



# Pension plan regulations

## Vita Plus

**Vita Plus Collective Foundation  
of Zurich Life Insurance Company Ltd, Zurich**

# Content

|   |          |  |           |   |           |
|---|----------|--|-----------|---|-----------|
| <b>Pension plan regulations</b>   | <b>3</b> | 4.2 Which regulations apply to all benefits?   | 7         | 7.7 When do these pension plan regulations take effect?   | 13        |
| <b>1 Introduction</b>   | <b>3</b> | 4.3 Which regulations are valid for death and disability benefits?   | 7         | <b>8 Implementation regulations for the encouragement of home ownership using funds from occupational pension plans</b>                             | <b>14</b> |
| 1.1 Which terms and abbreviations are used?   | 3        | 4.4 What retirement benefits are provided?   | 8         | 8.1 Which funds can be used to acquire residential property?  | 14        |
| 1.2 What is the purpose of the occupational pension plan?                                       | 3        | 4.5 What death benefits are provided?  | 8         | 8.2 In what form can these funds be used?   | 14        |
| 1.3 How is the occupational pension plan organized?   | 3        | 4.6 What are the disability benefits?  | 10        | 8.3 What can funds from the occupational pension plan be used for?  | 14        |
| 1.4 What benefits does the BVG security fund provide?   | 3        | 4.7 What benefits are paid on withdrawal from the occupational pension plan?   | 11        | 8.4 What does 'for your own use' mean?  | 14        |
| <b>2 On what basis is the occupational pension plan calculated?</b>                             | <b>3</b> | 4.8 What obligation to pay benefits remains after the insured person has left the occupational pension plan?                         | 12        | 8.5 What conditions apply to drawing an advance?  | 14        |
| 2.1 Which age calculations apply to the occupational pension plan?                              | 3        | <b>5 How much are the contributions to the occupational pension plan?</b>  | <b>12</b> | 8.6 What conditions apply to pledging?  | 15        |
| 2.2 When does retirement occur?   | 4        | <b>6 What rights and obligations does the insured person have?</b>   | <b>12</b> | 8.7 What information has to be given?   | 15        |
| 2.3 Which annual salary applies to the occupational pension plan?                               | 4        | 6.1 What must the Foundation be advised of for administration of the occupational pension plan?                                      | 12        | 8.8 How is the advance or pledge established?   | 15        |
| <b>3 When and how are employees admitted to the occupational pension plan?</b>                  | <b>5</b> | 6.2 What information does the insured person receive?  | 13        | 8.9 What costs arise?   | 15        |
| 3.1 Who is admitted to the occupational pension plan and what are the restrictions on benefits? | 5        | 6.3 How is data protection in occupational pension plans guaranteed?   | 13        | 8.10 What are the legal bases?  | 16        |
| 3.2 How will the person to be insured be registered?  | 5        | <b>7 What else should insured persons be aware of?</b>   | <b>13</b> | <b>9 Technical Appendix</b>   | <b>17</b> |
| 3.3 When does pension plan coverage begin?  | 5        | 7.1 How are benefits divided in case of divorce?   | 13        | 9.1 Interest rates (as of January 1, 2023)  | 17        |
| 3.4 When is a health examination required?  | 5        | 7.2 Who can change these pension plan regulations or the pension plan and to whom do such changes apply?                             | 13        | 9.2 Conversion rates for retirement savings if the pension plan provides for retired persons' children's pensions (as of January 1, 2023)           | 17        |
| 3.5 What regular entry purchasing amount is to be provided?                                     | 6        | 7.3 What are the effects of an annulment of the affiliation contract?  | 13        | 9.3 Conversion rates for retirement savings if the pension plan makes no provision for retired persons' children's pensions (as of January 1, 2023) | 17        |
| 3.6 How can the insured person purchase benefits exceeding the regular entry purchasing amount? | 6        | 7.4 What are the requirements for a partial liquidation within the Foundation or an individual pension fund, and how is it executed? | 13        | 9.4 Salary terms (as of January 1, 2023)  | 18        |
| 3.7 How can an insured person finance early retirement (additional savings plan)?               | 6        | 7.5 Who decides in cases which are not covered by these pension plan regulations?  | 13        | 9.5 Retirement age (as of January 1, 2023)  | 18        |
| 3.8 What happens when there is a change in the degree of a person's employment?                 | 7        | 7.6 Where does the Foundation fulfill its obligations?   | 13        | <b>Organizational regulations for the Administration Committee</b>  | <b>19</b> |
| <b>4 When and to what extent are benefits due?</b>  | <b>7</b> |  |           |   |           |
| 4.1 Which benefits are provided by the occupational pension plan?                               | 7        |  |           |   |           |

# Pension plan regulations

## Edition 1/2023 (Retirement pension)

### 1 Introduction

#### 1.1 Which terms and abbreviations are used?

##### Foundation

Vita Plus Collective Foundation of Zurich Life Insurance Company Ltd, Zurich

##### Zurich

Zurich Life Insurance Company Ltd, Zurich

##### AHV

Swiss Federal Old Age and Survivors' Insurance

##### ATSG

Swiss Federal Law on General Provisions concerning Legislation on Social Insurances

##### BVG

Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans

##### BVV 2

Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans

##### FZG

Swiss Federal Law on Vesting in Retirement, Survivors' and Disability Pension Plans

##### FZV

Ordinance on Vesting in Retirement, Survivors' and Disability Pension Plans

##### IV

Swiss Federal Disability Insurance

##### MVG

Swiss Federal Law on Military Insurance

##### OR

Swiss Code of Obligations

##### PartG

Swiss Federal Law on Registered Same-Sex Partnership

##### Partner

The following persons are considered to be partners in the context of the pension plan regulations:

- a spouse;

- a registered partner pursuant to the Law on Registered Same-Sex Partnership (PartG);
- an unmarried person not related to the insured person who had lived continually with the insured person in the same household for the five years prior to his/her death in a marriage-like relationship;
- an unmarried person not related to the insured person who had lived with the insured person in the same household at the time of his/her death and is responsible for supporting one or more of their joint children.

##### Registered Partner according to PartG

For the duration of a registered partnership, the registered partners have the same rights and obligations as a married couple under these pension plan regulations.

If a registered partner dies, the surviving partner is deemed equivalent to a surviving spouse.

The legal dissolution of a registered partnership is deemed equivalent to divorce.

##### UVG

Swiss Federal Law on Compulsory Accident Insurance

##### VVG

Swiss Federal Law on Insurance Contracts

##### ZGB

Swiss Civil Code

#### 1.2 What is the purpose of the occupational pension plan?

The purpose of this occupational pension plan is to protect the insured persons and their surviving dependents on a collective basis by supplementing the benefits of the OASI/DI and the mandatory occupational pension plan in accordance with the following regulations.

#### 1.3 How is the occupational pension plan organized?

<sup>1</sup>For administration of the occupational pension plan, the employer becomes affiliated with the Foundation under the

terms of the affiliation contract. It is incumbent upon the Foundation Board to manage the Foundation. The Foundation Board represents the Foundation vis-à-vis third parties, decides how the Foundation should be organized and how administrative tasks in connection with the Foundation should be executed.

<sup>2</sup>Within the Foundation there is an independent fund called the pension fund. It is incumbent upon the Administration Committee to manage this pension fund. The composition and duties of the Administration Committee are set forth in the organizational regulations.

<sup>3</sup>The benefits from this occupational pension plan are insured by a group insurance contract that the Foundation has concluded as policyholder and beneficiary with Zurich.

#### 1.4 What benefits does the BVG security fund provide?

<sup>1</sup>The Foundation is affiliated to the BVG security fund.

<sup>2</sup>The BVG security fund safeguards mandatory legal benefits in the event of insolvency of the pension fund.

### 2 On what basis is the occupational pension plan calculated?

#### 2.1 Which age calculations apply to the occupational pension plan?

##### 2.1.1 Age for calculating contributions and benefits

The respective age attained, expressed in years and months, applies to the calculation of contributions and benefits. The time from the date of birth to the first day of the following month is not taken into consideration.

### 2.1.2 Age for calculating the minimum benefit on withdrawal

The difference between the calendar year and the year of birth is the age used for calculating the minimum benefit in accordance with FZG.

### 2.1.3 Age that applies for the calculation of retirement credits

The age that applies for the calculation of retirement credits is defined in the pension plan.

## 2.2 When does retirement occur?

### 2.2.1 Regular retirement age

Regular retirement shall commence on the first of the month following the date on which the age for retirement stipulated by the BVG is reached.

### 2.2.2 Regulation retirement age

<sup>1</sup> Regulation retirement shall commence on the first of the month following the date on which the age for retirement stipulated in the occupational pension plan is reached.

<sup>2</sup> The regulation retirement age shall correspond to the regular retirement age, as stated in art. 2.2.1, provided that nothing to the contrary is specified in the occupational pension plan.

### 2.2.3 Extended insurance coverage for employed persons beyond the regulation retirement age

<sup>1</sup> Employed persons continue to be insured as stipulated in the pension regulations after regulation retirement age, until they reach regular retirement age.

<sup>2</sup> The insured person and the employer will continue to pay contributions.

### 2.2.4 Early retirement

<sup>1</sup> An insured person may retire early provided that he or she is retiring permanently. Early retirement may not be taken before the first of the month following the completion of the employee's 58th year of age.

<sup>2</sup> Benefits will be reduced accordingly as far as early retirement is not compensated for by voluntary financing in accordance with art. 3.7.

