefits.

Entitlement to benefits ceases with the death of the child at the latest.

Art. 9 Divorce

1 - General entitlement

In the event of divorce, vested benefits or a share of the pension may have to be transferred from the liable spouse to the entitled spouse.

The court shall decide on the amount of the vested benefit or share of the pension. The insured person may be the liable or entitled spouse. The divorced spouse will be used to describe the insured person's spouse during and after the divorce proceedings.

2 - Claims of the divorced spouse when drawing a retirement pension through the insured person

If the insured person is drawing a retirement pension when the divorce proceedings are initiated, the court can award the divorced spouse part of the pension. An awarded share of the pension is converted by the foundation into a lifelong pension and paid to the divorced spouse as per the following conditions.

<u>Transferal of the lifelong pension to the divorced spouse's pension fund</u>

Until the divorced spouse reaches the normal retirement age as per the BVG, the foundation will transfer the lifelong pension to his/her employee benefits institution or vested benefits institution. Payments are made as prescribed by law. The interest is half of the interest rate applied by the foundation for the retirement savings during the same period.

If the divorced spouse is entitled to a full disability pension under the BVG or has attained the minimum age for early retirement under the BVG, he/she can issue a written request to the foundation to draw the lifelong pension directly. This request is irrevocable.

<u>Payment of the lifelong pension to the divorced spouse</u>

If the divorced spouse reaches the normal retirement age as per the BVG, the foundation will pay out the lifelong pension directly to him/her. He/she can inform the foundation in writing no later than 30 days prior to reaching the normal retirement age under the BVG or within 30 days of the divorce decree coming into force to transfer the pension to his/her employee benefits institution.

If the divorced spouse is entitled to a lifelong pension, he/she has the same rights and obligations as the other pensioners in the foundation. There are no benefits resulting from the divorced spouse's death.

3 - Consequences for the insured person

<u>Reducing the retirement benefit</u>

If the divorce decree results in a transfer of vested benefits from the insured person in favour of the divorced spouse, the insured person's retirement savings will be reduced correspondingly. If the insured person is partially disabled, the vested benefit is taken from the active portion of the insurance and any remaining amount from the disability portion of the insurance.

<u>Increasing the retirement benefit</u>

If the divorce decree results in a transfer of the divorced spouse's vested benefits or a share of the pension in favour of the insured person, the insured person's retirement benefit will increase correspondingly. The transfer can be made to the active portion of the retirement savings as an annuity or a lump-sum until the inception of an incapacity to work, the cause of which leads to disability or death, by the onset of retirement at the latest.

<u>When the insured person draws a disability pension</u>

- If vested benefits are to be transferred to the divorced spouse while drawing a disability pension, the insured person's retirement savings are reduced correspondingly.
- The amount of a disability pension when the divorce decree is issued and any disabled person's and disabled person's children's benefit shall remain exempt from transfer until the insured person reaches the normal retirement age.
- Any prospective disabled person's children's benefit and prospective death benefits dependent on the amount of the retirement savings, are calculated from when the divorce decree comes into force based on the reduced retirement savings.
- On reaching the normal retirement age, the retirement benefits, any retired person's children's benefit and death benefits are calculated based on the reduced retirement savings.

<u>When the insured person draws a retirement pension</u>

If part of the insured person's pension is to be transferred to the divorced spouse after the insured person has retired, the insured person's pension payments will be reduced correspondingly. This also applies to retired person's children's benefits arising after the entry into force of the divorce decree and for any death benefits.

<u>Reaching the retirement age during divorce proceedings</u>

If the insured person retires during divorce proceedings, the foundation will reduce the vested benefits and retirement benefits to the maximum amount allowed by law. The foundation also reserves the right to reclaim excess paid benefits.

4 - Purchase as a result of divorce

A purchase by the insured person to the extent of the vested benefit transferred in favour of the divorced spouse can be made to the active portion of the insurance at any time up to the inception of an incapacity to work, the cause of which leads to disability or death, and at the latest one day prior to retirement.

This claim does not arise if the vested benefit was transferred by the insured person, while drawing a disability pension, from the disability portion of the insurance to the divorced spouse.

Art. 10 Registered partnership

In accordance with the Federal Registered Partnerships Act (PartG) of 18 June 2004, registered partners have the same status as married partners. The claims and obligations of the registered partners under these employee benefits are equivalent to those of the spouse.

A legal dissolution of a registered partnership is equivalent to a divorce. The claims and obligations of partners from the legally dissolved partnership are equivalent to those of divorced spouses.

Art. 11 Transfer of entitlement and pledging, Encouraging home ownership

Entitlements to benefits arising from these pension fund regulations cannot be assigned nor pledged to third parties before they become due. The only exception is a prepayment or pledge for home ownership purposes (WEF). The relevant regulations are contained as an annex to these pension fund regulations.

Art. 12 Retirement

1 - Normal retirement

The normal retirement age is set out in the pension plan.

2 - Early retirement

Early retirement is possible between completion of the 58th year of age and the normal retirement age. Early retirement before this time is only possible in cases prescribed by law, particularly in the case of a company restructuring. Early retirement presupposes the termination of employment.

The pension plan specifies whether financing of early retirement is possible. The terms and financing of early retirement are set out in the annex to these pension fund regulations.

3 - Deferral of retirement

Retirement can be deferred after normal retirement age until the age of 70 if

- the employment relationship is continued and
- the insured person agrees to the deferred retirement.
- Retirement benefits are paid when the insured person withdraws from the employer's service
- for health reasons or
- after employment ceases.

The pension plan specifies whether deferred retirement is permitted. It outlines the insured benefits and their financing.

4 - Partial retirement

If an insured person takes partial retirement, he or she is entitled to claim the portion of the retirement benefits corresponding to the reduction in the level of employment.

