Pension Regulations

VZ OPA Collective Foundation

Effective 1 January 2024

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B. Basis and structure

Article 1
Name and registered office

1. Under the name «VZ OPA Collective Foundation», there is a registered occupational benefits institution within the meaning of article 80 et seq. ZGB/CC, article 331 et seq. OR/CO and article 48 (2) OPA.
2. The foundation (hereinafter «pension fund») has its registered office in Zurich.

Article 2
Purpose

1. The purpose of the pension fund is to provide occupational benefits to the affiliated employers and their employees (insured persons) within the scope of the OPA and its implementing provisions. The pension fund may provide benefits that go beyond the statutory minimum benefits. The statutory provisions, these framework regulations and the pension plans of the affiliated employers shall govern.
2. The pension fund carries out the mandatory portion of the pension and is therefore registered on the Register for Occupational Pension Plans pursuant to article 48 OPA. It guarantees the minimum benefits under the OPA and complies with its provisions. It is subject to statutory supervision.
3. The pension fund is affiliated to the OPA Guarantee Fund and finances it with contributions from each pension scheme.

Article 3
Structure of the pension fund

1. The pension fund shall in principle maintain a pension scheme for each employer who has concluded an affiliation contract with it. The pension fund also manages collective pension schemes to which multiple employers may affiliate by means of an affiliation contract.
2. For each pension scheme, a pension commission shall be formed, which is composed of equal numbers of employee and employer representatives.
3. The legal relationships between the insured persons and the affiliated employers on the one hand, the pension fund on the other, are governed by these framework regulations and the respective pension plan. The affiliated employers are also subject to the provisions of the affiliation contract. The benefits provided by the pension fund correspond to the agreed provisions of the pension plan, but at least to the minimum statutory provisions pursuant to the OPA.
4. In general, the risks of death and disability are congruently reinsured. Retirement pensions beginning on or after 1 January 2020 are managed in the «Pension Scheme Pensions». Pension schemes may manage disability and death pensioners taken over by the foundation without matching reinsurance or old-age pensioners in their own pension scheme, provided this is specified in the affiliation contract. The accredited pension actuary calculates the actuarial reserves annually.

Article 4
Affiliation to the pension fund

1. The employer joins the pension fund by means of an affiliation contract.
2. An employer's affiliation shall expire upon termination in accordance with the provisions of the affiliation contract.

C. General provisions

Article 5
Insured persons

Membership of the pension fund is mandatory for all employees of the employer who must be insured in accordance with the pension plan.

Article 6
Exceptions to mandatory insurance

Employees (article 1j OPO 2) are not insured:

a. where their employment contract was made for a maximum of three months. If the employment relationship is extended beyond a period of 3 months, the employees are insured from the date on which the extension was agreed;
b. who work on a secondary basis and are already subject to mandatory insurance coverage for their main occupation or are self-employed in their main occupation. The foregoing shall be without prejudice to any provisions to the contrary in the pension plan;
c. who are not or are unlikely to be working permanently in Switzerland and are sufficiently insured abroad, provided they apply for exemption from membership of the pension fund;
d. before 1 January following their 17th birthday;
e. who have already reached or passed the ordinary retirement age;
f. whose annual salary does not exceed the amount set as the entry threshold in the pension plan. For partially disabled persons, this amount is reduced in accordance with the pension entitlement;
g. who are at least 70% disabled at the start of work within the meaning of the Federal Disability Insurance (IV/AI);
h. persons who remain provisionally insured with their previous occupational benefits institution in accordance with article 26a OPA.

Article 7
Temporary hires

Employees with fixed-term employments or assignments are admitted to the pension scheme within the meaning of article 1k OPO 2 if:

a. the employment relationship is extended without interruption beyond a period of 3 months. In such case, the employee shall be insured from the date on which the extension was agreed;
b. several consecutive employments with the same employer or assignments for the same contract staffing entity last in total more than three months and no interruption exceeds three months. In such case, the employee shall be insured from the start of the fourth cumulative month of work. However, if it is agreed before the start of work that the period of employment or assignment will exceed a total of 3 months, the employee shall be insured from the start of the employment relationship.

Article 8
Salary components from other employers

The pension fund may also insure portions of the salary of part-time insured persons which are earned from a different employer. The employer's consent is required for this purpose.

Article 9
Unpaid leave

1. If the unpaid leave of an insured person lasts for a maximum of 6 months, the pension fund provision shall be suspended during this period. If an insured person's unpaid leave lasts longer than 6 months, he/she shall exit the pension fund as of the start of the leave. In this case, supplementary cover for the risks of death and disability shall be limited to one month after departure. The foregoing is without prejudice to paragraph 2 of this provision.

2. However, in the case of unpaid leave of up to 24 months, at the request of the insured person and with the consent of the employer, the pension fund provision may be continued in full or in part to the previous extent either for all risks (retirement, death and disability) or only for the risks of death and disability.

3. The corresponding request must be made in writing and must reach the pension fund before the start of the unpaid leave.

4. The continued pension provision shall end as soon as the employment relationship is terminated during the period of unpaid leave.

5. If the pension is to be continued solely for the risks of disability and death, the retirement pension provision is interrupted for the duration of the unpaid leave.

Article 10
Health examination, exclusion

1. At the request of the pension fund, the person to be insured must provide a written declaration concerning their state of health when joining the pension fund or in the event of an increase in the insured benefits. The person must confirm therein that they are prepared, if necessary, to undergo an examination by the medical examiner designated by the pension fund.

2. If the person to be insured is not fully fit for work upon joining the pension fund without already being disabled within the meaning of the OPA, and if such incapacity results in invalidity or death, there is no entitlement to benefits in accordance with these framework regulations. The foregoing shall be without prejudice to cases in which entitlement to benefits under the OPA arises. In such cases, however, only the minimum OPA claims are insured.