### 2.2.5 Deferred retirement

<sup>1</sup> If the insured person continues, with the consent of his or her employer, to work beyond regular retirement age, the due date of the retirement benefits may be deferred until definitive termination of employment, but not after reaching the age of 70.

<sup>2</sup> In general no more contributions are payable unless the pension plan stipulates that further contributions to retirement savings are required. From the time of regular retirement, all insured benefits shall expire, with the exception of the retirement pension and related partner or (if insured) children's pensions.

<sup>3</sup> If an insured person dies during the deferred retirement period and if the pension plan provides for a partner's pension after retirement, the following applies:

- a) If the insured person leaves behind an eligible partner, a partner pension falls due. The amount of the partner's pension corresponds to 60% of the annuity that the insured person would have received if they had retired on the date of death. Surviving dependents as per art. 4.5.6 are also entitled to the available retirement savings, provided these are not needed to finance a partner's pension. With the exception of the amount of the partner's pension, the provisions in accordance with arts. 4.5.1, 4.5.2 and 4.5.7 shall apply mutatis mutandis.
- b) If the insured person does not leave behind any eligible partner, the retirement savings available at the time of death of the insured person will be paid out to the surviving dependents in accordance with art. 4.5.6.

### 2.2.6 Partial retirement

<sup>1</sup> An insured person may take partial retirement with the employer's consent at the earliest on the first of the month following their 58th Birthday. It is also possible to enter the first phase of partial retirement after the regulation retirement age, provided the criteria in accordance with art. 2.2.5 are met. Full retirement must be taken no later than on reaching the age of 70.

<sup>2</sup> Partial retirement requires that the degree of occupation be reduced accordingly and that the insured person be fully fit for work.

<sup>3</sup> Partial retirement shall be in no more than three stages, each consisting of at least 20% of the full working week. Provided that nothing to the contrary is specified in the occupational pension plan, there must be at least one year between each of the individual stages.

<sup>4</sup> Once partial retirement has been taken, it will no longer be possible to increase the remaining degree of occupation.

<sup>5</sup> The entitlement to retirement benefits will depend on the degree of retirement.

<sup>6</sup> Retirement benefits may be claimed either in whole or in part as capital for the individual stages of partial retirement. For the rest, art. 4.4.4 shall apply.

<sup>7</sup> With the exception of repurchases in the case of divorce, purchases will no longer be possible after partial retirement has been taken.

<sup>8</sup> The insured person is responsible for clarifying the tax treatment of partial retirement.

## 2.3 Which annual salary applies to the occupational pension plan?

### 2.3.1 Effective annual salary

<sup>1</sup> The effective annual salary corresponds to the estimated AHV annual salary of the insured person. Family and children's allowances are not taken into account. If not otherwise provided for by the pension plan, salary components occurring only on occasional or provisional basis (bonuses, gratuities, special remunerations) are not considered. Entry incentives, severance pay and gifts in recognition of service are not considered to be part of the effective annual salary.

<sup>2</sup> If an insured person was not affiliated with this occupational pension plan for an entire calendar year, the salary he or she would have earned had he or she had been affiliated with it for an entire year shall apply.

<sup>3</sup> If an insured person also receives a salary from another company, then that salary shall not be taken into consideration.

### 2.3.2 Insured annual salary

<sup>1</sup> Calculation of pension benefits and contributions is based on the insured annual salary.

<sup>2</sup> The insured annual salary is stipulated in the pension plan.

<sup>3</sup> If the annual insured salary is reduced temporarily as a consequence of unemployment, maternity, paternity, child-care, military service or civil defense service, the salary insured up to that date remains in effect to the extent that payment is made in compensation for lost salary.

<sup>4</sup> If the annual insured salary is reduced due to illness or accident, the salary insured until then remains in effect due to the waiver of contribution included in the insurance.

<sup>5</sup> If the pension plan stipulates a coordination deduction, and if the effective annual salary is reduced for reasons other than illness or accident and remains temporarily below the coordination deduction, the retirement plan shall be continued without payment of contributions. Expected disability benefits and death benefits before retirement shall lapse, with the exception of the lump-sum death benefit in the amount of the available retirement savings.

<sup>6</sup> If the insured annual salary is altered as a result of a change in the employment relationship such as a transfer or promotion, the insured person may request, subject to the employer's agreement, that the insured annual salary be adjusted immediately to the new circumstances; otherwise the adjustment will be made at the beginning of the next calendar year.

<sup>7</sup> If the pension plan provides for an entry threshold, a coordination deduction and/or a maximum salary, these amounts are adjusted for the determination of the insured salary of the partially disabled person in accordance with the degree of disability.

### 2.3.3 Maximum insurable annual salary under the BVG

<sup>1</sup> The maximum insurable annual salary under the BVG is restricted to ten times the amount of the upper BVG salary limit.

<sup>2</sup> If the insured person is insured under more than one pension fund and the

sum of all of his/her annual salaries subject to AHV deductions exceed the amount stated in para. 1, the Foundation will reduce the insurable salary accordingly.

## 3 When and how are employees admitted to the occupational pension plan?

### 3.1 Who is admitted to the occupational pension plan and what are the restrictions on benefits?

#### 3.1.1 Admission to the pension plan

<sup>1</sup> The group of persons who may be insured is stipulated in the pension plan.

<sup>2</sup> The employer may join this occupational pension plan under due observance of fiscal regulations.

<sup>3</sup> If the employer is also covered by the insurance, this will be specified in the pension plan.

#### 3.1.2 Restrictions on benefits

<sup>1</sup> If a person to be insured was not fully able to work prior to or upon admission to the occupational pension plan, but this inability to work does not fall under the BVG definition of disability, and if the cause of this inability to work leads to disability or death, there shall be no entitlement to benefits under these pension regulations. If the person to be insured was insured by another pension plan at the beginning of the period of inability to work, then that pension plan is responsible for providing benefits.

<sup>2</sup> These restrictions shall apply *mutatis mutandis* to employees whose actual inability to work on admission to the pension plan exceeds the stipulated degree of disability of the Swiss Federal Disability Insurance. If disability or death is not attributable to the same cause that led to the inability to work, then full benefits shall be paid for death and disability.

### 3.2 How will the person to be insured be registered?

The employer will register the persons to be insured using the documents provided by the Foundation. If required by the Foundation, the person to be insured must also sign the application documents.

### 3.3 When does pension plan coverage begin?

<sup>1</sup> The provisional employee benefits coverage commences on the first day of the month on which the admission criteria according to art. 3.1.1 are fulfilled, however at the earliest on receipt of enrollment documents by the Foundation.

<sup>2</sup> Provisional pension coverage shall be understood to mean the insurance coverage provided for the benefits applied for, from the time a person to be insured is registered with the plan until all registration documents have been conclusively examined. Provisional coverage does not extend to claims which are attributable to prior illnesses, ailments or consequences of accidents. Additionally, benefits in the event of a claim, together with any other benefits from occupational pensions provided by Zurich or one of its collective foundations, will be restricted to CHF 1,000,000 (one-time benefit or present value of all recurring death and disability benefits).

<sup>3</sup> Thereafter, provisional coverage shall be superseded by definitive coverage which shall commence upon receipt of the individual certificate of insurance and shall extend to the benefits described therein.

### 3.4 When is a health examination required?

<sup>1</sup> As a rule, an insured person is admitted to the plan without a health examination on the basis of the confirmation that he or she is fully capable of working.

<sup>2</sup> The Foundation may make admittance to the pension plan or increased benefits contingent upon a health certificate or medical examination and a general risk assessment. Based on the findings of the health examination, the Foundation may make appropriate restrictions or charge supplementary contributions. Any health restrictions on insurance shall expire after five years. The time expired since insurance restrictions for substandard health were imposed by an earlier pension plan will be taken into account.

<sup>3</sup> However, if an illness covered by the restriction occurs within five years of the restriction being imposed, exclusion of benefits shall apply permanently to benefits which have not yet been awarded.



<sup>4</sup> Pension coverage acquired with transferred-in termination benefits shall not be reduced by new health restrictions.

<sup>5</sup> If a person withholds information that he/she was, or must have been, aware of or if he/she declares such information to be untrue during the health examination or risk assessment, the Foundation is entitled to refuse to pay benefits based on art. 6 of the VVG. Contrary to art. 6 para. 2 of the VVG, a period of 6 months shall apply. If the legal requirements are fulfilled, benefits under FZG shall be paid in all cases.

### 3.5 What regular entry purchasing amount is to be provided?

<sup>1</sup> On entry into the pension plan, an insured person must transfer the termination benefits from their previous occupational pension plan to the Foundation as a regular entry purchasing amount, provided they are not legally required to be paid into another pension plan. The insured person is responsible for arranging the transfer from the previous pension plan.

<sup>2</sup> If the vested termination benefit brought in from a previous pension arrangement is higher than that required to purchase the full regulatory benefits, the Foundation may limit acceptance to this amount

<sup>3</sup> The amount transferred will be credited to the retirement savings account as the entry purchasing amount and in the event of death will be used for financing the partner pension (if insured).

### 3.6 How can the insured person purchase benefits exceeding the regular entry purchasing amount?

<sup>1</sup> The insured person can purchase benefits exceeding the regular entry purchasing amount, provided that the insured person is fully capable of working. The maximum purchasing amount is the difference between the available retirement savings and the retirement savings which would have accrued between the earliest age of admittance to the retirement plan and the time of purchase, based on the golden rule (salary development corresponds to the interest on pension capital).

