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

Swiss Life Collective Foundation Invest, Zurich
(the Foundation)

Pension fund regulations

Swiss Life Business Premium

consisting of

- Basic provisions
- Provisions on encouraging home ownership
- Provisions on bonus participation
- Provisions on partial liquidation

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Basic provisions

Effective date: 1 January 2019

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 foundation is affiliated to the 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.

The foundation may conclude insurance contracts with an insurance company. The reinsured risks and the structure of the foundation are shown at the end of these basic provisions.

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 also include the following in particular:

- basic provisions
- provisions on encouraging home ownership
- provisions on bonus participation
- provisions on partial liquidation

These provisions are issued by the Board of Trustees.

Art. 2 Data protection

The employer shall provide the foundation or the reinsuring insurance company with the information required to implement employee benefits. If necessary, the reinsuring insurance company 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 the reinsuring insurance company shall treat all information in strictest confidence. The entire data processing chain from the collection of the data to its storage and destruction, takes place at the reinsuring insurance company 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). Information may be passed on to representatives of the reinsuring insurance company 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 Board of Trustees issues regulations defining its functions and governing its composition.

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.

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 the reinsuring insurance company 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 the reinsuring insurance company 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

The foundation shall not be liable for the consequences resulting from a failure to fulfil 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.

Reaching the retirement age during divorce proceedings
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 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. Retirement benefits are paid when the insured person ceases work.

The pension plan specifies whether financing of early retirement is possible. The provisions on the financing of early retirement are set out at the end of these basic provisions.

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
- there is no entitlement to disability benefits for the scope of partial retirement
- the employment relationship is dissolved in the course of partial retirement.

The pension plan specifies whether partial retirement is possible.

Art. 12 Salary definition

1 - Annual salary

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

2 - Provisions

Temporary loss of earnings
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.

Period of employment less than one year
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.

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

Undershooting the salary limit for coverage
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. 13 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.

Disability portion
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.

Active portion
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. 14 Retirement savings

1 - Retirement savings
Each insured person builds their own retirement savings.

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. 15 Savings process

1 - Choice of savings process
Whether the savings process 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 six 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.

A one-time switch from collective investments to the savings plan is possible before the insured person's 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>
Interest is applied annually by the foundation to the insured person's retirement savings. The basis for calculating the retirement savings is outlined 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. 16 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. 17 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. 18 Waiver of contributions

The regulations governing a waiver of contributions are set out 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 savings process provisions apply to the items credited to the retirement savings under the waiver of contributions.

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

- regains earning capacity
- dies
- reaches normal retirement age

Art. 19 Waiting periods

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. 20 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 total disability is insured and at what level.

Art. 21 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 benefits are granted if disability has been caused intentionally.

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
  - the additional 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
  - the 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. 22 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 after completion of the 45th year of age, when 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. 23 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 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. 24 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. 25 Lump-sum death benefit

1 - Entitlement before retirement

A claim to lump-sum death benefit arises if the insured person dies before retirement and before reaching the AHV retirement age. Entitlement arises on the date of death. The claim is not valid if it is not enforced within a year from time of death.

2 - Level of benefit

The 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 and at what level a lump-sum death benefit is insured.

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 and at what level a lump-sum death benefit is insured.

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. Any unpaid lump-sum death benefits revert to the foundation.

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. Regular contributions and purchases

Art. 26 Regular 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 - Asset management costs of collective investments

There are variable asset management costs involved in investing retirement savings in collective investments, which are deducted from the invested assets. Further information on these costs and the prospectuses on the collective investments with details on the total expense ratio (TER) and any costs for issuing and redeeming units, are available under www.swisslife.ch/en/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. 27 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.

They increase the retirement savings.

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

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.

<u>Maximum possible retirement savings</u>
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 calculation of the maximum possible retirement savings takes into account an interest rate shown in the pension plan.

<u>Actual retirement savings</u>
The actual retirement savings consist of:

- the higher of the following amounts at the time of purchase:
  - the retirement savings as defined in the regulations or
  - 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.

<u>Maximum possible retirement savings at normal retirement age</u>
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. They are calculated using an interest rate stated in the pension plan.

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

4 - Restrictions

<u>Tax deductibility</u>
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.

<u>Withdrawal as a lump sum</u>
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.

