Pension Regulations

VZ Collective Foundation

Effective 1 March 2024

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Glossary

AIA (UVG)	Swiss Federal Act on Compulsory Accident Insurance
Basic pension fund	Other occupational benefits institutions of the company
Cohabiting partnership	Domestic partnerships of same-sex or mixed-sex couples with a marriage-like character without statutory guidelines
Company	An employer affiliated to the pension fund by means of an affiliation contract
Defined benefit plan	Benefits under the regulations as a percentage of the insured salary and the resulting contributions
Defined contribution plan	Benefits under the regulations calculated on the basis of the contributions paid
Divorce	The term «divorce» in these regulations also refers to the dissolution of a registered partnership.
EHO (WEF)	Provisions on the promotion of home ownership using occupational pension benefits
Employees	Persons who are in an employment relationship with a company
Insured person	Employee of the company insured by the pension fund
IV	Swiss Federal Invalidity Insurance
MV	Swiss Federal Military Insurance
OASI (AHV)	Swiss Federal Old-Age and Survivors Insurance
OASIA (AHVG)	Swiss Federal Act on Old-Age and Survivors' Insurance
OASIO (AHVV)	Swiss Federal Ordinance on the Old-Age and Survivors' Insurance
Occupational benefits institution	Other pension funds from which the insured person can derive entitlements
OPA (BVG)	Swiss Federal Act on Occupational Old-Age, Survivors' and Invalidity Pension Provision
OPO 2 (BVV 2)	Swiss Federal Ordinance on Occupational Old-Age, Survivors' and Invalidity Pension Provision
Pension fund	VZ Collective Foundation in Zurich
Pension plan	The pension plan governs the provisions exclusively applicable to the pension scheme in question
Pension regulations	The pension regulations govern the general terms and conditions for all affiliated pension schemes and all insured persons of the pension fund.
Pension scheme	«Pension scheme» means the collective investment plan which is managed and settled for the affiliated company; a pension scheme may be divided into one or more categories
Retirement/Old-Age, Survivors' and Disability Pensioners	Persons receiving retirement/old-age, survivors' and disability pensions from the pension fund
Registered Partner	The registered partner of an insured person living with him/her in a registered partnership under the SSPA is treated in these regulations as equivalent to a spouse.
SSPA (PartG)	Swiss Federal Act on the Registered Partnership of Same-Sex Couples
Terms relating to persons	Terms referring to persons in these regulations should be read as referring to both males and females
VBA (FZG)	Swiss Federal Act on the Vesting of Occupational Old-Age, Survivors' and Invalidity Benefits
VBO (FZV)	Swiss Federal Ordinance on the Vesting of Occupational Old-Age, Survivors' and Invalidity Benefits

A. General provisions

Article 1
Name

Under the name VZ Collective Foundation, a pension fund exists within the meaning of article 80 et seq. CC and article 331 CO.

Article 2
Purpose

The purpose of the pension fund is to protect insured persons and their survivors against loss of income in the event of retirement, disability or death and to support insured persons in emergencies such as illness, accident or unemployment.

Article 3
Status in respect of the OPA

1. The pension fund shall provide occupational benefits that are not subject to the mandatory occupational pension scheme pursuant to the Swiss Federal Act on Occupational Old-Age, Survivors' and Invalidity Pension Provision (OPA). It is not entered on the register for occupational pension plans.
2. Within the pension fund, only a pension plan within the meaning of article 1e OPO 2 may be operated.
3. The pension fund is subject to supervision under the OPA and Foundation Supervisory Authority of the Canton of Zurich (BVS).

Article 4
Liability

1. The pension fund's assets shall be exclusively liable for the pension fund's liabilities. The founder company and the affiliated companies as well as insured persons and pension recipients shall have no liability whatsoever.
2. The foregoing is without prejudice to article 52 OPA.

Article 5
Registered office

The pension fund has its registered office in Zurich.