<sup>2</sup> The pension plan may deviate from the golden rule. The difference between the assumed interest earned on pension

capital and the assumed salary development will amount to a maximum of 2%.

<sup>3</sup> Partially disabled persons can buy into the pension fund based on their ability to work as long as they remain able to work on their active part and the buy-ins do not raise the level of their disability benefits. The maximum purchasing amount will be adjusted accordingly.

<sup>4</sup> The maximum purchasing amount is reduced by pillar 3a savings in accordance with art. 60a para. 2 of the BVV 2 and by the vested benefits savings as per art. 60a para. 3 of the BVV 2. These amounts will not be taken into account when calculating the purchase amount if they have already been taken into consideration in another pension fund or another plan.

<sup>5</sup> The limit on purchases in accordance with art. 60b para. 1 of the BVV 2 applies to persons immigrating to Switzerland from abroad who have never been insured under a Swiss pension plan.

<sup>6</sup> If the insured person made early withdrawals for the purpose of financing his/her own home, he/she may make purchases only after repaying the withdrawals.

<sup>7</sup> Benefits which become due as a result of a purchase may not be withdrawn as a lump sum within the next three years.

<sup>8</sup> Insured persons who were required to transfer a portion of their termination benefits to the pension plan of their spouse as a result of divorce may repurchase the amount of the transferred benefits. Repurchases in the event of divorce are excluded from all restrictions and may be carried out at any time. Individuals already receiving a retirement or full disability pension are ineligible to make repurchases.

<sup>9</sup> The employer may also make single premium payments.

<sup>10</sup> The effect of single premium payments and purchases paid into the plan are the same as for the regular entry purchasing amounts.

<sup>11</sup> The insured person is responsible for clarifying the tax treatment of single premium payments from the employer and purchases.

### 3.7 How can an insured person finance early retirement (additional savings plan)?

<sup>1</sup> An insured person may, as well as buying into the full regulation benefits, buy into the additional savings plan for the voluntary financing of early retirement, provided that the insured person is fully capable of working.

<sup>2</sup> The maximum contribution to the additional savings plan will be a sum that covers the difference between the annuity reduced in the event of early retirement and the full annuity at the regulation retirement age.

<sup>3</sup> Partially disabled persons can buy into the pension fund based on their ability to work as long as they remain able to work on their active part. The maximum purchasing amount will be adjusted accordingly.

<sup>4</sup> Contributions to the additional savings plan can be made by the insured person at a time only if the permissible purchasing amount as per art. 3.6 had been fully affected.

<sup>5</sup> The maximum contribution is reduced by restricted pension plan assets in accordance with art. 60a para. 2 of the BVV 2 and by the vested benefits savings in accordance with art. 60a para. 3 of the BVV 2, provided these amounts have not yet been taken into account in the calculation of the purchase amount in accordance with art. 3.6 or in the calculation of the purchase amount for another pension plan. The maximum contribution will also be reduced by any overfinancing of this or another pension plan.

<sup>6</sup> The provisions as per art. 3.6 para. 6, 7, 8 and 11 will also apply to the additional savings plan.

<sup>7</sup> In the event of a renouncement of the early retirement (or a later than individually chosen and financed retirement), based on the legal regulations on adequacy, the contributions to the additional savings plan made by the insured person on own funds will fall to the pension plan, as far as the regular benefit objective on regular retirement is exceeded by more than 5%.

<sup>8</sup> Contributions to the additional savings plan will not be used to finance the partner's pension (if insured) or an additional lump-sum death benefit (if insured) in the event of death.

### 3.8 What happens when there is a change in the degree of a person's employment?

If the degree of employment of an insured person changes, occupational pension coverage continues on the basis of the new insured annual salary. Arts. 3.3 and 3.4 shall not be affected by this.

## 4 When and to what extent are benefits due?

### 4.1 Which benefits are provided by the occupational pension plan?

On retirement:

- Retirement pension

If provided for in the pension plan:

- Retired person's child's pension

In the event of death:

- Lump-sum death benefit

If provided for in the pension plan:

- Partner pension
- Orphan's pension
- Additional lump-sum death benefit

In the event of disability:

- Waiver of contribution

If provided for in the pension plan:

- Disability pension
- Disabled person's child's pension

### 4.2 Which regulations apply to all benefits?

#### 4.2.1 Assignment and pledging; encouragement of home ownership

<sup>1</sup> Benefits under these pension plan regulations may neither be assigned nor pledged before they are due except to finance home ownership pursuant to BVG.

<sup>2</sup> An advance or a pledge of the benefits for the purpose of acquiring residential property for the person's own use is possible under BVG. More information is provided in the implementation regulations for the encouragement of home ownership using funds from occupational pension plans.

#### 4.2.2 Entitlement to child's pensions

<sup>1</sup> Child's pensions are retired persons' children's pensions, disabled persons' children's pensions, and orphans' pensions.

<sup>2</sup> Children are deemed to be those persons stated in the context of art. 252 ff of the Swiss Civil Code. Stepchildren who are wholly or predominantly supported by the insured person are deemed equivalent to them. Foster children are also eligible if the insured person is responsible for their support.

<sup>3</sup> Child's pensions are paid to:

- children until they complete their 18th year of age, provided that the pension plan does not contain any provisions to the contrary;
- children in education until completion of their education, provided they are not concurrently predominantly employed, up to the end of their 25th year of age at the latest;
- children, as long as they are incapable of gainful employment, provided that the incapacity started before completion of their 25th year of age and the children are not receiving disability pensions under an occupational pension plan, accident insurance or military insurance.

#### 4.2.3 Late payment interest on retirement benefits

<sup>1</sup> Late payment interest as per the FZG shall apply to lump sum retirement and death benefits that are not transferred within the prescribed period after all requisite information has been received.

<sup>2</sup> Payment of late interest on benefits in the form of a pension is governed by art. 105 of the Swiss Code of Obligations, while the rate of late payment interest is governed by the FZG.

#### 4.2.4 Liability claims

The Foundation may request that the persons entitled to the benefits assign to it their claims against the liable third party up to the amount of the benefits prescribed by law. On request, the claimants are required to provide the Foundation with a written letter of subrogation.

#### 4.2.5 Adjustment for inflation

Any pension payments will be adjusted for inflation according to the funds available in the pension fund. The Administration Committee will define the amount of the adjustment.

### 4.3 Which regulations are valid for death and disability benefits?

#### 4.3.1 Scope of benefits

<sup>1</sup> The benefits specified in the regulations shall be paid if disability or death is not attributable to an accident, including occupational illnesses as defined by UVG, or accident and illness as defined by MVG.

<sup>2</sup> However, the following benefits shall be payable even if the death or disability is attributable to an accident – including occupational illnesses as defined by UVG – or an accident and illness as defined by MVG:

- lump-sum death benefits amounting to the retirement savings available;
- Partner's pension prior to retirement, where the insured person is not the spouse and the pension plan includes a partner pension;
- death benefits after retirement;
- waiver of contribution in the event of inability to work;
- other benefits provided under the pension plan.

<sup>3</sup> If the risk of accident is insured in accordance with the pension plan, the following shall apply:

- If the accident or military insurer reduces benefits because the insured event is not attributable exclusively to one of these two insurances, the Foundation shall pay on a proportional basis.
- The benefits will, however, not be paid to compensate for claims that have been refused or reduced by the accident insurance or military insurance if the insured event was caused by culpable negligence.

#### 4.3.2 Overinsurance

<sup>1</sup> Benefits under these pension plan regulations shall be paid in addition to the benefits of other Swiss or foreign occupational or social insurance plans. When these benefits overlap, however, no unjustified advantage may accrue for the person entitled to benefits.

<sup>2</sup> An unjustified advantage arises when benefits under these pension plan regulations granted to survivors or disabled persons, together with any other qualifying income, exceed 90% of the insured person's projected lost earnings. In this case the Foundation may reduce its ben-

efits to the extent that such benefits, together with the other qualifying income, exceed 90% of the projected lost earnings.

<sup>3</sup>The following are considered qualifying income:

- pensions or the pension value of lump-sum benefits from domestic or foreign social insurances and occupational pension plans with the exception of compensations for destitute persons, indemnifications and similar benefits;
- the combined incomes of the surviving partner and the orphans;
- any additional employment income or replacement income earned or that may reasonably be expected to be earned by insured persons receiving disability benefits. The full hypothetical disability income as per the disability insurance (IV) decision will be taken into account.

<sup>4</sup>Benefits from private insurances which the insured person financed alone are not taken into consideration as part of the qualifying income.

<sup>5</sup>Persons entitled to benefits are obliged to notify the Foundation of all qualifying income.

#### **4.4 What retirement benefits are provided?**

##### **4.4.1 Retirement benefits**

<sup>1</sup>If an insured person retires from employment, he or she is entitled to receive a lifelong pension.

<sup>2</sup>The retirement pension consists of the retirement savings available at the time of retirement. The retirement pension will be calculated in accordance with the applicable group life insurance tariff. The conversion rates are listed in the Technical Appendix.

<sup>3</sup>Retirement savings will be accumulated through annual retirement credits and shall earn interest at the applicable group life insurance tariff.

<sup>4</sup>The amount of the retirement credits is defined in the pension plan.

<sup>5</sup>If an insured person has made contributions to the additional savings plan for the voluntary financing of early retirement, these contributions will be used to lessen the pension reduction in the

event of the retirement of the insured person – subject to art. 3.7 para. 7.