E. Payment of benefits

Art. 28 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. 29 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 not 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. 30 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. 31 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. 32 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 cash value of the spouse's/unmarried partner's benefit for beneficiaries who have completed the 45th year of age
- the reduced cash value of the spouse's/unmarried partner's benefit in the case of beneficiaries who have not completed the 45th year 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. 33 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. 34 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. 35 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. 36 Amendments

1 - Amendments to the pension fund regulations

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

Other parts of 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. 37 Effective date of the basic provisions

1 - Effective date

These basic provisions shall come into effect on

1 January 2019 and replace all previous provisions. They will be communicated to every person admitted to the employee benefits plan.

2 - Benefits prior to effective date

The entry into force of these basic provisions renders all previous provisions for all persons null and void, where the insured event of death, disability or old age did not occur 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

Structure of foundation

The foundation does not provide mandatory occupational benefits and has therefore not been entered in the register of occupational pension funds.

The risks of death and disability of the persons insured occurring before the final age stipulated in the regulations are 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.

The foundation or an employee benefits unit shall be considered to be in shortfall if the foundation's requisite vested pension capital is not covered by the available pension fund assets as at the balance sheet date. The foundation's cover ratio is less than 100%.In the case of a shortfall the Board of Trustees shall determine the restructuring measures provided for by law.

Appendix II

Provisions governing the financing of 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.

For collective investments minus

- the amount by which the value of the units in collective investments and any liquid assets held by an insured person is higher than the sum of the retirement credits; the ratio at the time of purchase is key.

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

Normal retirement benefit:
The normal retirement benefit corresponds to the retirement savings at time of purchase, plus the amount of the retirement credits by the statutory retirement age on the basis of the current salary.

Reduced retirement benefit:
The reduced retirement benefit corresponds to the retirement savings at time of purchase, plus the amount of the retirement credits by the notified age of early retirement on the basis of the current salary.

The calculation of the retirement benefits takes into account an assumed appreciation as specified in the pension certificate.

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 for payment of the normal employee contributions during the period of deferred retirement.

Any remaining amount reverts to the foundation.

4 - Payments

Prepayment for home ownership purposes/Spouse's entitlement upon divorce
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.

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

Claim to a disability pension
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.

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

Appendix III

Notes

1 - 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.

2 - Distinction: Part-time employment and partial retirement

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

3 - Distinction: active and disability portion of the insurance

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.

4 - Cover ratio

The cover ratio is defined as the ratio between pension fund assets and vested pension capital.

Pension fund assets:

The total assets at market value on the balance sheet, less liabilities, accrued expenses and deferred income and, if appropriate, employer contribution reserves. The pension fund assets are those from which the actual financial situation can be established.

Vested pension capital:

The actuarially required vested pension capital (retirement savings and mathematical reserves) including necessary strengthening.

Appendix IV

Abbreviations (laws)

AHV	Old age and surviving dependants insurance (state benefits)
IV	Disability insurance (state benefits)
BVG	Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans
BVV 2	Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans
FZG	Federal Law on Vested Benefits
WEFV	Ordinance on the Use of Occupational Pension Savings for Home Ownership
IVG	Federal Law on Disability Insurance
UVG	Federal Law on Accident Insurance
MVG	Federal Law on Military Insurance
OR	Swiss Code of Obligations
PartG	Federal Registered Partnerships Act
DSG	Federal Act on Data Protection

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

SwissLife

Provisions on encouraging home ownership

Effective date: 1 January 2018

Art. 1 Assignment

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).

Art. 2 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 two amounts at the time of the 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. 3 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. 4 Amounts

1 - Minimum prepayment amount

The minimum amount of a prepayment is CHF 20 000.

Exception:
purchases of participation certificates in a housing cooperative or similar participation.

2 - Minimum repayment amount

The minimum amount of a repayment is CHF 10 000.

Exception:
If the outstanding amount is less than the minimum amount, the repayment is made in the form of a lump sum.

Art. 5 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 Basic Provisions.

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. 6 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. 7 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. 8 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 basic provisions and legal provisions
The Article "Purchase" in the Basic Provisions 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. 9 Foundation shortfall

If it is not possible or reasonable on liquidity grounds for the foundation to make a prepayment, it shall decide on a postponement within the framework of the legal provisions.

During the period of a shortfall, the foundation may restrict or refuse a prepayment for the purposes of repaying a mortgage.

Art. 10 Effective date

These provisions on encouraging home ownership shall come into force on 1 January 2018. They will be communicated to every person admitted to the employee benefits.