The following applies to partial retirement:

- it is possible from attainment of the age of early retirement
- the working hours are to be significantly reduced
- it is not possible to increase the level of employment
- the employment relationship is dissolved in the course of partial retirement
- there is no entitlement to disability benefits for the scope of partial retirement

The pension plan specifies whether partial retirement is possible.

Art. 13 Salary definition

1 - Annual salary

The annual salary is defined in the pension plan and can be limited by legal stipulations.

2 - Provisions

<u>Temporary loss of earnings</u>
If the annual salary is temporarily reduced as the result of illness, accident, unemployment, maternity leave or for other reasons, the previous salary shall remain valid.

<u>Period of employment less than one year</u>
If the insured person is employed for less than one year, the estimated annual salary is the salary which he or she would have received during a full year's employment.

<u>Persons with more than one employer</u>
If an insured person is working for other employers, these salary portions cannot be insured under these pension fund regulations.

<u>Undershooting the salary limit for coverage</u>
If the annual salary decreases to below the limit for admittance for reasons other than a temporary loss of earnings, the person is no longer insured under these pension fund regulations and thus leaves the Vorsorgewerk or foundation.

Art. 14 Insured salary

1 - Insured salary

The insured salary has been fixed as follows: annual salary less coordination offset.

The coordination offsets and the minimum insured salary are set out in the pension plan, using a coordination offset corresponding to a minimum of 150% of the upper limit pursuant to Art. 8 cl. 1 BVG.

2 - Insuring a disabled pension: Insured salary for partially disabled persons

If an insured person becomes partially disabled, the salary is split into an active and disability salary portion. The annual salary which was insured at the onset of incapacity to work shall apply.

<u>Disability portion</u>
The entitlement to a pension arises from the disability salary portion. It is calculated as a percentage of the benefits defined for total disability. The disability salary portion remains constant for the duration of the disability.

<u>Active portion</u>
The active salary portion corresponds to the difference up to 100%. The insured salary, the maximum salary and the coordination offset are calculated on the basis of the remaining earning capacity.

If a change in the degree of disability affects the level of disability benefits, the salary is split in a different way. If a relapse occurs within one year of recovering full earning capacity,

- benefits are granted without another waiting period, and
- benefit adjustments are given retroactive effect.

This applies for partial and full disability.

C. Insurance benefits

The insured person is entitled to insurance benefits for old age, death and disability, if these risks are insured. This information can be found in the pension plan.

Art. 15 Retirement savings

1 - Individual retirement savings

Individual retirement savings are built up for the insured person.

The following will be credited to the retirement savings:

- the annual retirement credits
- vested benefits from previous employment benefit relationships in Switzerland and abroad
- purchases and allocations
- the interest on any savings insurance

The following will be debited to the retirement savings

- vested benefits to be transferred upon divorce
- the amount prepaid for home ownership purposes or the amount of the pledge if the pledge was sold

2 - Annual retirement credits

The amount of the annual retirement credits is set out in the pension plan.

Art. 16 Savings process

1 - Choice of plan for savings process

Whether the savings process of the retirement benefit is

- through units in collective investments or
- at the discretion of the insured person through units in collective investments or an allocation to savings insurance

is included in the pension plan.

Until the savings process or investment strategy is chosen by the insured person, items credited to the retirement savings are held entirely in liquid form.

The items credited to the retirement savings shall be invested in the standard investment strategy two months following admittance to the employee benefits if the insured person has not by that point expressed a wish regarding selection of the savings process or investment strategy.

2 - Savings process through units in collective investments

In the units in collective investments savings process, the items credited to an insured person's retirement savings are used as follows: A sum of CHF 500 maximum is held in liquid form. The remaining funds are normally placed in units of collective investments after ten bank working days at the latest.

The insured person selects his/her preferred investment strategy from the options provided by the foundation. At least one of the investment strategies offered is in line with the requirements of a low-risk investment as defined by law.

The value of the units follows the development of the collective investment. There is no nominal value or interest rate guarantee.

Units of collective investments are sold to finance employee and withdrawal benefits and transfer vested benefits following a divorce, a prepayment for the purchase of residential property or to realise a pledge in connection with the purchase of residential property.

The sale is normally made no later than ten bank working days after the foundation has all the documents required for the payment in question, provided the individual benefits are not earmarked for some other purpose. The asset management costs for the collective investment units are to be paid by time of sale.

The insured person can change his/her selected investment strategy as of a future date. The corresponding securities transaction is normally processed within ten bank working days of receipt of notification.

If the savings insurance is also available for the savings plan, a one-time switch from the collective investments to the savings insurance is possible before the 60th birthday.

3 - Savings process through savings insurance

Under savings insurance, the insured person's savings process and/or retirement savings are reinsured by the foundation at Swiss Life Ltd. Swiss Life Ltd guarantees the sum of the retirement savings and its interest rate as per the applicable group life insurance premium rate.

It is not possible to switch from savings insurance to collective investments.

<u>Interest on the retirement savings</u>

For the savings component through savings insurance, the foundation pays annual interest on the insured person's retirement savings. The principles governing interest on retirement savings are set out in the pension plan. The applicable interest rate is disclosed every year.

The interest rate is calculated based on the retirement savings at the end of the previous year and credited at the end of each calendar year. Changes during the course of the year are taken into account on a pro rata basis.

Retirement benefits

Art. 17 Retirement capital

1 - Entitlement

The insured person becomes entitled to a retirement capital on the first day of the month after

- the normal retirement age is reached or
- the conditions for early retirement are fulfilled or
- the deferral of retirement ends.

2 - Level of benefit

The level of benefit is calculated as follows:

- Retirement capital from the savings insurance: The retirement capital amounts to the retirement savings accumulated at the time of retirement. It is paid out as one-off lump sum)
- Retirement capital from units in collective investments: The retirement capital corresponds to the proceeds of the sale of the units in the collective investments plus any liquid assets of an insured person. It is paid out as a one-off lump sum.