##### **4.4.2 Retired person's child's pension (if provided for in the pension plan)**

<sup>1</sup>If the recipient of a retirement pension has children who are eligible to receive a pension, he or she receives a pension for each child. The pension is paid until the death of the child or of the insured person or on expiration of the child's eligibility for a pension.

<sup>2</sup>The amount of the retired person's child's pension is defined in the pension plan.

<sup>3</sup>Retired person's child's pensions shall not be paid cumulatively with disabled person's child's pensions.

##### **4.4.3 Payment of retirement benefits in the form of an annuity**

<sup>1</sup>Pensions are paid in advance on a quarterly basis. A partial payment is made for the period between the date of retirement and the next annuity due date.

<sup>2</sup>At the request of the insured person, the pension is paid monthly in advance. A partial payment is made for the period between the date of retirement and the next annuity due date. The corresponding declaration must be submitted before the first annuity payment becomes due.

<sup>3</sup>The Foundation shall pay a cash settlement in lieu of a pension if the annual retirement pension is less than 10% of the minimum AHV retirement pension. Child's pensions shall be not be taken into account when determining whether a retirement pension is insufficient.

##### **4.4.4 Payment of retirement benefits as a lump sum**

<sup>1</sup>At the request of the insured person, the retirement benefits may be drawn as a lump sum if he or she submitted a declaration to this effect to the Foundation prior to the due date of the first annuity.

<sup>2</sup>The option may apply to the total retirement savings or to a part thereof. The pension entitlement will be calculated on the basis of the remaining retirement savings. This provision shall be subject to art. 4.4.3 para. 3.

<sup>3</sup>Payment in the form of a lump sum shall be deemed as settlement of all entitlement to benefits if the insured chooses the full payment option, or of the corresponding entitlements of the insured person and surviving beneficiaries if the option is exercised for part payment only.

<sup>4</sup>If the insured person is married, pledging or early withdrawal is only permitted with the written agreement of the spouse. The Foundation is entitled to request attestation of the signatures. The insured person shall bear the costs for the attestation.

#### **4.5 What death benefits are provided?**

##### **4.5.1 Partner pension on death before retirement (if provided for in the pension plan)**

<sup>1</sup>If an insured person dies, the surviving partner shall be entitled to a pension.

<sup>2</sup>The amount of the annual pension is defined in the pension plan.

<sup>3</sup>If a pension plan which commenced before January 1, 2009, provides for a spouse's pension, the partner pension will be provided nonetheless.

<sup>4</sup>Entitlement to a partner pension will be considered only if the Foundation is informed of the existence of a rightful claimant no later than the date on which the lump-sum death benefit is paid out pursuant to art. 4.5.4 below. Failure to provide this information will result in a loss of entitlement to the benefit. This does not apply to the surviving spouse.

<sup>5</sup>If the surviving partner is more than 10 years younger than the deceased insured person, the pension shall be reduced by 1% of the full pension amount for each year or part year in excess of this age difference.

<sup>6</sup>If the surviving partner remarries before completion of his/her 45<sup>th</sup> year of age or enters into a new marriage-like relationship before this time, his/her entitlement to the pension shall cease. A surviving spouse's entitlement shall, however, cease only upon remarriage. If the partner's entitlement to a pension ceases, he/she shall receive a one-time payment amounting to three annual pensions. In lieu of payment, a spouse may apply for his/her pension to be reinstated if his/her subsequent marriage is also dissolved.



<sup>7</sup> If remarriage takes place after the spouse completes his/her 45<sup>th</sup> year or if the rightful claimant enters into a new marriage-like relationship after this time, the pension shall continue to be provided for as long as he/she lives.

<sup>8</sup> Only one person is eligible to receive a partner pension. Payment of a partner pension to several persons at the same time is not possible. Spouses and registered partners as defined in PartG have priority over the other partners.

<sup>9</sup> The surviving partner shall not be entitled to receive a partner pension if he or she is already receiving a survivor's pension from a Swiss or foreign pension fund. This does not apply to the surviving spouse.

<sup>10</sup> The divorced spouse of a deceased insured person shall not be entitled to a pension.

#### **4.5.2 Partner pension on death after retirement (if provided for in the pension plan)**

<sup>1</sup> If an insured person who is drawing a retirement pension dies, the surviving partner is entitled to a pension. The amount of the pension is defined in the pension plan.

<sup>2</sup> If the surviving partner is more than 10 years younger than the deceased insured person, the pension shall be reduced by 1% of the full pension amount for each year or part year in excess of this age difference.

<sup>3</sup> If the recipient of a retirement pension does not marry until completion of his/her 65<sup>th</sup> year of age or enters into a marriage-like relationship after this time, the pension – which may be reduced in accordance with para. 2 depending on the situation – shall be reduced as follows:

- by 20% on marriage or entry into a marriage-like relationship at age 66;
- by 40% on marriage or entry into a marriage-like relationship at age 67;
- by 60% on marriage or entry into a marriage-like relationship at age 68;
- by 80% on marriage or entry into a marriage-like relationship at age 69.

<sup>4</sup> If the insured person marries after age 69 or enters into a marriage-like relationship after this time, no pension shall be payable.

<sup>5</sup> If the insured person married or has entered into a marriage-like relationship

after age 65 and if at that time he/she was suffering from a serious illness of which he/she must have been aware, no pension shall be payable if he/she dies of this illness within two years of the date of marriage or entry into a new marriage-like relationship.

<sup>6</sup> If at the time of marriage a claim to a partner pension would have already existed, no reduction in accordance with para. 3 will occur and para. 4 and para. 5 shall not apply.

<sup>7</sup> If the surviving partner remarries, art. 4.5.1 shall apply.

<sup>8</sup> Only one person is eligible to receive a partner pension. Payment of a partner pension to several persons at the same time is not possible. Spouses and registered partners as defined in PartG have priority over the other partners.

<sup>9</sup> The surviving partner shall not be entitled to receive a partner pension if he or she is already receiving a survivor's pension from a Swiss or foreign pension fund. This does not apply to the surviving spouse.

<sup>10</sup> The divorced spouse of a deceased insured person shall not be entitled to a pension.

<sup>11</sup> In the event of the death of a retired woman who began drawing a retirement pension before January 1, 2005, no widower's pension shall be paid. Therefrom excluded are any expected widower's pensions which were stipulated in the pension plan regulations valid at the time of the retirement.

<sup>12</sup> Should a person die who started drawing a retirement pension after December 31, 2004 and before January 1, 2009, the partner pension will be paid out solely to the spouse.

<sup>13</sup> If a plan which commenced before January 1, 2009, provides for a spouse's pension, a partner pension will be provided nonetheless in the case of pensions which commence as from January 1, 2009.

<sup>14</sup> Entitlement to a partner pension will be considered at the earliest as from the point in time where the Foundation was informed of the existence of a rightful claimant. This does not apply to the surviving spouse.

#### **4.5.3 Orphan's pension (if provided for in the pension plan)**

<sup>1</sup> If an insured person dies, eligible children shall receive a pension.

<sup>2</sup> The amount of the annual orphan's pension is defined in the pension plan.

<sup>3</sup> It shall cease on the death of the child or when entitlement to the pension expires.

#### **4.5.4 Lump-sum death benefit**

<sup>1</sup> If an insured person dies before retiring, the surviving dependents shall be entitled to the available retirement savings in so far as these are not needed to finance a partner's pension. This also applies to pension plans which commenced before January 1, 2009, and which have other regulations.

<sup>2</sup> If an insured person dies before retirement, surviving dependents will be entitled to any assets under the additional savings plan for the voluntary financing of early retirement.

#### **4.5.5 Additional lump-sum death benefit (if provided for in the pension plan)**

<sup>1</sup> If an insured person dies before retirement, an additional lump-sum death benefit is due.

<sup>2</sup> The amount of the additional lump-sum death benefit and the group of persons who may be insured are defined in the pension plan.

#### **4.5.6 Rightful claimants entitled to the lump-sum death benefits**

<sup>1</sup> Regardless of the law of succession, the following persons shall be entitled to the lump-sum death benefits:

- a) the surviving spouse, if living, otherwise
- b) eligible children, if living, otherwise
- c) other natural persons who were largely supported by the deceased insured person, or the person who had lived continually with the insured in the same household for the five years prior to his/her death in a marriage-like relationship or who in his/her absence is largely responsible for supporting one or more of their common children, otherwise
- d) the remaining children, in his/her absence, otherwise
- e) the parents, in his/her absence, otherwise

- f) the siblings, in his/her absence, otherwise
- g) other legal successors (excluding the public domain), entitled to half of the lump-sum death benefit, but not more than 50% of the available retirement savings.

<sup>2</sup>In justified cases, and if better suited to the purpose of providing a pension, the insured person may alter the order of beneficiaries under clauses d – f. If the insured person wishes to take advantage of this option, he/she must inform the Foundation in writing and must provide an explanation.

<sup>3</sup>In justified cases, and if better suited to the purpose of providing a pension, the insured person may also notify the Foundation in writing of which persons within a group are to be beneficiaries and to what extent, stating reasons. In the absence of such notification and in the event that there are several beneficiaries within one group, the Foundation shall distribute the available death benefits in equal amounts.

<sup>4</sup>As per clause c, beneficiaries will only be included in the distribution if the Foundation is informed of the existence of a rightful claimant as per clause c by no later than when the lump-sum death benefit is paid out. Failure to provide this information to the proper office will result in a loss of entitlement to the lump-sum death benefit.