* * *

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

Provisions on bonus participation

Effective date: 1 April 2015

Art. 1 Scope of application

These provisions relate to the application of the bonus distribution, which Swiss Life allocates as part of the reinsurance cover.

Art. 2 Entitlement

In accordance with the General Policy Conditions for Group Life Insurance (GPC), the Vorsorgewerk (employee benefits unit), like a policyholder, is entitled to a bonus from Swiss Life. The scope of the bonus participation is based on the risks which are reinsured by Swiss Life. Entitlement arises when the contract of affiliation comes into force and ceases when the contract is terminated.

Art. 3 Bonus calculation

1 - Risk and cost bonus

The bonus is calculated on the basis of the Vorsorgewerk's risk and cost contributions for the current financial year.

2 - Interest rate bonus

The bonus is calculated on the basis of the accumulated available retirement savings in the savings insurance for the current business year.

Art. 4 Due date

The bonus is due on 1 January of the following year (key date) and is communicated annually.

Art. 5 Application

The annual bonus is distributed among the insured persons as follows:

The risk and cost bonus is credited to the retirement savings (retirement savings in the savings insurance and/or investment assets) of the insured person. Distribution is based on the risk contribution and cost contribution of the insured person.

The interest rate bonus is used to increase the retirement savings of those insured persons with savings insurance. Distribution is based on the amount of the insured person's retirement savings.

An insured person is entitled to the allocation of a financial year's bonus if he/she is a member of the Vorsorgewerk on 1 January of the following year.

Art. 6 Effective date

These provisions on bonus participation shall come into force on 1 April 2015. They will be communicated to every person admitted to the employee benefits.

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Provisions on encouraging home ownership

Effective date: 18 November 2015

Art. 1 Basis

1 - Entitlement to free funds, provisions and value fluctuation reserves

In the event of the partial or full liquidation of a Vorsorgewerk (employee benefits unit) or the foundation, the withdrawing insured persons are entitled, individually or collectively, to a share of any accumulated free funds, provisions and value fluctuation reserves. In the event of a shortfall, the vested benefits of the leaving insured persons shall be correspondingly reduced.

2 - Conditions for partial liquidation

Partial liquidation at foundation level:
The conditions at foundation level are met:

- if the number of actively insured persons falls by more than 5% in less than one year
- if the vested pension capital of the actively insured persons is reduced by a minimum of 10% within a year due to members departing or
- upon termination of a contract of affiliation

Partial liquidation at Vorsorgewerk (employee benefits unit) level:
The conditions at Vorsorgewerk level are met:

- if the workforce of a company insured with the foundation, or the vested pension capital of the actively insured persons is reduced as follows (due to departures) within a year for reasons other than restructuring,
  - in the case of 5 employees or less, at least 2 employees or 25% of vested pension capital
  - in the case of 6-10 employees, at least 3 employees or 20% of vested pension capital
  - in the case of 11-25 employees, at least 4 employees or 15% of vested pension capital
  - in the case of 26-50 employees, at least 5 employees or 10% of vested pension capital
  - in the case of over 50 employees, at least 10% of employees or 10% of vested pension capital
- if the company undergoes restructuring and the insured workforce or the vested pension capital of the actively insured persons is reduced as follows within a year due to departures:
  - in the case of 5 employees or less, at least 2 employees or 20% of vested pension capital
  - in the case of 6-10 employees, at least 3 employees or 15% of vested pension capital
  - in the case of 11-25 employees, at least 4 employees or 10% of vested pension capital
  - in the case of 26-100 employees, at least 5 employees or 5% of vested pension capital
  - in the case of over 100 employees, at least 5% of employees or 5% of vested pension capital
- if the contract of affiliation is terminated.

Art. 2 Determination of the level of free funds, provisions, value fluctuation reserves and/or of the shortfall / Key date

1 - Determination of free funds, provisions and value fluctuation reserves and/or shortfall

The free funds, provisions and value fluctuation reserves and/or the shortfall pursuant to Art. 44 BVV 2 shall be determined on the basis of the actuarial and commercial balance sheets in accordance with Swiss GAAP FER 26 as of the key date of partial liquidation.

The necessary reserves for underwriting and other risks, any additional reserves (reserves to safeguard the survival of the pension fund) and the necessary value fluctuation reserves shall be built up in accordance with the relevant regulations and provisions.