3. Any reservations and their duration shall be notified in writing to the person to be insured no later than 3 months after receipt of the health declaration or the report of an independent medical examiner. Prior to confirmation of the insurance cover or if the person to be insured refuses to provide the health declaration or to undergo a medical examination by an independent medical examiner, only the minimum OPA claims shall be insured in the event of death or disability.

4. If the person to be insured provides false information (a so-called breach of the duty of disclosure), the pension fund may terminate the extra-mandatory contract within 6 months of becoming aware of the breach of the duty of disclosure. In this case, no extra-mandatory disability or death benefits are paid during the entire term of the benefits (including prospective survivors' benefits). Contributions already paid will not be refunded.

5. Exclusions do not extend to benefits under the OPA and are limited to 5 years. However, an exclusion of the former Swiss pension fund that has not yet expired shall be continued for a total period of up to 5 years.

6. If the insured person becomes disabled or dies during the exclusion period due to a cause giving rise to an exclusion, the benefits are reduced for the entire duration of the benefit. As a result, future benefits are also affected by the reduction in benefits, provided that the subsequent death is not due to any other cause.

Article 11
Age, retirement age

1. The age for determining the savings contributions corresponds to the difference between the calendar year and the year of birth.

2. The retirement age is defined in the pension plan.

Article 12
Beginning and end of the insurance

1. Employees are insured as from 1 January following their 17th birthday (provided that the employee was insured during the year previous to this) for the risks of death and disability. As from the 1st of January after the employee's 25th birthday, employees are additionally included in the retirement pension insurance scheme. The pension plan may stipulate other minimum age limits, subject to compliance with statutory provisions.

2. The insurance shall begin on the day on which the employment relationship commences or from the time entitlement to a salary arises for the first time, but in any event at the time when the employee starts their journey to work.

3. The insurance shall end upon termination of the employment, unless an insured event has occurred. It shall also end if the annual salary falls below the entry threshold set as the entry threshold for the pension plan.

4. The employee shall remain insured against the risks of death and disability until a new pension relationship is established, but for no longer than one month after leaving the employer's service.

5. Employees who on or after reaching the age of 56 exit the mandatory insurance scheme due to the termination of the employment relationship by the employer, the insurance may continue pursuant to article 47a OPA. At the request of the insured person, a lower salary than the previous salary may be insured for the entire pension provision or only for the retirement pension provision.

Article 13 Insured annual salary

1. The qualifying salary corresponds in principle to the annual salary subject to AHVG/LAVS contributions and may not exceed it. Family and child allowances are not taken into account. The qualifying annual salary does not include one-off benefits such as, for example, an entry bonus, severance payments or seniority bonuses.

2. If the effective OASI-annual salary is more than ten times the upper limit pursuant to article 8 (1) OPA, the excess salary may not be insured.

3. Further characteristics of the qualifying salary may be defined in the pension plan. In particular, salary components which are only occasionally paid may be excluded from the qualifying salary. These must be described as precisely as possible in the pension plan.

4. The insured annual salary corresponds to the qualifying annual salary less any coordination deduction and is described in the pension plan.

5. The annual salary is fixed for the whole year. In the event that the employee enters service during the year, it shall be rounded up to one year.

6. The employer is obliged to notify the pension fund immediately of any changes to the qualifying salary. However, no adjustments are made for persons who are fully or partially unfit for work. If an insured event occurs, any adjustment that has been improperly made must be reversed.

7. For partially disabled persons, the maximum insurable annual salary, the coordination amount and the minimum salary must be reduced in accordance with the pension entitlement as per article 32 of the pension regulations.

8. The pension plan may provide for the maximum insurable annual salary and the coordination amount for part-time employees to be adjusted to the level of employment.

9. In the event of a salary reduction, the previously insured salary may be kept in place (at a maximum) until the ordinary retirement age pursuant to the pension plan, if the person is at least 58 years of age, if the salary has been reduced by no more than half and if the insured person pays both his or her contributions and those of the employer for the difference between the previous and the new salary. These are deducted by the employer directly from the annual salary and transferred to the pension fund.

10. If an insured person's annual salary falls temporarily as a result of illness, accident, unemployment, maternity, paternity, adoption or for similar reasons, the previous insured salary shall remain valid at least for as long as the employer's obligation to continue paying salary under article 324a of the Swiss Code of Obligations (CO) or maternity leave under article 329f CO, paternity leave under article 329g CO, care leave under article 329i CO or adoption leave under article 329j CO or the receipt of compensation for loss of earnings (daily benefits from sickness and/or accident insurance) applies. However, the insured person may request a reduction of the amount of the insured salary.

D. Savings capital and interest

Article 14
Savings capital account

1. A savings capital account is accumulated for each insured person, which is comprised of the following:
   a. Credits:
      - Savings contributions of the insured person and the employer
      - Termination payments contributed from previous pension schemes
      - Amounts paid in for the buy-in of the full regulatory benefits
      - Repayment of an advance withdrawal for home ownership
      - Repayment as a result of divorce
      - Settlement payments as a result of divorce
      - Settlement payments from any special savings account
      - Interest credits
      - Other legally permissible credits

   b. Debits:
      - Advance withdrawal for home ownership
      - Settlement payments as a result of divorce
      - Other legally permissible debits

2. The pension commission shall decide annually on the interest to be paid on the savings capital.

3. In the event of changes in pension provision, incoming payments or changes in interest rates during the course of the year, the interest credits shall be calculated to the value date and on a pro rata temporis basis.

Article 15
Savings capital «Early retirement buy-ins»

1. If required, a savings capital account for «Early retirement buy-ins» is kept for each insured person.
2. The «Early retirement buy-in» savings capital account constitutes the capital to finance a lifelong pension reduction as a result of early retirement.

Article 16
Savings capital «Buy-in of OASI bridging pension»

1. If required, an individual savings capital account «Buy-in of OASI bridging pension» is kept for each insured person.
2. The savings capital account «Buy-in of an OASI bridging pension» constitutes the capital required to finance an OASI bridging pension.