<sup>5</sup>In any case, any payments made to beneficiaries shall be governed by the circumstances at the time of the insured person's death. The decision on the permissibility of the change in beneficiary lies with the Foundation.

<sup>6</sup>Subject to any extended coverage, any beneficiary designations submitted by the insured person are only valid until the insured person leaves the pension plan.

#### 4.5.7 Payment of death benefits

<sup>1</sup>Pensions are paid in advance on a quarterly basis. A partial payment is made for the period between the date of death and the next annuity due date.

<sup>2</sup>At the request of the eligible dependents of an insured person, the pension is paid monthly in advance. A partial payment is made for the period between the date of death and the next annuity due date. The corresponding declaration

must be submitted before the first annuity payment becomes due.

<sup>3</sup>Death benefits are due to the rightful survivors of an insured person even if they refuse their inheritance.

<sup>4</sup>Death benefits that for whatever reason cannot be paid to the intended recipients will be used in accordance with the objectives of the Foundation.

<sup>5</sup>The Foundation shall make a lump-sum payment in lieu of a pension if the partner pension amounts to less than 6% and the orphan's pension to less than 2% of the minimum retirement pension under AHV.

<sup>6</sup>Furthermore, at the request of the eligible person, the partner's pension will be paid in form of capital.

<sup>7</sup>This lump sum shall correspond to the capital value of the partner pension if the surviving partner had completed his/her 45<sup>th</sup> year of age when the insured person died. The lump sum shall be reduced by 3% for every partial or whole year that the partner is younger than 45. The minimum payment, however, shall consist of four annual pensions. Payment as a lump sum is to be requested before the first pension payment is drawn.

<sup>8</sup>Benefits may be reduced or refused to the corresponding extent if the AHV can reduce or refuse a benefit because the person entitled to it caused the death of the insured person. Any lump-sum death benefit released as a result shall accrue to the next beneficiaries in accordance with para. 4.5.6.

### 4.6 What are the disability benefits?

#### 4.6.1 Disability

<sup>1</sup>Disability is a total or partial inability to work which is likely to be permanent or of a longer duration. Inability to work is the total or partial loss of the ability to earn any income in a stable employment situation as a result of impairment of physical, mental or psychological health and which continues after appropriate treatment and rehabilitation. Articles 7 and 8 ATSG shall apply.

<sup>2</sup>Furthermore, the Foundation may make the payment of disability benefits subject to the granting of a final pension award by the Swiss Federal Disability Insurance (IV).

<sup>3</sup>An insured person is entitled to full regulation benefits if the degree of disability is at least 70%. Seventy-five percent of the pension will be paid out if the degree of disability is between 60% and 69%. If the degree of disability is less than 60%, benefits will be paid in accordance with the degree of disability. Partial disability of less than 25% shall not entitle the insured person to claim benefits.

<sup>4</sup>Entitlement to insured benefits shall exist after the insured person has been fully or partially disabled for a duration longer than the waiting period stipulated in the pension plan. If the insured person is alternately able and unable to work and if the periods when the insured is fully able to work do not last longer than one year, the disability periods arising from the same cause shall be added together and shall count towards the waiting period. If the ability to fully work lasts longer than a year, the waiting period shall start anew.

<sup>5</sup>If, within a year, the insured person suffers a relapse after having been fully able to work, benefits shall be granted again without requiring a further waiting period. In the event of relapses within one year, any adjustments made to the benefits in the interim shall be reversed.

<sup>6</sup>If disability is due to attempted suicide or willful self-mutilation, there shall be no entitlement to disability benefits.

<sup>7</sup>The benefits may be reduced correspondingly if the Swiss Federal Disability Insurance can reduce, withdraw or refuse benefits because the beneficiary has caused the disability or refuses to cooperate with Swiss Federal Disability Insurance rehabilitation measures.

<sup>8</sup>Ongoing disability claims shall continue to be subject to the pension regulations valid at the time of the inability to work on which the disability claim is based. This provision shall be subject to art. 4.4.1 para. 3, and art. 4.6.2 para. 5.

#### 4.6.2 Disability pension (if provided for in the pension plan)

<sup>1</sup>If an insured person becomes disabled, he or she is entitled to a pension.

<sup>2</sup>The amount of the annual disability pension is defined in the pension plan, and amounts to a maximum of CHF 180,000.

<sup>3</sup>The pension begins after the waiting period set out in the pension plan. Entitlement to benefits will be deferred as long as the insured person has a right to continued payment of salary or as long as there is other compensation. Daily sickness benefits or daily allowances for accident or military insurance are in particular regarded as compensation.

<sup>4</sup>Entitlement to the disability pension as set out in the pension plan shall exist as long as the degree of disability is 25% or more, but no longer than up to regulation retirement age or death. In the event of retirement, the disability pension shall be superseded by a retirement pension. The provisions governing the provisional continued insurance coverage and the maintenance of the benefit entitlement pursuant to art. 26a BVG remain reserved.

<sup>5</sup>The basis on which the retirement pension is calculated is the group life insurance tariff at the time of regulation retirement age.

<sup>6</sup>If the insured person draws a full disability pension, any assets under the additional savings plan for the voluntary financing of early retirement will be paid in the form of a lump-sum disability benefit.

<sup>7</sup>If the insured person is married, then the lump-sum disability benefits may only be distributed with written spousal consent. The Foundation is entitled to request attestation of the signatures. The insured person shall bear the costs for the attestation.

#### **4.6.3 Disabled person's child's pension (if provided for in the pension plan)**

<sup>1</sup>Every insured person receiving a disability pension under this occupational pension plan shall be entitled to a pension for his or her children who are eligible for a pension.

<sup>2</sup>The amount of the annual disabled person's child's pension is defined in the pension plan.

<sup>3</sup>The pension shall cease on expiration of the disability pension, on the death of the child or if the child is no longer eligible to receive a pension.

#### **4.6.4 Waiver of contribution**

If an insured person is unable to work for more than the waiting period specified in the pension plan, then no further

contributions are to be paid depending on the insured person's degree of disability. In the event of partial disability, cost contributions are still due. The waiver of contribution payments lasts as long as the disability exists, at the longest, however, until regulation retirement age or the death of the insured person.

#### **4.6.5 Payment of disability benefits**

<sup>1</sup>Pensions are paid in advance on a quarterly basis. A partial payment is made for the period between the date of pension entitlement and the next annuity due date.

<sup>2</sup>At the request of the insured person, the pension is paid monthly in advance. A partial payment is made for the period between the date of pension entitlement and the next annuity due date. The corresponding declaration must be submitted before the first annuity payment becomes due.

#### **4.6.6 Case Management**

Using suitable constellations and in collaboration with the insured person, Case Management in Zurich shall support and promote their occupational, medical and social rehabilitation.

### **4.7 What benefits are paid on withdrawal from the occupational pension plan?**

#### **4.7.1 Entitlement and amount of the termination benefit**

<sup>1</sup>If an insured person or his or her employer terminates employment before retirement and there is no entitlement to pension benefits, the insured person shall withdraw from the occupational pension plan. He or she is entitled to termination benefits in accordance with art. 15 of the FZG.

<sup>2</sup>This corresponds to the retirement savings available on the date the pension relationship is terminated, plus any assets in the additional savings plan for the voluntary financing of early retirement.

<sup>3</sup>The termination benefit corresponds to at least the amount of the entry benefits, purchasing amounts and contributions to the additional savings plan paid by the insured person, including interest, plus the sum of the contributions with interest that the insured person

paid to the retirement plan and with an age-dependent supplement. The loading amounts to 4% per year of age starting from the 20th year of age but goes not beyond 100%. Interest is calculated at the BVG interest rate.

<sup>4</sup>If early withdrawals are made in accordance with the provisions for the encouragement of homeownership using assets from the occupational pension plan or compensation is paid as per art. 22ff of the FZG (divorce), these funds will be deducted from the termination benefit.

<sup>5</sup>If the employer has paid the insured person's entry purchasing amount in full or in part, then the corresponding amount shall be deducted from the termination benefit. The deduction shall be reduced by 1/10th of the amount paid by the employer for each year a contribution was made.

<sup>6</sup>For determining the termination benefit, at least 1/3 of the total contributions are considered as the contribution made by the insured person.

<sup>7</sup>The portion of the termination benefit financed by the employer may be taken into consideration for long-term employment in the calculation of the severance payment in accordance with art. 339b ff of the Swiss Code of Obligations or the collective labor agreement.

#### **4.7.2 Due date and application**

<sup>1</sup>The termination benefit is due at the end of the pension relationship and bears interest at the BVG minimum rate.

<sup>2</sup>So that coverage is maintained, the termination benefit shall as a rule be transferred to the pension plan of the new employer.

<sup>3</sup>Before leaving employment, the insured person shall inform the Foundation to which new pension plan the termination benefit is to be transferred.

<sup>4</sup>If the insured person does not join a new pension plan, he or she informs the Foundation whether he or she wishes to keep the insurance provisions in the form of a vested benefit policy or in a vested benefit account. If notification is not received by the Foundation within 6 months after the pension relationship has ended, the termination benefit shall be transferred to the substitute pension plan. The right of the insured person to

change the form in which pension coverage is maintained at any time shall remain unaffected.

<sup>5</sup> If the Foundation does not transfer the termination benefit due within 30 days after having received all requisite data, the interest for late payment as per the FZG shall become due at the end of this period.