2 - Key date for partial liquidation

The key date for partial liquidation has been fixed as follows:

- in the case of reduction in the workforce or restructuring: the date the workforce reduction process was concluded, at the latest one year after it commenced. If the workforce reduction plan provides for a longer or shorter time period, this time period is applicable.
- upon termination of the contract of affiliation:
  the date of termination

3 - Relevant balance sheet

If the key date of the partial liquidation is 31 December, the actual financial situation is determined on the basis of the actuarial and commercial balance sheets produced on this date. If the key date does not fall on the 31 December, the previous year's commercial balance sheet is used.

If there is a change of over 10% in the key assets or liabilities between the key date of the partial liquidation and the transfer of free funds, the free funds are adjusted accordingly. The same goes for collective entitlements to insurance reserves and value fluctuation reserves.

4 - Costs

The costs required to finance the partial liquidation process are borne by the Vorsorgewerk.

5 - Distribution formula

The insured persons' retirement savings and/or vested benefits form the basis of the distribution formula.

Art. 3 Entitlement of the insured person in the event of partial liquidation following individual withdrawal

If the conditions for a partial liquidation are fulfilled, an individual entitlement to free funds arises in the event of an individual withdrawal.

Art. 4 Entitlement of the insured person in the event of partial liquidation following collective withdrawal

A collective entitlement occurs when at least five insured persons jointly leave the Vorsorgewerk to join another employee benefits institution. If the conditions for a partial liquidation are met, an entitlement to the following assets, in addition to the regulatory vested benefit, arises in the event of collective withdrawals:

1 - Free funds

If the conditions for a partial liquidation are met, an individual or collective entitlement to a share in the free funds arises in the event of collective withdrawals. The contribution made by the withdrawing insured persons is duly acknowledged.

The accumulated free funds of the Vorsorgewerk are distributed among those remaining with the Vorsorgewerk and those leaving or those who have left in proportion to the amount of the retirement savings and/or vested benefit.

The free funds for insured persons who are not withdrawing from the foundation or the Vorsorgewerk shall remain collectively with the foundation or Vorsorgewerk.

2 - Provisions

In the case of a collective withdrawal there is a collective proportionate entitlement to any provisions, if applicable. However, the entitlement only exists where underwriting risks are also transferred. The contribution made by the withdrawing insured persons to accumulating provisions is duly acknowledged.

3 - Value fluctuation reserves

In the case of a collective withdrawal there is a collective proportionate entitlement to any value fluctuation reserves, if applicable. The entitlement to value fluctuation reserves corresponds pro rata to the entitlement to the retirement savings and/or vested benefit. The contribution made by the withdrawing insured persons to accumulating the value fluctuation reserves is duly acknowledged.

4 - No entitlement to provisions and value fluctuation reserves

There is no collective entitlement to provisions and value fluctuation reserves if the partial liquidation was caused by the group which is collectively withdrawing.

Art. 5 Actuarial deficit

1 - Calculation and distribution

Actuarial deficits are calculated on the basis of the key date for partial liquidation.

The actuarial deficit is distributed between the insured persons remaining with the foundation or Vorsorgewerk and those withdrawing, or who have already withdrawn, from the foundation or Vorsorgewerk in proportion to the amount of the retirement savings and/or vested benefit.

2 - Withdrawing insured persons

An actuarial deficit is individually allocated to insured persons who are withdrawing or have already withdrawn. It is deducted from the vested benefit.

If the vested benefit has already been transferred with no deductions, the insured person must refund the excess amount to the foundation or the Vorsorgewerk.

3 - Remaining insured persons

In the case of the remaining insured persons, the actuarial deficit is left with the foundation.

Art. 6 Responsibilities

The employer or the Administrative Board is obliged to inform the foundation without delay of the following:

- a reduction in the workforce or the restructuring of the company which may lead to partial liquidation
- all relevant data connected with partial liquidation

The Administrative Board shall delegate the implementation of the partial liquidation to the foundation. The foundation assumes this responsibility on behalf of the Administrative Board and for the account of the Vorsorgewerk.

Art. 7 Information; objection and complaint

1 - Informing insured persons

The foundation shall inform all the insured persons concerned, including pensioners, of the following:

- that a case of partial liquidation obtains under the present regulations
- the total amount of free funds or actuarial deficit to be distributed
- the distribution formula
- the amount they will receive as an individual or collective share of the free funds and, if applicable, of the provisions and value fluctuation reserves.