The sale of units in collective investments is normally made within ten bank working days of the insured person acquiring a claim to the retirement capital. The proceeds of the sale are kept in liquid form and earn no interest until all the documents required for the payment are available.

The retirement capital is paid out provided it does not include any retirement benefits purchased during the past three years.

Disability benefits

The pension plan specifies whether disability benefits (disability pension or lump-sum disability benefit) are insured and at what level.

Art. 18 Disability income

1 - Entitlement

If the pension plan so provides, the insured person is entitled to a disability pension if,

- he or she is disabled under the terms of the IV, or is shown by objective medical evidence to be totally or partially incapable of pursuing his/her normal occupation or another gainful activity appropriate to his/her social standing, knowledge and abilities.
- the waiting period has expired.

Entitlement to disability income shall cease if the insured person

- regains earning capacity
- dies
- reaches normal retirement age

2 - Partial disability

If the insured person is partially disabled, the degree of disability will be taken into account in determining the level of the disability income as follows:

Degree of IV disability as %	Level of benefits as %
0–24	0
25–59	proportionate to the degree of disability
60–69	75
from 70	100 (= total disability)

3 - Exclusion clause

No benefits are granted if disability has been caused or aggravated intentionally.

4 - Temporary extension of cover in accordance with Art. 26a of the BVG

If the benefits from the federal disability insurance (disability income) are reduced or cancelled following a reduction in the degree of disability, the insured person remains insured under the same conditions for three years, provided he or she took part in reintegration measures prior to the reduction or cancellation of the disability income in accordance with Art. 8a of the Federal Law on Disability Insurance (IVG) or the disability income was reduced or cancelled due to the resumption of employment or an increase in the level of employment.

The insurance protection and the entitlement to benefits are maintained at the same level as long as the insured person is receiving transitional benefits in accordance with Art. 32 of the IVG.

Art. 19 Waiver of contributions

1 - Entitlement

Entitlement to waiver of contributions is set out as relevant in the pension plan. It comes into force following expiry of the waiting period.

A waiver of contributions means the normal contributions are no longer due for payment, with the exception of contributions to the statutory security fund. The insured person's retirement savings continue to accumulate according to the agreed conditions. The provisions governing the savings component apply to the items credited to the retirement savings during the waiver of contributions.

Entitlement to a waiver of contributions shall cease if the insured person

- regains earning capacity
- dies
- reaches normal retirement age

2 - Exclusion clause

No benefits are granted if disability has been caused or aggravated intentionally.

Art. 20 Waiting periods disability income / waiver of contributions

The applicable waiting periods for a disability pension and/or waiver of contributions are stated in the pension plan.

The length of the waiting period is calculated by adding together the periods of disability, provided they did not precede a period of full capacity to work of more than 12 months. The insured person is entitled to disability income or a waiver of contributions without a new waiting period, if he or she were previously entitled to disability income or a waiver of contributions and has not since been fully capable of working for a period of more than 12 months.

Art. 21 Disabled person's children's benefit

1 - Entitlement

The insured person is entitled to a disabled person's children's benefit if he or she is drawing a disability income and has children entitled to benefits.

Entitlement to disabled person's children's benefit shall cease when

- the child's entitlement to benefits ceases
- entitlement to disability income ceases

2 - Benefit

The pension plan specifies whether a disabled person's children's benefit for disability is insured and at what level.

Art. 22 Lump-sum disability benefit

1 - Entitlement

If the pension plan so provides, the insured person is entitled to disability capital following expiry of the waiting period, if he or she has been granted a full disability pension from the IV and the disability seems permanent.

No disability benefits are granted if disability has been intentionally induced or aggravated.

2 - Waiting period

The waiting period is two years.

The length of the waiting period is calculated by adding together the periods of disability, provided they did not precede a period of full capacity to work of more than 12 months.

3 - Calculation of benefit

The lump-sum disability benefit consists of:

- for collective investments:
  - the sales proceeds from the units of collective investments and any liquid assets held by an insured person and
  - any additional insured lump-sum disability benefit. The extent of the additional lump-sum disability benefit is defined in the pension plan.

- for savings insurance:
  - the retirement savings
  - any additional insured lump-sum disability benefit. The extent of the additional insured lump-sum disability benefit is set out in the pension plan.

All entitlements under the regulations cease on payment of the lump-sum disability benefit.

Death benefits

Art. 23 Spouse's pension

1 - Entitlement

If the pension plan so provides the surviving spouse is entitled to a spouse's pension if the insured person dies prior to reaching the AHV retirement age.

The pension is paid from the date of death; at the earliest, however, from the date on which payment of the full salary ceases.

The pension entitlement shall cease if the beneficiary

- remarries before completion of the 45th year of age, whereat a one-off lump-sum settlement of three annual pensions is paid
- dies

Divorced spouse's entitlement
The divorced spouse has the same status as the spouse if

- the marriage lasted at least ten years and
- the divorced spouse was granted a pension in a divorce decree as per Art. 124e cl. 1 ZGB or Art. 126 cl. 1 ZGB.

The pension corresponds to the amount by which the claim from the divorce decree exceeds the survivors' benefits under the AHV; claims by the divorced spouse for AHV and IV benefits are not taken into account. The pension will not exceed the insured pension under any circumstances. It will be paid out for as long as the pension awarded in the divorce decree would have been paid by the insured person.

2 - Benefit

The pension plan specifies whether a spouse's pension is insured and at what level.

3 - Reduction in benefits

Benefits for spouses and divorced spouses may be reduced under the following conditions.

Age difference of more than 10 years

If the surviving spouse is more than ten years younger than the insured person, the full spouse's pension will be reduced by 1% for each year or portion of a year by which the age difference exceeds ten years.