#### 4.7.3 Cash payment

<sup>1</sup> The insured person may make a written request for payment of the termination benefit in cash if:

- a) he/she has permanently left Switzerland; or
- b) he or she is taking up a self-employed activity and is no longer required to join a mandatory occupational pension plan; or
- c) the termination benefit amounts to less than his or her annual contribution.

<sup>2</sup> Payment in cash to a married insured person is only possible if the spouse states his or her approval in writing. The Foundation is entitled to request attestation of the signatures. The insured person shall bear the costs for the attestation.

### 4.8 What obligation to pay benefits remains after the insured person has left the occupational pension plan?

#### 4.8.1 Extended coverage

After the pension relationship ends, the insured death and disability benefits shall remain insured at an unchanged level and without charging any corresponding contributions, until a new pension relationship is set up, or for one month at the longest.

#### 4.8.2 Residual liability

<sup>1</sup> If the insured person is partially disabled at the time of termination of employment or upon expiration of the period of extended coverage, his or her entitlement to disability benefits shall be upheld for 360 days from the onset of the disability. The Foundation will only provide disability benefits, however, if the disability as defined by these pension regulations is attributable to the same cause that gave rise to the inability to work.

<sup>2</sup> If the degree of disability increases later for the same reason, or if the degree of disability of a person who is already disabled when terminating employment or after the subsequent coverage expires increases due to the same cause, no disability benefits shall be paid for this increase.

<sup>3</sup> If the insured person dies at a point at which he or she would have been entitled to disability benefits according to para. 1, and if death occurred for the same reason that brought about the disability, the surviving dependents shall be entitled to death benefits as per plan regulations.

#### 4.8.3 Repayment obligation

<sup>1</sup> If the Foundation is liable to pay benefits under arts. 4.8.1 and 4.8.2, then any termination benefits which have already been paid including interest are to be reimbursed to the Foundation.

<sup>2</sup> Survivors' or disability benefits may be reduced if no reimbursement is made.

### 5 How much are the contributions to the occupational pension plan?

<sup>1</sup> The amount of the personal contributions to be made by the insured persons and the contributions to be made by the employer are defined in the pension plan.

<sup>2</sup> The employer shall deduct contributions from the salary of the insured person in installments and transfer the installments to the Foundation.

<sup>3</sup> Contributions shall be deducted until retirement or until the insured person withdraws from the occupational pension plan. Upon the death of the insured person, the contributions up to the start of the following month are owed. In the event of unemployment, maternity, paternity, childcare, military or civil defense service, the full contributions shall continue to be paid as long as the insured salary is not reduced.

<sup>4</sup> If the insured person avails himself/herself of the right to draw an advance under the conditions stipulated by the BVG, he or she may increase his/her contribution to the occupational pension plan.

## 6 What rights and obligations does the insured person have?

### 6.1 What must the Foundation be advised of for administration of the occupational pension plan?

<sup>1</sup> The insured person, the employer and the beneficiaries must inform the Foundation without delay of any circumstances that have an impact on the payment of benefits. In particular, these include:

- notification of all pension funds to which the insured person belongs and the salaries insured thereunder, provided the sum of all the insured person's annual salaries subject to AHV deductions exceed the maximum insurable annual salary under the BVG;
- disability cases and changes in the degree of disability;
- the death of an insured person or of a rightful claimant;
- expiration of children's entitlement to receive pensions;
- the establishment, existence or discontinuation of the obligation to pay alimony;
- changes in the marital status of an insured person or of a rightful claimant;
- entry into a new marriage-like relationship, provided that a person is receiving a partner pension pursuant to the regulations of this pension plan;
- application for a lump-sum payment of benefits;
- details of any new pension plan when insured persons change jobs.

<sup>2</sup> Rightful claimants must provide all documents required to enforce the claim for benefits (proof of age, death certificate, medical certificate, obligation to provide support and the like). The Foundation is entitled to request further information, to obtain such information itself, or to make inquiries at its own cost, particularly for the rebuttal of unjustified claims as a result of information which has been withheld, is incorrect or incomplete.

<sup>3</sup> The Foundation waives all liability for consequences arising from any failure to comply with the duty to report or notify, or from untruthful statements.



## 6.2 What information does the insured person receive?

<sup>1</sup> Each year the insured person receives a pension statement giving the current status of his or her pension plan benefits. This is only for information purposes. In cases of doubt, the benefits defined in these pension regulations and the associated pension plan shall apply.

<sup>2</sup> At any time, the insured person may request written information from the Administration Committee regarding

- the amount of the termination benefit;
- the pension capital available to him or her for acquiring residential property as well as the consequences of an advance or of a pledge.

<sup>3</sup> Upon request the insured person will receive the Foundation's annual financial statements and annual report from the Administration Committee. Both contain the information prescribed by law.

<sup>4</sup> The insured person may inspect the information the employer has regarding the pension fund.

<sup>5</sup> If the employer is in arrears in financing the pension plan, the Foundation will inform the members of the Administration Committee, or the insured persons. Furthermore, it will inform the supervisory authorities as per art. 58a para. 1 BVV 2.

## 6.3 How is data protection in occupational pension plans guaranteed?

The Foundation, Zurich, and the organization to which responsibility for administration of the Foundation has been assigned by the Foundation Board shall undertake all necessary steps to ensure that the data is treated in strict confidence. Information about data processing can be found in the data protection declaration on [www.vita.ch](http://www.vita.ch).

## 7 What else should insured persons be aware of?

### 7.1 How are benefits divided in case of divorce?

<sup>1</sup> The vested benefits or pension are divided up pursuant to a ruling by a Swiss court. In the case of the vested benefit, the withdrawal is made in advance from the supplementary savings plan.

<sup>2</sup> If during divorce proceedings retirement occurs or if during divorce proceedings a disability pension recipient reaches regular retirement age, the retirement pension and the transferable portion of vested benefits per art. 19g FZV shall be reduced.

<sup>3</sup> If a lifetime pension is transferred to a spouse's pension entitlements in a pension settlement, the entitled spouse and the Foundation may agree to a lump-sum distribution as settlement in lieu of pension.

### 7.2 Who can change these pension regulations or the pension plan and to whom do such changes apply?

<sup>1</sup> The Foundation Board may amend, supplement or cancel these pension regulations at any time in accordance with the provisions of the Foundation deed and applicable legislation.

<sup>2</sup> The Administration Committee may change the pension plan (particularly in relation to benefits, financing, etc.) in accordance with the provisions of the law and the Foundation.

<sup>3</sup> Changes to the regulatory provisions and tariff changes only apply to active insured persons. They do not apply to benefit recipients or persons who are unable to work, with the exception of the expected entitlement of benefit recipients to retirement benefits.

<sup>4</sup> The pension plan shall be approved by the Administration Committee and shall take effect on the date stipulated in the pension plan. It supersedes any previous pension plans, including any supplements thereto.

### 7.3 What are the effects of an annulment of the affiliation contract?

On the annulment of the affiliation contract, the retirement savings of active and (partially) disabled insured persons and the «revolving door» policy reserves for ongoing pensions to be transferred (calculated in accordance with the Zurich group life insurance tariff) will be transferred to the new pension plan.

### 7.4 What are the requirements for a partial liquidation within the Foundation or an individual pension fund, and how is it executed?

The requirements for a partial liquidation and its execution are set out in a

separate set of Regulations. The current partial liquidation regulations can be viewed on [www.vita.ch](http://www.vita.ch).

### 7.5 Who decides in cases which are not covered by these pension plan regulations?

In cases for which these pension regulations do not contain provisions, the Administration Committee (on approval by the Foundation) will decide on the action to be taken in keeping with the objectives of the Foundation and with the law.

### 7.6 Where does the Foundation fulfill its obligations?

<sup>1</sup> The Foundation fulfills its obligations at the domicile of the beneficiaries in Switzerland or in an EU/EFTA country, in the absence of such, at the domicile of the Foundation.

<sup>2</sup> All benefits shall be paid exclusively by remittance to an account with a bank or post office branch, held in name of the beneficiary.

### 7.7 When do these pension plan regulations take effect?

<sup>1</sup> These pension plan regulations take effect on January 1, 2023 and replace all previous addenda.

<sup>2</sup> The current pension plan regulations is available on [www.vita.ch](http://www.vita.ch).

<sup>3</sup> The pension plan is not available on the Internet. All insured persons will obtain a copy of the plan from their employers.

<sup>4</sup> The following are integral components of these pension regulations:

- Implementation regulations for the encouragement of home ownership using funds from occupational pension plans
- Technical Appendix
- Organizational regulations for the Administration Committee
- Pension plan

Zurich, November 2022

Vita Plus Collective Foundation of Zurich Life Insurance Company Ltd, Zurich

The Foundation Board

**The German original of this translation is binding.**



## 8 Implementation regulations for the encouragement of home ownership using funds from occupational pension plans

### 8.1 Which funds can be used to acquire residential property?

Up to three years before regulation retirement age, an insured person can use funds

- from the mandatory occupational pension plan
- from the non-mandatory and voluntary occupational pension plan
- from vested benefits policies and vested benefits accounts to purchase residential property, provided that no insured event (disability, retirement) has already occurred.

### 8.2 In what form can these funds be used?

The funds can be used in the form of

- an advance on termination benefits, or
- a pledge of the termination benefits and/or pension benefits.