Article 6
Pension scheme

The pension fund shall maintain a pension scheme for each company that has concluded an affiliation contract with it. Retirement pensions beginning on or after 1 January 2020 are managed in the joint «pension scheme pensions».

B. Membership

Article 7
Principle

1. Membership of the pension fund is mandatory for all employees of the company who must be insured in accordance with the pension plan
2. The following employees are not insured:
   a. employees who are in a fixed-term employment relationship of no more than three months,
   b. employees whose salary is less than one and a half times the upper limit pursuant to article 8 (1) OPA, or
   c. employees who are at least 70% disabled at the start of work within the meaning of the Federal Disability Insurance (IV);

Article 8
Commencement of the insurance

1. 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.
2. If a fixed-term uninterrupted employment relationship is extended beyond a term of 3 months, the insurance begins from the date on which the extension was agreed.
3. If the employee is re-employed in a fixed-term employment relationship within 3 months after the expiry of a fixed-term employment relationship of less than 3 months, the insurance begins when the individual fixed-term employment relationships exceed a total of 3 months.

Article 9
Admission

1. Employees who satisfy the principle set forth in article 7 shall be admitted to the pension fund on the first day of the month or the following month. If the employment relationship begins on or after the 16th of the month, the employee shall be admitted to the pension fund on the 1st of the following month.
2. Employees shall, in principle, be insured for the risks of retirement, death and disability as from 1 January following their 17th birthday.

Article 10
Medical examination

1. New members must provide a written declaration concerning their state of health and confirm that they are willing to undergo a medical examination by a doctor to be designated by them and, if applicable, to accept exclusions from benefits.
2. Any exclusions and the duration thereof shall be notified to the insured person in writing and shall be limited to the health impairments ascertained by the doctor.
3. Untrue information provided by the new member and refusal to undergo a medical examination may result in benefits being reduced or forfeited. In the event of false information or refusal to undergo a medical examination, the pension fund shall be entitled to make an exclusion or to reduce benefits within 6 months of becoming aware of it.
4. An exclusion made by a previous occupational benefits institution that has not yet expired may be continued for a total period of up to five years. If the insured person becomes disabled or dies during the exclusion period due to a cause giving rise to the exclusion, the exclusion shall apply for the entire duration of the benefit. As a result, future benefits will also be affected by the exclusion from benefits, to the extent that the insured's subsequent death is not due to any other cause.
5. After five years of membership of the pension fund, any exclusions from benefits shall lapse.
6. Benefits insured in one or more occupational benefits institutions immediately prior to joining the pension fund shall continue to be insured without a further medical examination up to the maximum amount of the previous benefits and after deduction of the benefits of the basic pension fund of the insured person. Any exclusions made by these occupational benefits institutions will be adopted. The new member must provide the pension fund with the last valid pension certificate(s).
7. Insured persons who are currently insured by the pension fund must also submit a health check if a salary increase and/or a change in plan results in a significant increase in the insured benefits of the insured person.

Article 11 Duty to provide information and to report

1. Upon joining the pension fund, the insured person must inform the pension fund of his/her personal pension situation and, in particular, notify it of the following:
   a. name and address of the occupational benefits institution of the last employer
   b. any exclusion for health reasons of the previous occupational benefits institution that has not yet expired;
   c. the amount of the vested termination benefits transferred for him/her, and in particular:
      - the amount of the relevant vested termination benefits at the age of 50
      - the amount of the vested termination benefits in this regard at the time of the marriage;
      - the amount of the vested termination benefits reported for the first time since the entry into force of the VBA
   d. the amount received by the insured person as an advance withdrawal from a previous pension fund in connection with the promotion of home ownership and which has not yet been refunded, as well as details of the home ownership in question
   e. the amount pledged in connection with the promotion of home ownership and the name of the pledgee
   f. assets in pillar 3a that were accumulated from contributions by self-employed persons
   g. other existing pension schemes if the total of all income subject to OASI exceeds ten times the upper OPA limit
2. Recipients of an retirement or disability pension and recipients of survivor's pensions are obliged to notify the pension fund immediately of any facts relevant to the pension relationship (changes to the address of residence, civil status, family circumstances and the activities of the children for whom orphan's or child's pensions are being paid).
   Recipients of a disability pension are also obliged to inform the pension fund of any regular earned income and changes in their degree of disability. Beneficiaries shall be liable for all damages incurred by the pension fund as a result of a breach of this duty of disclosure
3. The company must inform the pension fund of any other pension agreements and in particular provide it with the following information:
   a. pension regulations for other occupational benefits schemes and amendments thereof
   b. annually a list of benefits for insured persons in the basic pension fund, including in particular:
      - the retirement assets available on the reference date,
      - the expected retirement benefits at retirement age,
      - the purchasing potential as of the reference date and
      - any excess purchasing.