Article 17
Special savings account

1. Insofar as provided for in the pension plan, an individual special savings capital account is kept for each insured person in the pension scheme. This is comprised of the following:
   a. Credits:
      - Special employer contribution
      - Interest credits
      - Extraordinary financial contributions by the employer

   b. Debits:
      - settlement payment to savings capital
      - Early withdrawal for home-ownership
      - Settlement payment as a result of divorce
      - Interest credited to savings capital pursuant to articles 14–16

2. The interest credit is calculated as follows: The sum of all savings capital accounts and the special savings account at the end of the previous year multiplied by the interest rate set on the basis of the investment result.

3. The interest rate is determined on the basis of the investment performance of the pension scheme. Taking account of the interest credit on the savings capital account pursuant to articles 14–16, the net interest credit on the special savings account may also be negative.

4. In the event of changes of the pension provision, incoming payments or changes in interest rates during the course of the year, the interest credit shall be calculated to a value date and on a pro rata basis.

5. Unless otherwise decided by the pension commission, the termination interest rate shall correspond to the OPA interest rate.

6. The maximum amount of the special savings capital is determined according to professional principles on the basis of the investment strategy and is set as a percentage of the sum of the savings capital. If the maximum amount is exceeded, the surplus portion will be transferred to the ordinary savings capital account (settlement payment to the savings capital account). A transfer from the savings account to the special savings account is not possible.

E. Financing

Article 18
Voluntary contributions of the employer

The pension plan may provide for the employer to participate in the buy-in of regulatory benefits, the buy-in of early retirement or in financing of the OASI bridging pension.

Article 19
Contributions

1. The employer's and the insured person's obligation to pay contributions begins on the day of affiliation in the pension fund and ends at the end of the month for which the employer pays the salary or salary replacement for the last time (e.g. daily accident and/or sickness benefits). The foregoing shall be without prejudice to the exemption from contributions.

2. The amount of the employer's and the insured person's contributions is set out in the pension plan. Different contribution rates may be set for individual insured salary components. The employer's contributions must always be at least equal to the total contributions of all insured persons in the pension scheme.

3. If the pension plan provides for different savings credits in accordance with article 1d OPO 2, the insured person may choose between the savings options specified in the pension plan at the entry to the pension fund or at the start of each calendar year.

4. The employer shall owe the pension fund the full amount of all contributions. It deducts the insured person's share from his or her salary. The contributions are payable in accordance with the terms of the affiliation agreement.

Article 20
Transfer-in at entry

1. Termination payments from previous occupational benefits institutions, including funds from vested benefits accounts or vested benefits policies, must be contributed to the pension fund as a transfer-in at entry.

2. The termination benefits transferred in shall be used to buy-in the full regulatory benefits and are credited to the insured person's savings capital account.

3. If the termination benefits transferred in exceed the maximum possible savings capital account according to the pension plan at the time of entry, the insured person may arrange for the surplus portion to be transferred to a vested benefits institution.

Article 21
Buy-ins

1. An actively insured person who does not reach the maximum retirement benefits may buy-in additional retirement benefits at any time prior to the occurrence of an insured event. The maximum possible buy-in amount is set out in the pension plan.

2. Insured persons who remain insured beyond the ordinary retirement age and continue to pay savings contributions may make buy-ins in the amount of the buy-in potential based on the rates set out in the buy-in table at the ordinary retirement age.

3. If an actively insured person has fully bought in the pension benefits he or she is lacking, he or she may make additional contributions to finance the reduced retirement benefits resulting from early retirement. The buy-in table is set out in the pension plan.

4. If an insured person has exercised a buy-in for a specific early retirement age as part of early retirement and continues to work beyond that retirement age, the benefit target set by the regulations, including taking into account the OASI bridging pension, may not be exceeded by more than 5%. Any excess portion of the «Early retirement buy-in» savings capital account shall be forfeited in favour of the pension scheme.

5. An insured person has the option of pre-financing his or her OASI bridging pension or parts thereof, unless the pension plan provides otherwise. The buy-in table is set out in the pension plan.

6. If buy-ins are made, the resulting benefits may not be withdrawn in the form of a lump sum within the next 3 years. If early withdrawals

Article 21
Buy-ins
(continued)

have been made for home ownership, voluntary buy-ins may only be made after the early withdrawals have been repaid. Insured persons who have made an advance withdrawal for the purpose of purchasing residential property may, however, make voluntary buy-ins beginning at the ordinary retirement age in accordance with the pension plan, provided that the buy-in, together with the advance withdrawals, does not exceed the maximum buy-in amount permitted under the regulations.

7. The maximum buy-in amount shall be reduced by any pillar 3a balance existing, to the extent that it exceeds the interest-bearing total of the annual contributions that may be paid by a person who is affiliated to an occupational benefits institution.

8. These restrictions shall not apply to replacement buy-ins into the regulatory benefits following divorce or the court dissolution of a registered partnership in connection with transferred termination benefits.

9. For persons from abroad who have never been a member of an occupational benefits institution in Switzerland, the annual buy-in amount may not exceed 20% of the insured salary in the first 5 years.

10. The insured person must inform himself or herself of the tax deductibility of voluntary buy-ins by consulting the competent authorities. The pension fund does not guarantee tax deductibility.

F. Old-age benefits

Article 22
Entitlement

Upon reaching the ordinary retirement age, the insured person is entitled to a lifelong retirement pension.

Article 23
Early retirement

The option of early retirement is governed by the rules of the pension plan. In any event, the option shall only apply from the age of 58, at the earliest. In the event of early retirement, the insured person shall receive a pension from the pension fund from such time as his or her employment comes to an end.

Article 24
Deferred withdrawal of pension

1. If an insured person remains in employment beyond retirement age by agreement with the employer, he or she may either draw the pension or defer the savings capital account up to the end of his or her gainful employment, but at most up to his or her 70th birthday, on an interest-bearing basis. The pension plan specifies whether savings contributions may continue to be paid during the deferment period.
2. If retirement is deferred, there is no entitlement to a disability pension.
3. Survivors' benefits are based on the retirement pension acquired or the available savings capital account.