### 8.3 What can funds from the occupational pension plan be used for?

<sup>1</sup>Funds from the occupational pension plan can be used to purchase residential property for the insured person's own use as follows:

- The acquisition and construction of residential property (sole ownership, co-ownership such as condominiums, joint ownership with a spouse, independent and permanent ground lease).
- Amortization of mortgages on a contractual and voluntary basis. Payment of mortgage loan interest is not permitted.
- The acquisition of shares in a cooperative housing association or shares in a tenants' joint stock company. The regulations of the cooperative housing association must provide that the pension funds paid to acquire the shares will be transferred when withdrawing from the cooperative either to another house building cooperative or to another organization responsible for housing construction, where a residence is used by the insured person himself/herself, or to an occupational

pension institution. Shares and similar documents are to be deposited with the pension plan until repayment or until occurrence of the insured event or cash payment of the termination benefits.

<sup>2</sup>Permitted properties are apartments and single-family homes.

<sup>3</sup>Occupational pension benefits may not be used to acquire vacant plots of land or to finance the ordinary upkeep of residential property.

### 8.4 What does 'for your own use' mean?

<sup>1</sup>'For your own use' means that the residential property must be used by the insured person himself/herself as his/her domicile or regular place of residence (within and outside Switzerland).

<sup>2</sup>If the insured person proves that this use is temporarily impossible, due to a temporary move away with the family for occupational or health reasons, for example, it is permissible to rent out the residence during this time.

<sup>3</sup>Occupational pension benefits may only be used for one property at a time. They may not be used to finance vacation homes or second homes.

### 8.5 What conditions apply to drawing an advance?

#### 8.5.1 What is the minimum or maximum amount that can be drawn as an advance?

<sup>1</sup>The minimum amount of an advance is CHF 20,000. An advance may be made every five years.

<sup>2</sup>If shares in cooperative housing associations or similar holdings are acquired, or if vested benefit policies and savings in a vested benefits account are used, this minimum amount does not apply.

<sup>3</sup>Until the age of 50, the insured person may draw an advance in the maximum amount of his/her current termination benefits.

<sup>4</sup>If the insured person is over the age of 50, the maximum amount which may be drawn as an advance is the amount of his/her termination benefits at the age of 50 or half the termination benefits at the time of the advance. The higher of these two amounts may be drawn; advances and repayments after the age of

50 are taken into account in this calculation.

<sup>5</sup>If the insured person files for early withdrawal, the withdrawal is taken in advance from the supplementary savings plan.

### 8.5.2 When and to whom does the Foundation have to pay the advance?

<sup>1</sup>The Foundation pays the advance at the latest six months after the insured person has submitted all documents to assert his/her claim and has paid the costs specified in art. 8.9.

<sup>2</sup>Payment is made directly to the seller, builder, lender, house building cooperative, etc., with the agreement of the insured person. The advance cannot be paid to the insured person.

### 8.5.3 How do you ensure that the advance is used in accordance with the purposes of the pension plan?

To ensure that the purposes of the pension plan are met, a restriction on the sale of the property is noted in the land register. This stipulates that the insured person must repay the advance to the Foundation if the residential property is sold. The Foundation notifies the Land Registry when the advance is paid out.

### 8.5.4 What consequences does an advance have for pension benefits?

<sup>1</sup>The pension benefits on retirement are reduced in accordance with the technical principles of the pension plan. Death and disability benefits are reduced if these are dependent on projected retirement savings.

<sup>2</sup>The insured person can take out supplementary insurance to compensate for any gaps in disability and death coverage.

<sup>3</sup>The costs of any such insurance are borne by the insured person.

### 8.5.5 When can and when must the advance be repaid to the pension plan?

<sup>1</sup>The insured person may voluntarily repay the advance at any time before regulatory retirement, until the occurrence of an insured event or until cash payment of the vested termination benefits.

<sup>2</sup>The minimum amount of a repayment is CHF 10,000. If the outstanding advance is less than this, repayment is to be made in one amount.

<sup>3</sup>For legal reasons, the advance must be repaid by the insured person or his/her heirs if

- the residential property is sold;
- rights to this residential property are conceded which are equivalent to a sale from an economic perspective;
- no pension benefits are due upon the death of the insured person.

<sup>4</sup>On the sale of the residential property, the repayment obligation is restricted to the proceeds. The proceeds are the sale price less the debts safeguarded by mortgage and the charges imposed by law on the seller.

#### **8.5.6 How are taxes paid on the advance?**

The amount drawn as an advance must be taxed as a capital benefit from the pension plan at the time when the amount is drawn. As a rule, this amount is taxed separately from other income in accordance with the applicable legal regulations.

#### **8.5.7 How much tax will be reimbursed when repaying the advance?**

<sup>1</sup>In the event of partial or complete repayment of the advance, the insured person may request in writing from the relevant cantonal authorities that the tax paid at the time when the advance was drawn, excluding interest, should be reimbursed. The right to reimbursement of tax paid lapses after the expiry of three years after repayment of the advance.

<sup>2</sup>The Foundation provides a certificate of repayment of the advance on the Federal Tax Administration forms.

#### **8.5.8 What conditions apply to early withdrawals in the context of additional purchases?**

<sup>1</sup>Benefits which become due as a result of additional purchases may not be withdrawn as early withdrawals within the next three years.

<sup>2</sup>If the insured person made early withdrawals for the purpose of financing his/her own home, he/she may make purchases only after repaying the withdrawals.

### **8.6 What conditions apply to pledging?**

#### **8.6.1 What are the consequences of pledging?**

The insured person may pledge his/her entitlements to pension benefits on retirement, disability or death or an amount up to his/her total termination benefits, for the purposes of acquiring residential property. Pension coverage is not reduced as a result of pledging, but only when a pledge is realized.

#### **8.6.2 What is the maximum amount that can be pledged?**

<sup>1</sup>Until the age of 50, the insured person may pledge an amount up to the total of his/her current termination benefits. If the person is over the age of 50, the same rule applies as for an advance.

<sup>2</sup>Entitlements to pension benefits or termination benefits can be pledged for the acquisition of residential property up to three years before regulation retirement age.

#### **8.6.3 What should be observed by the pledgee?**

<sup>1</sup>Agreement is required from the insured person's pledgee

- for cash payment of termination benefits
- for payment of pension benefits insofar as the pledged sum is affected.

<sup>2</sup>The Foundation will notify the insured person's pledgee if the insured person changes pension plans.

#### **8.6.4 What are the consequences of realizing a pledge?**

<sup>1</sup>There is a difference between realization of a pledge of termination benefits and realization of a pledge of pension benefits.

<sup>2</sup>If a pledge of termination benefits is realized, the insured person loses the pledged termination benefits. This has the same effect as with an advance. In particular, the insured person's pension benefits on retirement are reduced.

<sup>3</sup>If a pledge of pension benefits is realized, the insured person loses the pledged pensions or lump-sum benefit. However, realization of this pledge is only possible once a pension benefit becomes due.

### **8.7 What information has to be given?**

If requested in writing, the Foundation provides information to the insured person about

- the pension capital at his/her disposal for the acquisition of residential property
- the reduction in benefits associated with an advance or realization of a pledge.

### **8.8 How is the advance or pledge established?**

<sup>1</sup>The insured person submits a written request to the Foundation, giving evidence of the purpose for which the money is required and that it is for his or her own personal use. Should he or she reside outside Switzerland, the same evidence must be submitted.

<sup>2</sup>The following documents may be admitted as evidence that the legal prerequisites are met:

- the relevant contractual documents when acquiring or constructing residential property or amortizing mortgage loans;
- the regulations and the rental or loan contract with the relevant house building institution when acquiring shares.

<sup>3</sup>If necessary, the Foundation may request additional documents for further clarification.

<sup>4</sup>If the insured person is married, written approval from the person's spouse is required for the early withdrawal or pledge. The Foundation is entitled to request attestation of the signatures. The insured person shall bear the costs for the attestation.

### **8.9 What costs arise?**

<sup>1</sup>The Foundation provides free information to the insured person about facilitating the acquisition of residential property with funds from the occupational pension plan; it also provides information about the amount of funds at the person's disposal and about any resultant reductions in the insured person's pension benefits.

<sup>2</sup>For administrative work in connection with an advance, the following costs are currently charged to the insured person:

- CHF 400 plus costs for annotation of the land register.

<sup>3</sup> Requests will be carried out after receipt of the appropriate payment.

as well as the associated ordinance, shall apply.

#### **8.10 What are the legal bases?**

In all cases, the provisions of the BVG on the encouragement of home ownership,

**The German original of this translation is binding.**

## 9 Technical Appendix

### 9.1 Interest rates (as of January 1, 2023)

The interest rate according to the group life insurance tariff is 0%.

The BVG interest rate is 1.0%.

The interest rate for late payment according to the FZG is equal to the BVG interest rate plus one percent.

This remains subject to changes in legislation.

### 9.2 Conversion rates for retirement savings if the pension plan provides for retired persons' children's pensions (as of January 1, 2023)

The following conversion rates are applied for the conversion of retirement savings into a retirement pension, depending on the time of retirement:

#### Conversion rates for retirements in 2023

| Age | Conversion rates for 2023 |       |
|-----|---------------------------|-------|
|     | Men                       | Women |
| 58  | 3.75%                     | 3.85% |
| 59  | 3.83%                     | 3.94% |
| 60  | 3.92%                     | 4.04% |
| 61  | 4.01%                     | 4.14% |
| 62  | 4.12%                     | 4.25% |
| 63  | 4.22%                     | 4.36% |
| 64  | 4.34%                     | 4.49% |
| 65  | 4.46%                     | 4.62% |
| 66  | 4.59%                     | 4.76% |
| 67  | 4.73%                     | 4.91% |
| 68  | 4.88%                     | 5.07% |
| 69  | 5.04%                     | 5.25% |
| 70  | 5.21%                     | 5.44% |

The conversion rates of the previous year apply to insured persons whose pension begins on January 1, 2023.