Art. 24 Unmarried partner's pension

1 - Entitlement

If the pension plan so provides, the surviving partner is entitled to a partner's pension, if his/her partner died before reaching the AHV retirement age and there was a marriage-like relationship in the same household at the time of death and both partners

- are unmarried and are not living in a registered partnership
- are not related to each other and are not in a stepparent-stepchild relationship
- have lived together continuously for the last five years in the same household or were in the same household at time of death and jointly responsible for at least one common child who is entitled to a benefit.

The terms and conditions governing the spouse's pension also apply to the unmarried partner's pension.

There is no entitlement to an unmarried partner's pension

- if the surviving partner is already drawing a spouse's pension or a partner's pension from an employee benefits institution unless it is a lifelong pension as per Art. 124a ZGB as part of a divorce
- or if the unmarried partner's pension is not enforced by the surviving partner within a year from the time of death.

2 - Benefit

The pension plan specifies whether an unmarried partner's pension is insured. An insured unmarried partner's pension corresponds to the amount of the annual spouse's pension.

3 - Reduction in benefits

The benefit reductions for the spouse's pension also apply to the unmarried partner's pension; the start of the joint household applies in place of the date of marriage.

Art. 25 Orphan's benefit

1 - Entitlement

If the pension plan so provides, children entitled to benefits have a claim to orphan's benefit, if the insured person dies prior to reaching the AHV retirement age. The benefit is paid from the date of death; at the earliest, however, from the date on which payment of the full salary ceases.

The entitlement shall cease when the child's entitlement to benefits ceases.

2 - Benefit

The pension plan specifies whether an orphan's benefit is insured and at what level.

Art. 26 Lump-sum death benefit

1 - Entitlement

The claim to death benefit arises if the insured person dies before reaching the retirement age. The claim is not valid if it is not enforced within a year from time of death.

2 - Level of benefit

The Lump Sum Death Benefit consists of:

for collective investments:

- the sales proceeds from the units of collective investments and any liquid assets held by an insured person
- the additional lump-sum death benefit. The pension plan specifies whether a lump-sum death benefit is insured and at what level.

The sale of the units in collective investments is normally made within ten bank working days of notification of the death to the Foundation. The sales proceeds are kept in liquid form and earn no interest until all the documents required for the payment are available.

For savings insurance:

- retirement savings
- the additional lump-sum death benefit. The pension plan specifies whether an additional lump-sum death benefit is insured and at what level.

3 - Order of beneficiaries

The following natural persons are entitled to the lump-sum death benefit in order of priority and to the extent described. This remains subject to any legal restrictions and a proper beneficiary declaration by the insured person.

Beneficiary category I:

100% of the lump-sum death benefit for

a) the spouse of the insured person;

in the absence of whom:

b) the children entitled to benefits;

in the absence of whom:

c) persons who were largely dependent on the insured person for support or a person who had lived with the unmarried insured person in a continuous marriage-like relationship during the five years prior to the latter's death or who must support at least one joint child; persons who are drawing a spouse's pension or partner's pension from an employee benefits institution are not entitled to a lump-sum death benefit, unless it is a lifelong pension as per Art. 124a ZGB as part of a divorce;

in the absence of whom:

Beneficiary category II:

100% of the lump-sum death benefit for

d) d)the children of the insured person who are not entitled to benefits;

in the absence of whom:

e) the insured person's parents;

in the absence of whom:

f) the insured person's siblings;

in the absence of whom:

Beneficiary category III:

50% of the lump-sum death benefit will be paid out to any other legal heirs, excluding cantons and communes.

The apportionment of the lump-sum death benefit between several beneficiaries shall result in each receiving an equal share. Lump-sum death benefits not paid out remain with the employee benefits unit.

4 - Beneficiary declaration

In a written declaration to the foundation 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.

The ranking order of the beneficiary categories may not be changed.

D. Financing

Art. 27 Contributions

1 - Regular contributions

Regular contributions are financed by the employer and the insured person. They are made up of savings, risk and cost contributions as well as contributions to the security fund.

The employer contributions are at least as high as the sum of contributions from all the insured persons.

The insured persons' contribution is deducted from the salary in fixed instalments. The employer may also finance his or her contributions out of the employee contribution reserves already set aside for that purpose.

The pension plan specifies the amount and composition of the regular contributions.

2 - Variable administrative costs

If the savings component is built up by investing the retirement savings in collective investments, variable administrative costs arise which are borne by the insured person and deducted from the invested assets. The Board of Trustees decides on the amount of the variable administrative costs per investment strategy. They shall be communicated in an appropriate form.

The prospectuses for the available collective investments giving the total expense ratio (TER) and any issue or redemption costs can be found at www.swisslife.ch/premium.

3 - Commencement and termination of duty to pay contributions

The duty to pay contributions commences with admittance to the employee benefits plan.

The duty to pay contributions ends

- upon withdrawal from the employee benefits plan due to premature termination of the employment relationship
- in the case of projected long-term undershooting of the minimum salary
- on entitlement to a waiver of contributions
- on entitlement to disability capital when it falls due
- in the event of death
- upon retirement.

Art. 28 Purchase

1 - Principle

Purchases may be made within the framework of the law

- to finance missing insurance years
- to finance a salary increase
- to finance gaps in insurance coverage for other reasons.

Purchases are possible up to one month before retirement, however at the latest by the date of early retirement. They increase the retirement savings.

2 - Maximum possible purchase sum prior to normal retirement

The level of the maximum possible purchase sum corresponds to the difference between

- the maximum possible retirement savings and
- the actual retirement savings

at the time of the purchase.

Any restrictions to the maximum possible purchase sum are set out in the pension plan.