Article 25
Partial retirement

1. In the event of partial cessation of gainful employment during the period of early retirement or in the event of partial continuation of gainful employment after retirement age, the insured person may request corresponding partial retirement. A maximum of three partial retirement stages are possible, with three lump sum withdrawals. At the first stage, the level of employment must be reduced by at least 20%. Only one partial retirement stage is possible per calendar year.
2. If an insured person becomes disabled during partial retirement before reaching retirement age, he or she is entitled to disability benefits to the extent of his or her continued gainful employment.
3. If the insured person requests partial retirement, he/she may not avail himself/herself of the retention of the insured salary pursuant to article 13 (9).

Article 26
Amount of pension

1. The amount of the annual retirement pension shall be calculated using the conversion rate specified in the annex at the relevant retirement age from the available savings capital. The conversion rate may be adjusted by the board of trustees as of 1 January of each calendar year. Insured persons must be informed of any changes to the conversion rates 6 months in advance.
2. Retirement pensions replacing a temporary disability pension must correspond at least to the minimum disability pension under the OPA, including inflationary adjustments.

Article 27
Retirement capital

1. Insured persons and recipients of disability pensions may receive their retirement pension or portions thereof in the form of a lump sum payment. Under the pension plan, the lump sum withdrawal may be limited to a certain percentage of the savings capital account.
2. A lump sum withdrawal shall result in a corresponding reduction of the retirement pension and the co-insured benefits. Upon receipt of the full capital balance, all regulatory claims against the pension fund are deemed to be fully and finally settled.
3. A corresponding written application must be submitted no later than 1 month before retirement. After that date, any such application is irrevocable.
4. For insured persons who are married or living in a registered partnership, the application is valid only if the spouse or registered partner

Article 27
Retirement capital (continued)

has given his or her written consent. The pension fund may request notarisation or other verification of the signatures at the expense of the insured person. For insured persons who are not married or are not living in a registered partnership, the pension fund may request a certificate of civil status.

Article 28
OASI bridging pension

1. Insured persons who retire early are entitled to an OASI bridging pension if one is defined in the pension plan.

2. The OASI bridging pension is paid from the same date as the retirement pension. It lapses when the insured person reaches the ordinary OASI retirement age or dies. There is no entitlement to an OASI bridging pension if the full lump sum is taken instead of the retirement pension.

3. The current OASI bridging pension will not be increased in the event of any increase in the OASI retirement pension.

4. The amount of the OASI bridging pension is determined in accordance with the pension plan. However, it may not exceed the amount of the maximum OASI retirement pension.

Article 29
Pensioner's child's pension

1. Recipients of a retirement pension are entitled to a pension for each child who would be entitled to an orphan's pension upon their death.

2. The pensioner's child's pension is paid from the time of retirement. It lapses when the underlying retirement pension ceases, but at the latest when the entitlement to an orphan's pension ceases.

3. The pensioner's child's pension amounts to 20% of the current retirement pension. The sum of the children's pensions is limited to 30% of the current retirement pension. The foregoing shall be without prejudice to any provision to the contrary in the pension plan.

G. Disability benefits

Article 30
Exemption from contributions

1. If the insured person has at least 25% incapacity for work, the insured person and the employer shall be exempt from paying contributions and the pension fund shall assume them.

2. The exemption from contributions begins after the expiry of a waiting period of 3 months.

3. The exemption from contributions includes:
   a. the savings credits and
   b. all other contributions

   The exemption from contributions also covers future age-related contribution increases.

4. In the event of partial incapacity for work, the exemption from contributions shall apply from a degree of disability of 25%. The waiver from contributions shall then take place in accordance with the pension entitlement pursuant to Article 32 of the pension regulations and shall be paid out at the latest until the employee reaches the ordinary retirement age.

Article 31
Pension entitlement

1. Insured persons who are at least 25% disabled within the meaning of the IV/AI are entitled to a disability pension provided they were insured by the pension fund at the start of their incapacity, the cause of which led to their disability. If there are other circumstances that trigger an obligation on the part of the pension fund to pay benefits under the OPA, this obligation shall be limited to the minimum benefits under the OPA.

2. Entitlement to a disability pension shall arise in the event of an incapacity for work of at least 25% or at the same time as entitlement to a pension from the Swiss Federal Invalidity Insurance, but at the earliest upon expiry of the waiting period specified in the pension plan.

Article 32
Degree of disability

The disability pension is adjusted to the degree of disability in accordance with the following scale:

Degree of invalidity	Pension
0% – 24.9%	no pension
25% – 69.9%	pension calculated in line with exact percentage
Above 70%	full pension

Article 33
Waiting period

1. Entitlement to insured benefits arises after the insured person has been fully or partially incapacitated for work for longer than the waiting period stipulated in the pension plan.

2. If the insured person varies between being able to work and being incapacitated for work, and the periods of full capacity for work do not exceed one year, the periods of incapacity for work for the same cause are added together and counted towards the waiting period. If the full capacity for work lasts for more than one year, the waiting period starts anew.

3. If a relapse occurs within one year of the insured person fully recovering capacity for work, the benefits are again granted without a new waiting period.

4. In the event of a relapse within one year, the benefit adjustments made in the interim shall be reversed.

Article 34
End of disability pension

The disability pension shall be paid for the duration of the disability, but not beyond retirement age or death. In the event of that the insured person re-gains capacity to work in the context of the provisional continued insurance pursuant to article 26a OPA, the benefit entitlement shall continue to be maintained for a maximum period of 3 years.

Article 35
Amount of disability pension

The amount of the disability pension is set out in the pension plan. The maximum annual disability pension is CHF 500,000.

Article 36
Disabled person's child's pension

1. Recipients of a disability pension are entitled to a child's pension for each child who would be entitled to an orphan's pension upon their death.