#### Conversion rates for retirements in 2024

| Age | Conversion rates for 2024 |       |
|-----|---------------------------|-------|
|     | Men                       | Women |
| 58  | 3.30%                     | 3.41% |
| 59  | 3.38%                     | 3.50% |
| 60  | 3.47%                     | 3.59% |
| 61  | 3.57%                     | 3.69% |
| 62  | 3.67%                     | 3.80% |
| 63  | 3.78%                     | 3.92% |
| 64  | 3.89%                     | 4.04% |
| 65  | 4.01%                     | 4.17% |
| 66  | 4.14%                     | 4.31% |
| 67  | 4.28%                     | 4.46% |
| 68  | 4.43%                     | 4.62% |
| 69  | 4.58%                     | 4.80% |
| 70  | 4.75%                     | 4.98% |

The conversion rates of the previous year apply to insured persons whose pension begins on January 1, 2024.

The following benefits are included in the conversion rates: an expected partner's pension of 60% of the annuity and retired person's children's pension of 20% of the annuity.

The pension plan may provide for other conversion rates.

This remains subject to changes in legislation.

### 9.3 Conversion rates for retirement savings if the pension plan makes no provision for retired persons' children's pensions (as of January 1, 2023)

The following conversion rates are applied for the conversion of retirement savings into a retirement pension, depending on the time of retirement:

#### Conversion rates for retirements in 2023

| Age | Conversion rates for 2023 |       |
|-----|---------------------------|-------|
|     | Men                       | Women |
| 58  | 3.77%                     | 3.85% |
| 59  | 3.86%                     | 3.94% |
| 60  | 3.95%                     | 4.04% |
| 61  | 4.04%                     | 4.14% |
| 62  | 4.14%                     | 4.25% |
| 63  | 4.25%                     | 4.37% |
| 64  | 4.37%                     | 4.49% |
| 65  | 4.49%                     | 4.62% |
| 66  | 4.62%                     | 4.76% |
| 67  | 4.76%                     | 4.91% |
| 68  | 4.90%                     | 5.07% |
| 69  | 5.06%                     | 5.25% |
| 70  | 5.23%                     | 5.44% |

The conversion rates of the previous year apply to insured persons whose pension begins on January 1, 2023.

#### Conversion rates for retirements in 2024

| Age | Conversion rates for 2024 |       |
|-----|---------------------------|-------|
|     | Men                       | Women |
| 58  | 3.32%                     | 3.41% |
| 59  | 3.41%                     | 3.50% |
| 60  | 3.50%                     | 3.60% |
| 61  | 3.59%                     | 3.70% |
| 62  | 3.69%                     | 3.81% |
| 63  | 3.80%                     | 3.92% |
| 64  | 3.91%                     | 4.04% |
| 65  | 4.03%                     | 4.17% |
| 66  | 4.16%                     | 4.31% |
| 67  | 4.30%                     | 4.46% |
| 68  | 4.44%                     | 4.62% |
| 69  | 4.60%                     | 4.80% |
| 70  | 4.77%                     | 4.98% |

The conversion rates of the previous year apply to insured persons whose pension begins on January 1, 2024.

A reversionary partner pension of 60% of the retirement pension is included in the conversion rates.

The pension plan may provide for other conversion rates.

This remains subject to changes in legislation.

#### **9.4 Salary terms (as of January 1, 2023)**

Coordination deduction as per BVG:  
CHF 25,725

BVG upper salary limit:  
CHF 88,200

Maximum insurable annual salary under the BVG:  
CHF 882,000

UVG upper salary limit:  
CHF 148,200

This remains subject to changes in legislation.

The coordination deduction and the BVG upper salary limit are as a rule adjusted to the development of the maximum retirement pension or the maximum pensionable income under the AHV.

#### **9.5 Retirement age (as of January 1, 2023)**

Regular retirement age:

Men: 65  
Women: 64

Transition provision to the first BVG revision: For disabled women whose inability to work is based on a disability that occurred before the first BVG revision as of January 1, 2005, the retirement age will remain at 62. Otherwise, when replacing the disability pension with the retirement pension, the provisions of the regulations applicable at the time of retirement apply.

This remains subject to changes in legislation.

**The German original of this translation is binding.**



# Organizational regulations for the Administration Committee

## Vita Plus Collective Foundation of Zurich Life Insurance Company Ltd, Zurich

### Art. 1 Administration Committee

It is incumbent upon the Administration Committee to manage this fund.

The Administration Committee constitutes itself and consists for a term of office as follows:

- employer's representatives<sup>1</sup>, appointed by the employer/self-employed person<sup>1</sup>, and
- employees selected from among the insured persons on the basis of their contributions and taking into consideration the various categories of employees.<sup>2</sup>

The Chairman is elected among the employer's and employees' representatives.

The term of office lasts three years. New elections must take place in good time before the expiry of the current term of office. Re-election is permitted.

When the employment relationship is terminated, the member must leave the Administration Committee. A successor will be elected for any remaining term of office.

### Art. 2 Election procedure

The employees' representatives on the Administration Committee are elected by open or secret ballot. Election shall be by a simple majority of the votes cast (relative majority).

The persons who gain the most votes during the first ballot shall be elected. If more candidates stand for election than there are places available, the places will be given to those candidates with the largest share of votes. The candidates with no place allocated will be dropped from the elections.

The same procedure applies to the election of the Chairman.

The results of the election and future changes in the composition of the Administration Committee are to be notified to the Foundation in writing without delay.

If it is not possible to form an Administration Committee after being requested to do so by the Foundation Board, e.g. as a result of unwillingness by employees, incapacity to act, lack of language ability, etc., the Foundation Board may represent the interests of the employees until an Administration Committee has been formed.

### Art. 3 Adoption of resolutions

The Administration Committee shall meet as often as required to deal with matters arising, but at least once a year. Meetings will be called by the Chairman, or if half of the members of the Administration Committee request that a meeting be called. Invitations and notice of items on the agenda must be sent out in good time before the date of the meeting.

As a general rule, the Administration Committee is quorate when more than half of the committee members – including the Chairman – are present. All resolutions shall be passed on the basis of a relative majority. If there is no majority, the Chairman has the casting vote.

Resolutions may also be passed by way of circular letter.

Minutes shall be kept of all resolutions passed by the Administration Committee, to be signed by the Chairman and by the minute-taker representing the other half of the Committee.

The Foundation will check the resolutions of the Administration Committee which are submitted to it to ensure that they comply with the law and the regulations.

Any two members of the Administration Committee may sign jointly.

### Art. 4 Duties, rights and obligations of the Administration Committee

The Administration Committee shall perform the following functions in relation to the current occupational pension plan:

- a) It shall approve the pension plan which in particular specifies the type and scope of the pension benefits provided, the contributions to be made by the insured persons, and

<sup>1</sup> If the employer is a natural person, he/she shall be deemed self-employed if the AHV legislation on self-employed persons is applicable. If the employer is a legal entity, then those persons who hold management functions (members of the Board of Directors, directors, and associate directors) shall generally be deemed to be employer's representatives.

<sup>2</sup> Art. 89a Abs. 3 ZGB states: If the employees make contributions to the foundation, they shall be involved in the management to the extent of these contributions; the employees must elect their representatives from those persons employed by the employer as far as this is possible.

any other pension-specific provisions.

Making and issuing changes to the pension plan is only possible in accordance with the conditions laid down by the Foundation.

- b) It is responsible for providing the information required for the provision of occupational pension coverage by the Foundation.
- c) It shall decide on the use of the funds held in the non-committed funds.
- d) It shall instruct the employer to transfer the contributions to the Foundation. It shall notify the Foundation of any irregularities.
- e) On request and within the framework of legal provisions, it shall inform the insured persons about the organization, activities and financial situation of the pension fund, in addition to further information relating to the pension fund.

## Art. 5 Duties of the employer

The employer deals with the Foundation and provides the information required for the provision of occupational pension coverage, including:

- registration of persons who belong to the group of insured persons under the regulations;
- changes to the group of persons, such as new employees, resignations, cases of disability and death, and any other changes which have an effect on the pension relationship;
- salary changes on the contractual key date - generally January 1;
- notification of claims and justification of entitlement.

On terminating an employment relationship, the employer must inform the insured person without delay about the various options in relation to obtaining pension coverage and vesting, and shall request the insured person to provide information to the Foundation as regards the preferred use of the termination benefits entitlement within 30 days.

## Art. 6 Management

If the Administration Committee performs tasks in relation to the Foundation on behalf of the employer, it shall be deemed that the Committee is authorized to carry out such tasks by the employer.

## Art. 7 Disputes

Any disputes arising from these regulations should be notified to the Foundation.

## Art. 8 Amendments

These regulations take effect on January 1, 2022 and replace all previous addenda. It can be changed by the Foundation Board at any time.

Zurich, November 2021

Vita Plus Collective Foundation of Zurich  
Life Insurance Company Ltd

The Foundation Board

**The German original of this translation is binding.**