Maximum possible retirement savings
The maximum possible retirement savings are the retirement savings which would be attainable up to the time of purchase in accordance with the pension plan on the basis of the currently insured salary and an uninterrupted period of contribution. The maximum possible retirement savings are calculated without an interest rate.

Actual retirement savings
The actual retirement savings consist of:

- for the savings insurance:
  - to the available retirement savings
- for collective investments:
  - the value of the units in collective investments and any liquid means held by an insured person
- the amount drawn as a prepayment for home ownership purposes
- vested benefit entitlements which have not been paid into the employee benefits plan
- the part of the assets for tax-qualified provisions to be taken into account according to the law

provided these funds have not already been taken into account in another pension plan.

The insured person must report such assets before purchase. The foundation shall not be liable for the consequences resulting from a failure to report the relevant information.

3 - Maximum possible purchase sum during the deferral of retirement

The level of the maximum possible purchase sum corresponds to the difference between

- the maximum possible retirement savings at normal retirement age
- the actual retirement savings at the time of purchase.

Maximum possible retirement savings at normal retirement age
These are the retirement savings which were achievable at normal retirement age under the pension plan in the case of an uninterrupted contribution period and based on the insured salary at normal retirement age. The calculation is made without an interest rate.

Actual retirement savings at the time of the purchase
These retirement savings are determined on the basis of the calculation given above under "Actual retirement savings".

4 - Restrictions

Tax deductibility
The insured person is responsible for reporting the purchases to the tax authorities in order to receive a tax rebate. The tax authorities decide whether the purchase can be deducted for income tax purposes. The foundation has no influence on this decision and assumes no liability in this regard.

Withdrawal as a lump sum
If purchases have been made, the resulting benefits may not be withdrawn from the employee benefits plan in a lump-sum form within the three years following the purchase (blocked portion). On retirement, benefits purchased during the last three years prior to retirement have to be converted to a retirement pension. The conversion is made according to the Swiss Life group life insurance premium rate applicable at that time. The retirement pension is paid for life.

The unblocked portion can normally be withdrawn as a lump sum. Current standard taxation practice should be observed in this connection: In the event of a lump-sum withdrawal within three years of a purchase, the tax deductibility of the purchase is not normally recognised for income tax purposes. A lump-sum withdrawal may thus be disadvantageous from an income tax perspective, if it is made within three years of a purchase.

Prepayment for home ownership

If the insured person drew a portion of their retirement savings as a prepayment for home ownership, he or she may only pay a purchase sum when the amount withdrawn has been repaid in full. This does not apply to a purchase to bridge the gap in coverage resulting from divorce.

Incapacity to work, disability

A purchase is possible up to the onset of incapacity to work, the cause of which leads to disability or death. A purchase is only possible for the active portion of the insurance.

Partial retirement

A purchase prior to normal retirement age can only be made for the active portion of the insurance.

If the purchase is made during the period of deferred retirement, the maximum possible retirement savings are reduced at normal retirement age in accordance with the level of partial retirement.

Move from abroad

An insured person who moves to Switzerland from abroad and has previously never been a member of an employee benefits institution in Switzerland is not entitled to exceed the annual purchase sum of 20% of their insured salary during the first five years following his or her admittance to the employee benefits plan. An insured person must supply true and correct information regarding their move to Switzerland from abroad and previous insurance with a Swiss employee benefits institution. The foundation shall not be liable for the consequences resulting from a failure to report the relevant information.

Art. 29 Shortfall / Restructuring

1 - Structure of foundation

Cover is provided for the risks of death and disability arising before the insured person reaches the final age stipulated in the regulations as reinsured under an insurance contract between the foundation and an insurance company. Furthermore, the savings plan and/or retirement savings of an insured person, depending on the type of savings process, can be reinsured through savings insurance with an insurance company. The Vorsorgewerk or the insured persons bear the remaining risks, in particular the investment risk.

2 - Shortfall

The foundation or an employee benefits unit shall be considered to have a shortfall if the requisite vested pension capital is not covered by the available pension fund assets as at the balance sheet date, or if the foundation’s cover ratio is below 100%.

3 - Restructuring measures

In the case of a shortfall the Board of Trustees shall determine the restructuring measures provided for by law.

E. Payment of benefits

Art. 30 Withdrawal from the employee benefits plan and vested benefit

1 - Entitlement to vested benefit
If an insured person leaves the Vorsorgewerk or the foundation prior to the occurrence of an insured event because

- the working relationship is terminated
- the conditions for admittance to these employee benefits are no longer satisfied

he or she is entitled to a vested benefit which is calculated in accordance with the FZG.

The insured person is also entitled to a vested benefit if he or she leaves the Vorsorgewerk or the foundation between early and normal retirement age and remains in gainful employment or is declared unemployed.

2 - Amount of the vested benefit for units in collective investments
The vested benefit is in line with the sales proceeds of the units in collective investments plus any liquid assets held by an insured person at the time of departure.

3 - Amount of the vested benefit for savings insurance
The vested benefit corresponds to the available retirement savings.

4 - Insurance for a disability pension: Vested benefit for partially disabled withdrawing persons
If the employment relationship of a partially disabled person is terminated, he or she is entitled to a vested benefit for the active portion.

If the partially disabled person later regains full earning capacity, he or she is also entitled to vested benefits for the portion of their employee benefits coverage which was maintained following termination of the employment relationship.

5 - Temporary extension of cover in accordance with Art. 26a of the BVG when drawing disability income
An entitlement to vested benefit arises only at the end of any temporary extension of cover in accordance with Art. 26a of the BVG.

6 - Reimbursement of the vested benefit
If the employee benefits institution has to pay survivors' or disability benefits after it has transferred the vested benefit, the latter is to be reimbursed to the extent necessary for payment of said benefits. Benefits shall be reduced if no reimbursement is made.