2. The disability child's pension is paid from the same date as the disability pension. It lapses when the underlying disability pension ceases, but at the latest when the entitlement to an orphan's pension ceases.

3. The amount of the disabled person's child pension is set out in the pension plan.

H. Death benefits

Article 37
Spouse's pension

1. The spouse of a deceased insured person or a pension recipient is entitled to a spouse's pension provided he or she fulfils the prerequisites set out in the pension regulations.

2. Entitlement to a spouse's pension commences in the month in which the salary or salary replacement or pension of the deceased insured person is no longer paid for the first time. It shall expire upon the death of the surviving spouse. In the event of remarriage prior to the spouse's 45th birthday, the pension expires and there is an entitlement to a lump sum payment in the amount of 3 years' pension payments.

3. The amount of the spouse's pension upon the death of an insured person prior to receipt of a retirement benefit is set out in the pension plan. The maximum annual spouse's pension is CHF 400,000. In the event of the death of a recipient of a retirement pension, the spouse's pension shall correspond to 60% of the current retirement pension. The foregoing shall be without prejudice to any other provision in the pension plan.

4. If a portion of the retirement pension was drawn in the form of a lump sum upon reaching retirement age, a corresponding spouse's pension shall only be payable on the remaining portion of the pension.

5. In the event of the death of an insured person before receiving a retirement pension, the spouse's pension due may also be drawn in the form of a lump sum if the corresponding request is made prior to the first pension payment. The lump sum capital amount for spouses who are 45 years old at the time of the insured person's death is equal to the actuarial reserve calculated, taking into account the age of the surviving spouse.

6. If the spouse has not yet reached the age of 45, then, for purposes of calculating the one-time lump sum, the actuarial reserve shall be reduced by 3% for each full or partial number of years by which the spouse falls short of the age of 45 at the time of the insured person's death. However, the minimum lump sum amounts to at least 4 annual pensions. Pensions already paid out shall be credited when a lump sum withdrawal is made. The lump sum withdrawal shall be deemed to satisfy all claims under the regulations – with the exception of entitlement to an orphan's pension.

7. If the surviving spouse is more than ten years younger than the deceased insured person, the pension shall be reduced by 1% of the full pension for each whole or partial year that exceeds the 10-year difference.

8. If the marriage is concluded after the insured person's ordinary retirement age, the pension fund shall reduce the pension in accordance with para. (3) based on the following scale:
   <u>Marriage</u>
   • During the 66th year of age: 80%
   • During the 67th year of age: 60%
   • During the 68th year of age: 40%
   • During the 69th year of age: 20%
   • After the 69th year of age: 0%

9. If the marriage is concluded after the ordinary retirement age and the insured person is at that time suffering from a disease of which they must have been aware and of which they die within the following 2 years, the pension fund shall not pay a pension.

Article 38
Surviving registered partner

Surviving registered partners have the same legal status as surviving spouses.

Article 39
Cohabiting partner's pension

1. Under the same conditions and reduction rules as for the spouse's pension, the partner designated by the insured person (opposite or same sex) shall be entitled to a cohabiting partner's pension, insofar as this is provided for in the pension plan. The partner is entitled to a cohabiting partner's pension equal to the spouse's pension or to a one-time settlement, provided that:
   a. the partner and the insured person are not married and there are no impediments to marriage within the meaning of article 95 f. SCC,
   b. the partner and the insured person are not

Article 39
Cohabiting partner's pension (continued)

in a registered partnership,
c. the partner is not receiving a spouse's or partner's pension from a pillar 2 pension fund; and
d. The partner can prove that he/she cohabited with the deceased insured person for at least five years immediately prior to the death of the deceased insured person in a permanent and exclusive two-person relationship or that, at the time of death, the partner was, in the case of a joint household, responsible for the maintenance of one or more mutual children who are entitled to an orphan's pension under the regulations.

2. The partnership must have been established before the insured person reached retirement age and must be notified to the pension fund during the lifetime of the insured person. The cohabiting partner must demonstrate that the cohabitation still existed at the time of the insured person's or the pension recipient's death. In the event of a claim, the pension fund shall conclusively examine whether the prerequisites for entitlement to a partner's pension have been met. If the pension fund is not informed of the existence of a beneficiary within 12 months of the insured person's death, there is no entitlement to benefits.

3. The cohabiting partner's pension ends upon his or her marriage or his or her entry into a new cohabiting partnership or upon the death of the pension recipient.

4. If the death is attributable to accident, including occupational diseases within the meaning of the UVG/LAA, or to accident and illness within the meaning of the MVG/LAM, the entitlement to a partner's pension also exists even if this is not provided for in the pension plan.

Article 40
Pension to divorced spouses

1. The divorced spouse is entitled to a spouse's pension in the amount of the OPA minimum spouse's pension, provided that all of the following conditions are met:
   a. if a pension or a lump sum payment for a lifelong pension was awarded in the divorce decree or in the divorce agreement;
   b. if the marriage lasted at least 10 years
   c. if he or she is responsible for the maintenance of one or more children or if he or she has reached the age of 45
   d. Benefits shall be reduced by the amount by which, together with the benefits from other insurance schemes, in particular OASI and IV/AI, they exceed the entitlement under the divorce decree or the divorce agreement.

5. Judicial dissolution of a registered partnership is treated as the equivalent of divorce.

Article 41
Orphan's pension

1. The children of a deceased insured person or a pension recipient are entitled to an orphan's pension if this is provided for in the pension plan; foster children and stepchildren are included only if the deceased insured person was responsible for their maintenance and if they are entitled to OASI/IV benefits.

2. Entitlement shall arise upon the death of the insured person or the pension recipient, but at the earliest upon termination of continued salary payment or salary replacement payment. It lapses upon the death of the orphan or the orphan reaching the age as defined in the pension plan.

