

Swiss Life  
Occupational Pension Foundation, Zurich  
(foundation)

## **Costs Agreement for Investments and Operational Management**

Effective date: 1 January 2018

## Basic annual fee

Average invested capital			Annual fee
on the first	CHF	500 000	0,35%
for the next	CHF	500 000	0,29%
for the next	CHF	1 000 000	0,22%
for the next	CHF	3 000 000	0,18%
for the next	CHF	5 000 000	0,12%
from	CHF	10 000 000	0,10%
Minimum fee CHF 3 000			

This fee scale forms an integral part of the contract of affiliation. A discount of 25% is granted for investing exclusively in Swiss Life Investment Foundation investment groups.

The basic fee covers the following services:

- Operational management in the narrow sense
- Account and custody account management
- Reclaim of withholding taxes
- Purchase and sale of holdings in a mixed investment group in accordance with the "Standard" option
- Drawing up the balance sheet and profit and loss account with calculation of the cover ratio
- Calculation of performance
- Administrative costs for change in investment concept and investment strategy

The size and pooling of the collective foundation investments enable the affiliated Vorsorgewerks (employee benefit units) to benefit from more cost-effective collective investments than if they were to invest independently. If collective investment providers cannot offer any volume-related discounts but grant reimbursements instead, these reimbursements are credited directly to the Vorsorgewerks.

## "Standard" option

The Vorsorgewerk decides on a mixed investment group from the range offered by the collective foundation. The product range comprises investment groups from three investment foundations.

Swiss Life Investment Foundation	UBS Investment Foundation	Credit Suisse Investment Foundation
BVG-Mix 15 BVG-Mix 25 BVG-Mix 35 BVG-Mix 45	BVG-25 Active Plus BVG-40 Active Plus	Mixta-BVG 25 Mixta-BVG 35 Mixta-BVG 45

The asset management costs for the investment groups are set by the investment foundations and included in the investment groups. The costs can be taken from the relevant investment foundation factsheets.

## **"Individual with rebalancing" option**

The Vorsorgewerk defines its own investment strategy and chooses collective investments to implement the strategy from the collective foundation's investment universe. The investment universe comprises collective investments from the three providers Swiss Life, UBS and Credit Suisse. In the event of larger inflows or outflows of funds, or at least once a month, the portfolio is adjusted so it remains consistent with the investment strategy defined by the Vorsorgewerk (rebalancing).

Beside the basic fee already mentioned, the collective investments incur asset management fees (see factsheets for collective investments). In addition, Swiss Life charges the Vorsorgewerk an annual fee of CHF 4 000 for administrative costs arising from the implementation of the investment strategy.

If the investment exclusively concerns Swiss Life collective investments, a 25% discount is granted on the administrative costs for implementing the strategy.

## **"Individual with mandat" option**

The specific description, implementation and costs of the individual investment strategy are set out in a separate agreement between the collective foundation, Vorsorgewerk and asset manager. Investment is exclusively in collective investment instruments from the collective foundation's investment universe. The Vorsorgewerk can choose as its asset manager: Swiss Life Asset Management, UBS Asset Management or Credit Suisse Asset Management.

Beside the basic fee already mentioned, the collective investments incur asset management fees (see factsheets for collective investments). In addition, Swiss Life charges the Vorsorgewerk an annual fee of CHF 3 000 for administrative adjustments arising from the asset manager's investment decisions.

If the investment exclusively concerns Swiss Life collective investments, a 25% discount is granted on the administrative costs for implementing the strategy.

## **Changes**

The right is reserved to make changes. The foundation or Swiss Life shall provide notification of such changes six months in advance.

## **Effective date**

This costs agreement shall come into effect on 1 January 2018 following the resolution of the Board of Trustees of 28. February 2017.

\* \* \*