Art. 31 Application of the vested benefit

1 - Maintenance of insurance coverage
For the purposes of maintaining insurance coverage, the vested benefit is transferred to the employee benefits institution of the new employer.

The insured person must inform the employer or the foundation of the following in relation to the transfer of the vested benefit to the new employee benefits institution:

- name and address of the new employer
- name, address and payment details of the new employee benefits institution

2 - Cash payment
The insured person may request cash payment of the vested benefit under the following conditions:

- he or she is leaving Switzerland permanently and is not taking up residence in Liechtenstein
- he or she is taking up self-employment and is no longer subject to mandatory occupational benefits
- the vested benefit is smaller than his or her annual personal contribution.

In the case of a cash payment the written consent of the insured person's spouse is required. Moreover, the written consent of the pledge holder is required in the event that the entitlement to employee benefits has been pledged.

3 - Maintenance of insurance coverage without joining a new employee benefits institution
If an insured person does not join a new employee benefits institution and payment in cash is not applicable, at the time of withdrawing from the employee benefits coverage, he or she is entitled to

- a vested benefit policy or
- an allocation to a vested benefits account.

4 - Interest
The vested benefit does not bear interest as of its maturity date.

Art. 32 Extension period and extended liability

1 - Extension
The insured person remains covered for the insured risks for one month after termination of the employee benefits relationship. If a new employee benefits relationship is established prior to this, the extension terminates prematurely and the new employee benefits institution is responsible for coverage.

2 - Extended liability
An insured person who is not fully capable of working upon termination of the employee benefits relationship or upon expiry of the extension period is entitled to disability benefits under these pension fund regulations, if the incapacity to work leads to

- disability within 360 days
- an increase in the degree of disability within a further 90 days.

A partially disabled person on termination of the employee benefits relationship in the active portion or on expiry of the extension period, is also entitled to disability benefits under these pension fund regulations for the increase in the degree of disability, if this increase occurs from the same cause and within 90 days after expiry of the extension period.

In all other cases, no benefits are paid.

Art. 33 Payment

1 - Consent of spouse
If the insured person is married, written approval from his/her spouse is required to have the retirement capital paid out.

2 - Place of payment
Benefits due will be paid by Swiss Life Ltd on behalf of the foundation at the beneficiaries' place of residence in Switzerland or an EU or EFTA member state. For

beneficiaries without such a residence, payment will be made to the foundation's registered office.

3 - Payment of pensions; reimbursement

The due date of pension payments is set out in the pension plan.

The first instalment is calculated from the date entitlement is established until the following benefit instalment. If a benefit recipient dies, benefits to any surviving dependants become due for the first time on the next due date. Portions of a benefit drawn for a period beyond the date on which the entitlement ceases need not be refunded, except in the case of disability benefits and disabled person's children's benefits, where excess payments must be refunded following a reduction in the degree of disability.

Art. 34 Form of benefits due

1 - Lump-sum payment of spouse's or unmarried partner's pension

The beneficiary may request a full or partial lump-sum withdrawal instead of a spouse's or unmarried partner's pension. The appropriate written declaration must be made prior to payment of the first pension instalment.

The full sum of the capital corresponds to

- the individual mathematical reserve in the case of entitled persons who have completed the 45thyear of age (see glossary in the appendix)
- the reduced individual mathematical reserve in the case of beneficiaries who have not completed the 45thyear of age. The reduction is 3% per whole year or part thereof, by which the beneficiary is younger than 45 years of age upon the death of the insured person.
- a minimum, however, of four annual pensions.

2 - Lump-sum settlement in the case of small pensions

Where, at the beginning of an entitlement, the disability income paid for total disability amounts to less than 10%, the spouse's or unmarried partner's pension to less than 6% and the orphan's or children's benefit to less than 2% of the minimum AHV retirement pension, the pension will be replaced by a one-off lump-sum payment.

3 - Effects of the lump-sum payment

Entitlement to benefits in accordance with the pension fund regulations ceases for the portion paid as a lump sum.

Art. 35 Voluntary adjustment of pensions to cost of living

Survivors' and disability pensions shall be adjusted to the cost of living in line with the Vorsorgewerk's financial resources.

To the extent permitted by the Vorsorgewerk's financial resources, the Administrative Board decides each year whether and to what degree an adjustment will be made and communicates its decision by the end of October at the latest. The adjustment is made on 1 January of the following year as a one-off payment, in addition to the pension benefit.

F. Relationship to third parties

Art. 36 Coordination with other insurance

1 - Reductions in benefits

Overindemnification

The foundation reduces pension benefits if, together with other qualifying income, they exceed 90% of the estimated loss of earnings. There shall be no compensation for the reduction of other benefits undertaken when the normal retirement age is attained.

Temporary extension of cover in accordance with Art. 26a of the BVG

The foundation reduces the disability income in accordance with the reduction in the degree of disability, but only to the extent that the reduction is offset by supplementary income of the insured person.

Insured event resulting from intentional act

If the AHV, the IV, accident or military insurance reduces or refuses benefits due to an intentional wrongful act, the resulting shortfall will not be covered.

2 - Qualifying income

Qualifying income includes benefits of the same type and purpose as are being paid to the entitled person as a result of the damaging event.

This includes for example pensions or lump-sum payments equivalent to the paid-up value of a pension from Swiss or foreign social security and employee benefits institutions, daily allowances from mandatory insurance and daily allowances from voluntary insurance if at least half-financed by the employer. Third-party liability payments are also included, provided that the foundation waives their enforcement. Attendance allowances and compensation for grievous and permanent bodily and/or mental injury, settlements, assistance contributions and similar benefits do not count as qualifying income..

In addition, any earned income, or replacement income which can still be reasonably expected to be earned or received by recipients of disability pensions will be counted, apart from additional income gained from participating in reintegration measures as per Art. 8a IVG. An orphan's benefit is also taken into account for recipients of a spouse's pension.