2 - Possibility of making an objection or complaint

Insured persons may submit an objection in writing to the foundation within 30 days of receipt of the information. The foundation will then respond. Insured persons have the right to request a review of the conditions for partial liquidation and of the procedure being followed, as well as the distribution plan, by submitting a complaint in writing to the relevant supervisory authority within 30 days of notification.

A legal claim to individually allocated funds or to the transfer of the collective amount does not arise until the period for submitting objections has expired, with no objections having been lodged, or if a complaint has been lodged, not until the final ruling on the complaint.

Art. 8 Effective date

These provisions shall enter into force following approval by the supervisory authority by a resolution by the Board of Trustees and replace the partial liquidation regulations of 13 August 2012.

The provisions may be amended at any time by the Board of Trustees, subject to the agreement of the supervisory authority. They will be communicated to every person admitted to the employee benefits.

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List of changes

Changes based on resolutions by the Board of Trustees, valid from 01.01.2019

Compared with the latest version

Document: Basic Provisions

Further changes:	Textual amendments: Art. 8, Art. 9 cl. 3

Document: Provisions on encouraging home ownership

---	No changes

Document: Provisions on bonus participation

---	No changes

Document: Provisions on partial liquidation

---	No changes

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Changes based on resolutions by the Board of Trustees,
valid from 01.01.2018

Compared with the latest version

Document: Basic Provisions

Art. 3	Cl. 2 - Information for insured persons Clarification of the duty to inform
Art. 11	Cl. 4 - Partial retirement Clarification of conditions for partial retirement
Art. 15	Restructuring and editorial amendments, as well as Cl. 1 - Choice of savings process Clarification of standard investment strategy in the absence of choice of savings process or investment strategy Cl. 2 - Savings process through units in collective investments Clarification of savings process through units in collective investments Cl. 3 - Savings process through units in collective investments or allocation to savings insurance Deletion following adoption of content in other clauses Cl. 4 - Savings insurance Clarification of savings process through savings insurance
Art. 25	Cl. 3 - Order of beneficiaries Clarification of entitlement beneficiary category III
Art. 26	Cl. 1 - Regular contributions Clarification of minimum employer's contributions
Art. 28	Cl. 2 - Amount of the vested benefit for units in collective investments Clarification of designation of vested benefit (adapted to Art. 19a FZG, in force since 1 October 2017) Cl. 3 - Amount of the vested benefit for savings insurance Clarification of designation of vested benefit (adapted to Art. 19a FZG, in force since 1 October 2017)
Art. 29	Cl. 4 - Interest Clarification of interest when vested benefit due (adapted to Art. 19a FZG, in force since 1 October 2017)
Art. 34	Cl. 1 - Reductions in benefits Clarification of overindemnification (adapted following revision of UVG on 1 January 2017) Cl. 2 - Qualifying income Clarification of qualifying income (adapted following revision of UVG on 1 January 2017)
Art. 36	Cl. 3 - Change in pension provider Clarification of procedure for selling units in the case of a collective switch
Further changes:	<u>Textual amendments:</u> Art. 9 cl. 3, Art. 21 cl. 3, Art. 26 cl. 2, Appendix I

Document: Provisions on encouraging home ownership

Art. 4	Cl. 2 - Minimum repayment amount Change of minimum repayment amount

Document: Provisions on bonus participation

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Document: Provisions on partial liquidation

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Changes based on resolutions by the Board of Trustees, valid from 01.01.2017

Compared with the latest version

Document: Basic Provisions

Art. 6	Cl. 1 - Duty to cooperate Clarification of the insured person's duty of cooperation, and that of his/her survivors
Art. 23	Cl. 1 - Unmarried partner's pension Clarification of entitlement to an unmarried partner's pension
Art. 25	Cl. 1 - Lump-sum death benefit Clarification of entitlement to a lump-sum death benefit
New:	Pension compensation in the event of divorce, new rules as of 1 January 2017 Pension compensation even when insured event has already occurred Art. 9, Art. 22 cl. 1, Art. 23 cl. 1, Art. 25 cl. 3, Art. 31, cl. 1, Art. 36 cl. 1, Art. 37 cl. 2
Further changes:	<u>Textual amendments:</u> Art. 11 cl. 1, Art. 15 cl. 2, Art. 16 cl. 2, Art. 19, Art. 21 cl. 2, Art. 25 cl. 2, Appendix II cl. 1

Document: Provisions on encouraging home ownership

--- No changes

Document: Provisions on bonus participation

--- No changes

Document: Provisions on partial liquidation

--- No changes

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