3. Orphan's pensions shall continue to be paid after the orphan reaches the age defined in the pension plan, but at the latest until he or she reaches 25 years of age, to:
   a. Children who are still in education
   b. Children who are at least 70% disabled

4. The amount of the orphan's pension upon the death of an insured person prior to receipt of a retirement benefit is set out in the pension plan. In the event of the death of a recipient of a retirement pension, the orphan's pension is equivalent to 20% of the current retirement pension. The foregoing shall be without prejudice to any other provision in the pension plan.

Article 42
Lump sum death benefit

1. If an insured person dies before receiving a retirement benefit, he or she is entitled to a lump sum death benefit if this is provided for in the pension plan. Any additional lump sum payable on death must not exceed CHF 5,000,000.

Article 42
Lump sum death benefit (continued)

2. The insured person's survivors are entitled to the lump sum payable on death in accordance with the following order of priority and to the following extent, irrespective of inheritance law:
   a. the spouse entitled to a pension is entitled to the full lump sum death benefit, or in the absence thereof
   b. Persons who cohabited with the insured person in the same household without interruption for five years until his/her death or who were required to support one or more common children or natural persons who received their main support from the insured person, are entitled to the entire lump sum death benefit. Persons as defined in letter b must have been notified to the pension fund by the insured person during their lifetime
   c. in the absence of beneficiaries under letters a and b, the children of the deceased to the full lump sum payable on death, or if there are no such persons
   d. the parents or siblings to the full lump sum death benefit, or if there are no such persons
   e. the other statutory heirs (excluding public authorities) to 50% of the lump sum death benefit.

3. The insured person may provide the pension fund with a written declaration stating which persons within the group of beneficiaries are entitled to the lump sum payable on death in what amounts.

4. In the absence of a declaration of distribution, the lump sum payable on death shall be paid out to the beneficiaries in equal shares in the order set out above.

5. Any parts of the lump sum benefit payable upon death that are not paid out remain, in the first instance, with the pension scheme and, if the pension scheme does not have any insured persons, in the second instance, with the pension fund. The pension scheme or the pension fund may use the remaining lump sum benefit only within the scope of the foundation's purpose for the insured persons and pensioners of the pension scheme or the pension fund.

I. Benefits in the event the insured leaves service

Article 43
Due date of termination payment

1. If the pension relationship is terminated before the occurrence of an insured event without benefits becoming due in accordance with these regulations, the insured person shall exit the pension fund at the end of the last day for which there is a salary payment obligation and the termination payment shall fall due. The foregoing shall be without prejudice to the provisional continuation of insurance pursuant to article 26a OPA.

2. From the first day after leaving the pension scheme, the termination payment shall bear interest at the OPA interest rate.

3. If the insured person exits the pension fund after reaching the age of 58, he or she may request the termination payment if the insured person continues to be gainfully employed or is registered as unemployed.

Article 44
Amount of termination payment

1. Termination payments shall be calculated in accordance with articles 15, 17 and 18 FZG/LFLP. The termination payments shall correspond to the highest amount resulting from a comparison of the following calculation methods:
   a. The savings capital account pursuant to article 15 FZG/LFLP corresponds to the savings capital account available on the date of leaving, including any special savings account pursuant to article 17.
   b. The minimum amount pursuant to article 17 FZG/LFLP is the sum of:
      - the transfers-in at entry and buy-ins with interest. The interest rate shall correspond – subject to article 56(4) – to the OPA interest rate.
      - the savings contributions paid by the insured person, including interest, plus a supplement of 4% per year of age from age 20, but no more than 100%. The interest rate shall correspond – subject to article 56 (5) – to the OPA interest rate.
   c. The OPA savings capital pursuant to article 18 FZG/LFLP corresponds to the savings capital acquired pursuant to the OPA on the date of leaving.

2. A portion of a buy-in amount taken over by the employer may be deducted from the termination payments upon the insured person's departure, provided this is provided for in the pension plan.

Article 45
Use of the termination payments

1. The termination payment shall be transferred to the occupational benefits institution of the new employer.

2. Insured persons who do not join a new occupational benefits institution must inform the pension fund of the form in which they wish to obtain occupational benefits:
   a. Opening of a vested benefits account
   b. Establishment of a vested benefits policy

3. If the insured person fails to inform the pension fund of the use of his/her termination payments, the termination payments plus interest shall be transferred to the substitute pension fund at the earliest after 6 months and at the latest after 2 years have elapsed, calculated from the vested benefits event.

4. If the pension fund is required to provide survivors' or disability benefits after it has transferred the termination payments, the termination payments shall be reimbursed to it to the extent necessary to finance the survivors' or disability benefits. If no reimbursement is made the pension fund shall reduce its benefits according to its actuarial principles.

5. At the request of the departing person, the transfer value shall be paid out in cash if:
   a. he or she leaves Switzerland for good;
   b. takes up self-employment and is no longer subject to mandatory occupational pension provision,
   c. the termination payments are less than his or her annual contribution

6. Cash payment is not permitted if an insured person leaves Switzerland permanently and resides in Liechtenstein. Insured persons may no longer request cash payment in the amount of the existing OPA savings capital account if they continue to be subject to mandatory retirement, death and disability insurance under the legislation of a Member State of the European Union or under Icelandic or Norwegian legislation.

Article 45 Use of the termination payments (continued)

7. For insured persons who are married or living in a registered partnership, cash pay ment is only permitted if the spouse or the registered partner has given his or her written consent. The pension fund may request notarisation or other verification of the signatures at the expense of the insured person. For insured persons who are not married or are not living in a registered partnership, the pension fund may request a certificate of civil status.

J. Further provisions on benefits

Article 46
Divorce or dissolution of the registered partnership

1. In the event of divorce, the pension fund shall transfer the amount to be ceded on the basis of the divorce decree and shall provide the necessary information on how to maintain pension protection. The savings capital account shall be reduced accordingly. The insured person may make additional buy-ins in light of the transferred savings capital.