Art. 37 Third-party liability

The foundation acts on behalf of the insured person, his or her survivors and other beneficiaries vis-à-vis third parties who are liable for the insured event at the time of its occurrence and in accordance with these pension fund regulations.

G. Final provisions

Art. 38 Changes

1 - Changes to the pension plan and to the pension fund regulations

The Administrative Board may amend the pension plan within the framework of the pension plans offered by the foundation.

The pension fund regulations may be modified at any time by the Board of Trustees.

Beneficiaries' entitlements already acquired are not affected by an amendment. Any changes following divorce remain reserved.

2 - Amendments due to legal requirements

The above does not apply to amendments to the pension fund regulations due to changes in legal requirements, decisions by the Swiss Federal Supreme Court and for the purposes of complying with supervisory and tax requirements

3 - Change in pension provider

When a group is changing pension provider, the collective funds to be transferred earn interest from the due date until they are transferred to the new pension provider at the same rate applied for the settlement of contract account.

In the case of a collective switch, the insured persons' investments are liquidated within the last 15 bank working days prior to expiry of the contract.

Art. 39 Effective date

1 - Effective date

These pension fund regulations enter into force as of 1 January 2021 and replace all previous provisions. They will be communicated to every person eligible for employee benefits.

2 - Benefits prior to effective date

When these pension fund regulations come into force, all previous stipulations shall become null and void for all persons who were not entitled to retirement, disability or death benefits under the previous pension fund regulations. The following are deemed to be insured events

- death
- the beginning of an incapacity to work, the cause of which leads to disability or death
- retirement.

In the case of disabled persons the insured event of old age is deemed to arise upon reaching the normal retirement age in accordance with these regulations.

If an insured event occurs, the benefits insured on the key date are paid out. Any changes following divorce remain reserved.

Appendix I

Encouraging home ownership

Art. 1 Prepayment and pledging

1 - Prepayment and pledging
The insured person may make a prepayment or pledge up to one month before normal retirement age or up to the commencement of entitlement to disability benefits

- to purchase his or her own home
- to purchase participation certificates in a housing cooperative or similar participation
- to repay a mortgage loan

if he or she uses the property as his or her own residence or normal place of abode.

A prepayment or pledge is only possible for the active portion of the insurance.

2 - Maximum amount
The maximum amount of a prepayment or a pledge is set out as follows:

- Until completion of the 50th year of age: the vested benefits at the time of the prepayment or pledge
- After completion of the 50th year of age: the higher of the following amounts at the time of prepayment or pledge:
  - the vested benefits at the time of completion of the 50th year of age or
  - half of the vested benefits.

3 - Date of payment
The foundation shall pay out the prepayment within six months, but no earlier than the date requested by the insured person, and no later than the date the retirement benefits are payable. Payment is made directly to the entitled party he or she has designated following presentation of the necessary documents and in agreement with the insured person.

Art. 2 Repayment

1 - Repayment
The insured person may repay the prepayment or the proceeds from the realisation of a pledge as a lump sum or in instalments:

- up to one month prior to normal retirement age or
- up to the commencement of entitlement to disability benefits (excluding the active portion of the insurance), or
- up to the cash payment of the vested benefit.

2 - Obligation to repay
The insured person is obliged to repay the prepayment in a lump sum if

- the residential property is sold
- a third party is granted rights to the residential property which are equivalent to the sale of the property.

Art. 3 Amounts

1 - Minimum prepayment amount
The minimum amount of a prepayment is CHF 20 000.

This does not apply to the acquisition of participation certificates in a housing cooperative or similar participations.

2 - Minimum repayment amount
The minimum amount of a repayment is CHF 10 000.

Should the outstanding amount be less than the minimum amount, the repayment is made in a single sum.

Art. 4 Impact on employee benefits

1 - Prepayment
The early withdrawal is financed through the sale of units in collective investments and/or a portion of the retirement savings. The retirement, disability and death benefits will decrease accordingly if the retirement savings are used to determine these benefits.

Supplementary insurance to bridge the gap in coverage for disability and death benefits can be taken out with Swiss Life Ltd. Costs for supplementary insurance must be borne by the insured person.

To avoid overindemnification, the benefits under the regulations are reduced after taking into account the benefits which would have been due if a prepayment had not taken place; see Article "Coordination with other insurances" in the Pension fund regulations.

2 - Repayment of prepayment
On repayment of the early withdrawal, the retirement savings are increased correspondingly and/or units are purchased in collective investments. The benefits are calculated in accordance with the pension fund regulations in force at the time of the repayment.

3 - Pledging and realising a pledge
Benefits are not reduced in the case of a pledge. Realising a pledge has the same effect as a prepayment.

Art. 5 Taxes

The prepayment or the proceeds from realisation of a pledge are subject to tax as a lump-sum benefit at the time of payment.

If the prepayment or the proceeds from the realisation of a pledge are repaid in full or in part, the tax paid on the amount, without interest, may be reclaimed from the cantonal authorities concerned, within a period of three years following repayment, upon written application.

Art. 6 Costs

The following costs are invoiced to the insured person:

- Implementing prepayment for home ownership: CHF 500
- Implementing pledge for home ownership: CHF 300

Art. 7 Further stipulations

1 - Written consent of married persons
A prepayment or pledge requires the written consent of the spouse.

2 - Pledging
The consent of the pledge holder is required in the following cases:

- for cash payment of the vested benefits

- for payment of the employee benefits
- for transfer of the vested benefit in the event of divorce or the legal dissolution of a registered partnership.

The foundation must be notified of the pledge in writing.

3 - Another prepayment
Another prepayment is possible at the earliest after a period of five years since the previous one.