2. If the insured person's retirement pension is triggered during the divorce proceedings, the pension fund may reduce the termination payments as well as the old-age or invalidity pension pursuant to article 19g FZV/OLP.

3. If the court awards a lifelong pension (divorce pension) to the entitled spouse of the insured person pursuant to article 22e FZG/OLP, but he or she does not yet fulfil the conditions for a payment to him or her, the portion of the pension awarded must be transferred to his or her pension fund.

4. In lieu of disbursement of the divorce pension, the entitled spouse of the insured person may request a lump sum settlement payment. He must make a corresponding declaration in writing and irrevocably before the first pension instalment payment is made.

5. In the event of partial invalidity, where possible, the active termination payments shall always be divided first.

6. Division is undertaken on a pro rata basis from the mandatory and the non-mandatory portion of the pension scheme. The amount of any disabled or retired person's child's pension shall be calculated on the basis of the reduced portion of the pension.

7. In the event of the dissolution of a registered partnership by a court, the provisions shall apply mutatis mutandis.

Article 47
Early withdrawal or pledge to finance home ownership (WEF)

1. The insured person may pledge or withdraw his/her savings capital account in the pension fund in order to finance self-occupied residential property.

2. The framework conditions are set out in the regulations on the Promotion of Home Ownership.

Article 48
Coordination of pension benefits

1. Benefits paid by the pension fund as a result of death and invalidity shall be reduced if they result, together with benefits from third parties, in substitute income amounting to more than 90% of the assumed lost income or 90% of the insured salary pursuant to article 13 (9) if this is higher than the assumed lost income.

2. Third-party benefits are deemed to be the compensation of the same type and purpose paid out to the beneficiary as a result of the damaging event. These include, in particular:
   a. OASI benefits
   b. IV/AI benefits
   c. MV/AM benefits
   d. benefits under the UVG/LAA and from any supplementary occupational accident insurance, provided that the employer pays at least 50% of the premiums;
   e. benefits from equivalent foreign social insurance schemes
   f. benefits from another pension or vested benefits institution
   g. any compensation for loss of earnings paid by the employer
   h. in the event of disability, the income from gainful employment or substitute income that continues to be earned or could reasonably be earned;

3. In order to determine total income, capital benefits shall be converted into equivalent pensions based on the actuarial principles of the pension fund. Compensation for psychological harm, helplessness allowances and similar benefits are not taken into account.

4. The retirement benefits of the pension fund which replace the disability benefits shall be treated as disability benefits and reduced for so long as benefits from the UV/AA or MV/AM are paid.

5. In the event of a reduction, all benefits from the pension fund shall be affected in the same proportion. The income of the surviving

Article 48
Coordination of pension benefits (continued)

spouse or partner and the orphans shall be aggregated.

6. The pension fund may reduce or refuse to pay benefits if the insured person or the survivors are at fault for the death or disability or if the insured person refuses to comply with IV/AI rehabilitation measures. The statutory minimum benefits under the OPA may only be refused or reduced if the OASI/IV reduces, withdraws or refuses a benefit.

7. The pension fund shall subrogate to the claims of the insured person or the beneficiary in respect of a third party who is liable for the insured event, up to the amount of the statutory benefits at the time of the event. In addition, the pension fund may require the insured persons or the beneficiaries to assign to the pension fund their claims against liable third parties up to the amount of their liability to pay benefits. If assignment does not occur, the pension fund shall be entitled to discontinue the payment of benefits.

8. The reductions shall be reviewed in the event of significant changes to the benefits provided by third parties or in the event that pensions arise or lapse; the assumed lost income determined at the start of the benefits shall be increased in accordance with the Swiss Consumer Price Index.

Article 49
Compensation of reductions

If the insured event is due to serious misconduct on the part of the beneficiary, any refusal to pay benefits or any reduction in benefits by the MV/AM or the UV/AA shall not be compensated by the pension fund.

Article 50
Inflation adjustment of current pensions

1. Any adjustment of current pensions for inflation shall be reviewed annually by the board of trustees, taking account of financial resources. The pension commission is responsible for reviewing current pensions managed within a pension scheme.
2. The pension fund shall explain the resolutions pursuant to paragraph 1 hereof in its annual accounts or in its annual report.

Article 51
Common provisions

1. Pension payments are made quarterly in advance.
2. If entitlement to a pension ceases, the pension shall be paid out on a pro rata basis.
3. If, at the time of the first pension payment, the annual retirement pension or the disability pension payable in the event of full disability is less than 10%, the spouse's pension less than 6% and a child's pension less than 2% of the minimum OASI retirement pension, a lump sum payment shall be made instead of the pension. This shall be deemed to satisfy all claims under the regulations.
4. If the pension fund is subject to a statutory advance payment obligation, its advance payment shall be limited to the minimum benefits under the OPA. The applicant must prove that he has registered with all relevant insurers.
5. If the pension fund owes default interest, it shall correspond to the minimum interest rate under the OPA.

Article 52
Gaps in the regulations, disputes

1. In all individual cases, the board of trustees shall adopt rules that are consistent with the purpose of the foundation and the law, unless these regulations contain any provisions in this regard.
2. Differences concerning the interpretation or application of these framework regulations shall be decided by the competent court in accordance with the provisions of the OPA.

Article 53
Primacy of the OPA, guarantee

The pension fund guarantees the fulfilment of the statutory minimum OPA benefits for each insured event.

K. Organisation, administration and control

Article 54
Organisation and bodies of the pension fund

The organisation and governing bodies of VZ OPA Collective Foundation are governed by the organisational regulations.

Article 55
Information and information obligations and rights of information

1. When joining the pension fund, the insured person must allow the pension fund to inspect the statements of termination payments from previous pension schemes. The pension fund may claim the termination payments for the account of the insured person.

2. Insured persons, pension recipients and their survivors must provide the pension fund with truthful information about their circumstances relating to insurance matters and the calculation of benefits. Changes to these facts and to the benefits of other insurance providers must be notified to the pension fund in writing and unsolicited within 4 weeks.