4 - Compliance with Pension fund regulations and legal provisions
The Article "Purchase" in the Pension fund regulations must be followed in the case of a prepayment or pledge. The legal provisions of the Occupational Pensions Act (BVG) and the Ordinance on the Use of Occupational Pensions Savings for Home Ownership (WEFV) apply in all other respects.

Art. 8 Shortfall

During a shortfall, the payout of an early withdrawal for the repayment of mortgages may be restricted or denied.

Appendix II

Modalities and financing early retirement

1 - Basis

Financing early retirement by purchasing benefits is possible where the pension plan so provides.

The insured person can purchase additional benefits to fully or partially fill the gap in retirement benefits following early retirement. The restrictions described for purchases also apply here.

If the insured person has his/her retirement savings reinsured through a savings insurance policy, the purchases are deposited in the savings insurance and earn interest accordingly. If the insured person has units in collective investments purchased on his/her behalf for his/her retirement savings, the purchase amounts are used to buy additional units of collective investments in accordance with the selected investment strategy. The value of these units develops in line with the collective investment.

The insured person can finance early retirement if at the time of purchase:

- vested benefits, where stipulated, have been brought into the employee benefits plan
- all possible purchases have been made to improve the insurance coverage
- any prepayment for home ownership has been repaid in full

In order to finance early retirement, the insured person must notify the Administrative Board in writing of the planned retirement age.

2 - Maximum purchase sums

The amount of the maximum possible purchase sum for financing early retirement essentially corresponds to the difference between

- the normal retirement benefit which would have arisen at normal retirement age and
- the reduced retirement benefit which would have arisen at early retirement

reduced by

- vested-benefit-type assets within the employee benefits plan
- vested benefit entitlements/savings which have not been paid into the employee benefits plan
- the part of the assets for tax-qualified provisions that must be taken into account according to the law

provided these funds have not already been taken into account.

The insured person must report such assets before purchase. The foundation shall not be liable for the consequences resulting from a failure to report the relevant information.

Any restriction to the maximum possible purchase sum is set out in the pension plan.

<u>Normal retirement benefit:</u>
The ordinary retirement benefit corresponds to

- the available retirement savings, in the case of savings insurance
- the value of the relevant units of collective investments as well as any liquid funds, in the case of investment in group insurance.

At the time of purchase plus the sum of the retirement credits until the normal retirement age on the basis of the current salary.

<u>Reduced retirement benefit:</u>
The reduced retirement benefit corresponds to

- the available retirement savings, in the case of savings insurance
- the value of the relevant units of collective investments as well as any liquid funds, in the case of investment in group insurance

At the time of purchase plus the sum of the retirement credits until the reported early retirement age on the basis of the current salary.

The calculation of retirement benefits is made without an interest rate.

3 - Retirement after the planned age of early retirement

If the insured person remains in employment beyond the originally planned retirement age, this must be reported to the Administrative Board without delay, stating the new retirement age. The maximum purchase sum to finance early retirement is redefined.

If the credit for financing the early retirement is higher than the shortfall in question at the actual time of retirement, the credit is used in the following sequence:

- to purchase additional benefits to fill gaps in coverage
- the remaining amount is used to further finance retirement benefits up to the maximum amount of 5% of the benefits target under the regulations
- the remaining amount is used to pay the regular employee contributions during the period of deferred retirement.

Any remaining amount reverts to the respective Vorsorgewerk.

4 - Payments

<u>Prepayment for home ownership purposes/Spouse's entitlement upon divorce</u>
Prepayments to purchase residential property and vested benefit transfers due to divorce are first withdrawn from the credit for financing early retirement. Any excess is charged to the retirement savings. A repayment is initially made to the retirement savings, any excess is credited to the assets for financing early retirement.

<u>Lump-sum death benefit</u>
On the death of an insured person, the surviving dependants receive the credit for financing early retirement as a lump-sum death benefit.

<u>Claim to a disability pension</u>
If the insured person is entitled to a full disability pension, the available credit to finance the early retirement is paid out as a lump sum on reaching the normal retirement age. In the case of partial disability, these provisions apply to the disability portion of the insurance.

Claim to disability capital The credit to finance early retirement is paid out with the disability capital.

<u>Vested benefit</u>
If the insured person is entitled to vested benefits, the credit to finance early retirement falls due as a vested benefit.

Appendix III

Glossary

Definitions	Notes
Active and disability portion of the insurance (difference)	*Active portion:* describes the portion for which the insured person is employed. Salary increases, purchases, etc., are possible in this portion. *Disability portion:* describes the portion for which the insured person receives a replacement income (generally a pension). Salary increases, purchases, etc., are not possible.
Survivors and survivors' benefits	In these pension fund regulations, these terms are understood to mean • the entitled persons and • the pension due (such as spouse's pension, orphan's benefit) upon the death of the insured person.
Individual mathematical reserve for spouse's/unmarried partner's pension	The individual mathematical reserve matches at least the capital requirement to finance the spouse's or unmarried partner's pension. It does however correspond to the available retirement savings if they are higher than the capital required to finance the spouse's or unmarried partner's pension.
Part-time employment and partial retirement (difference)	*Part-time employment:* An insured person is employed part-time when his/her regular weekly working hours are less than those of an employee working full-time in a similar function. The insured part-time employee must also be capable of working full-time. *Partial retirement:* Reduction in working hours and simultaneous payment of retirement benefits for this reduction.

Abbreviations

AHV	Old age and surviving dependants insurance (state benefits)
BVG	Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans
DSG	Federal Act on Data Protection
FZG	Federal Law on Vested Benefits
IV	Disability insurance (state benefits)
IVG	Federal Law on Disability Insurance
MVG	Federal Law on Military Insurance
OR	Swiss Code of Obligations
PartG	Federal Registered Partnerships Act
UVG	Federal Law on Accident Insurance
WEFV	Ordinance on the Use of Occupational Pension Savings for Home Ownership