3. The pension fund declines any liability for any adverse consequences resulting from a breach of the duties to provide information and to file reports. If the pension fund incurs a loss as a result of such a breach of duty, it may hold the person at fault liable for such loss.

4. The pension fund will reclaim any benefits received in excess or in error, in particular in the event of a breach of the duty to provide information and to report. It may also offset its claims against the benefits.

5. The pension fund shall inform insured persons annually about the benefit entitlements, the insured annual salary, the contributions, the status of the savings capital and the extraordinary savings capital accounts, the organisation and financing of the pension fund and the composition of the board of trustees.

6. Insured persons must be provided upon request with the annual financial statements and the annual report as well as information on the return on capital, the actuarial risk history, the administrative costs, the calculation of the actuarial reserve, the formation of reserves and the coverage ratio. Insured persons have the right at any time to submit suggestions, proposals and applications concerning the pension fund orally or in writing to the board of trustees.

7. In the event of any discrepancy between the insurance certificate and the regulations, the regulations shall prevail.

Article 56
Financial equilibrium, restructuring measures

1. If the actuarial audit reveals a shortfall and no immediate improvement in this situation is to be expected, the financial equilibrium of the pension fund and the pension schemes must be restored by means of appropriate measures.

2. Temporary shortfalls are permitted if the pension fund or the pension scheme takes measures to remedy the shortfall within a reasonable period of time.

3. In the event of a shortfall of the pension fund, the board of trustees must inform the supervisory authority, the insured persons, the pension recipients and the employers and provide information on the measures taken.

4. In the event of a shortfall of the pension scheme, the pension commission, in cooperation with the board of trustees, shall inform the insured persons, the pension recipients (insofar as they are affiliated to the pension scheme) and the employer of the shortfall and the measures taken.

5. The pension fund or the pension schemes must resolve the shortfall themselves; the measures must take account of the level of the shortfall and the risk profile of the pension fund and the pension scheme.

Article 56
Financial equilibrium, restructuring measures (continued)

The following measures are generally available – to the extent permitted by law:

a. Restructuring contributions from employees and employers. The employer's contribution must be at least equal to the total contributions of the employees.
b. Restructuring contributions of pensioners
c. Reduced or zero interest on savings accounts according to the crediting principle
d. Employer's restructuring contributions or the creation of an employer contribution reserve with a declaration of renounced use
e. Reduction of future benefits (benefit entitlements)

The employee's restructuring contributions are not taken into account when calculating the minimum amount pursuant to article 17 FZG/LFLP. For the duration of a shortfall, the interest rate used to calculate the termination payments may be reduced to the interest rate at which the savings capital accounts accrue interest.

6. The pension schemes shall be jointly and severally liable for the «pension scheme pensions». In the event of a shortfall in this pension scheme, restructuring measures must be taken, which shall be borne jointly and severally by the affiliated pension schemes.

7. Employers may make contributions to a separate employer contribution reserve account with a declaration of renounced use and transfer funds from any ordinary employer contribution reserve to that account.

Article 57
Employer contribution reserve

1. In connection with the accounts of pension schemes, an employer contribution reserve may exist, over which the pension commission is entitled to dispose with the consent of the employer and in accordance with the purpose of the pension fund.

2. The employer contribution reserve shall be credited for voluntary contributions made by the employer and the resulting investment income as a result of the investment decision of the pension commission.

3. The employer contribution reserves may be held in an interest account or invested in accordance with the investment regulations.

4. The use of employer contribution reserves must be notified to the pension fund in writing. Notification must be made at least 30 days prior to use.

L. Data protection

Article 58
Processing of personal data

1. The employer shall transmit to the pension fund or VZ Vorsorge AG (managing director) the data necessary for implementation of the occupational pension scheme (including personal data). As part of the actuarial administration and business management of the pension fund and the provision of reinsurance, VZ Vorsorge AG processes the personal data of employers and insured persons or beneficiaries in accordance with the relevant applicable data protection provisions. VZ Vorsorge AG may inform the insured persons or persons entitled to benefits in an appropriate manner about topics relevant in connection with the occupational pension benefits. Within this scope, VZ Vorsorge AG may process the personal data of insured persons or persons entitled to benefits, taking into account the relevant applicable legal provisions.
2. VZ Vorsorge AG is responsible for the processing of personal data within the scope of the tasks assigned to it. This does not affect the separate responsibility of the affiliated employers for the lawful processing of personal data of their employees for the purpose of implementing the employment relationship, which also includes the transfer of data to the pension fund or VZ Vorsorge AG. In particular, the employer shall ensure that it is authorised to process personal data, including the transmission and/or disclosure of personal data to the pension fund or VZ Vorsorge AG, and that the applicable data protection regulations are complied with. The foregoing is also without prejudice to the separate responsibility of the pension fund for data processing in implementing the occupational pension benefits. In this sense, the data protection provisions applicable to these data controllers are authoritative.
3. The data is treated as strictly confidential and can only be viewed and processed by an appropriately restricted group of persons («need-to-know principle»). This applies in particular to the processing of health and other sensitive data. To the extent necessary in connection with the performance of its duties, VZ Vorsorge AG may transmit data within the VZ Group, to co-insurers and reinsurers and to service providers of VZ Vorsorge AG. Additional explanations and information as well as contact details for further questions on the subject of data protection and data security are available at: www.vzch.com/privacy-vz-opa-collective-foundation

M. Final provisions

Article 59
Language of the regulations

The pension fund shall draw up these regulations in German, French, Italian and English. Only the German version of the regulations is authoritative.

Article 60
Entry into force and amendments

1. The board of trustees has the right to amend these regulations at any time. The vested claims of insured persons and pensioners shall be preserved under all circumstances.
2. These regulations come into force on 1 January 2024 and supersede all previous editions.

VZ OPA Collective Foundation
Gotthardstrasse 6, 8002 Zurich
Phone +41 (0)44 207 29 29