Article 12 Unpaid leave

1. During the period of unpaid leave of an insured person, no payment of contributions is required from the company and the insured person. The pension cover for all risks is suspended. In the event of death, only the lump sum payable on death in accordance with article 68 et seq. shall be paid out.
2. The insured person and the company may agree to maintain all or part of the pension provision. For this purpose, the insured person may choose whether to
   a. exclusively continue the risk insurance for disability and death analogously to the pension regulations, or
   b. additionally continue to pay the savings capital credits.
3. If the pension provision is continued, the following shall apply:
   a. the company remains liable to pay contribution
   b. the reference salary remains unchanged
4. During the leave, the savings capital balance shall in any event continue to be invested in accordance with the wishes of the employee and shall remain within the pension scheme.
5. The unpaid leave ends and there is an exit within the meaning of article 80 et seq., if the insured person does not return to the company within 24 months, if the contributions are not paid, or at the latest upon taking up a new job.

Article 13
End of pension provision

1. The pension provision shall end upon termination of the employment relationship or if the requirements for participation in the pension scheme pursuant to the pension plan are no longer met, unless a retirement, disability or survivor's pension is due.
2. Disability and death risks insured under the pension plan remain covered until the start of a new pension relationship, but for no longer than one month.
3. Insurance cover for the risks of disability and death shall end without a grace period on the reference date on which the insured person no longer meets the requirements of the pension plan but the employment relationship is continued.

C. Common provisions

Article 14 Obligation to provide information to the pension fund

1. On joining the pension fund, changing personal data or changing pension benefits, but at least once a year, the insured person shall receive a personal pension statement.
2. Upon request, the pension fund shall provide the insured person with further information concerning the pension scheme or business activity.
3. The pension fund automatically informs the insured person on a quarterly basis about the status of his/her savings capital balance and the results of his/her investments.
4. Any insured person may request that the pension fund provide him/her with information about the data held for him/her and, if necessary, correct it.

Article 15 Determination of age

1. The relevant age for admission as well as for the determination of the total contributions shall be the difference between the current calendar year and the year of birth.
2. The age used to determine the purchasing potential and the pension conversion rate shall be the insured person's exact age, precise to the month.

Article 16 Over-insurance

1. Pension benefits from the pension fund as a result of death and disability may be reduced if they result in substitute income amounting to more than 90% of the assumed lost income.
2. Third-party benefits are deemed to be 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 pension benefits
   b. IV pension benefits
   c. MV pension benefits
   d. AIA pension benefits and any supplementary occupational accident insurance, provided that the company pays at least 50% of the premiums
   e. pension benefits from corresponding foreign social insurance schemes
   f. pension benefits from another occupational benefits institution
   g. any compensation for lost earnings paid by the company or an insurance company, provided that the company pays at least 50% of the premiums
   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. Reductions in pensions as a result of early withdrawals for home ownership shall be treated in the same way as third-party benefits.
4. Lump-sum benefits are not taken into account in determining the total income.
5. In the event of a reduction, all benefits from the pension fund shall be affected in the same proportion.
6. 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 17 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 on the part of the MV or the AIA shall not be compensated by the pension fund.

Article 18 Pension benefits as a result of accident

1. Unless the pension plan provides otherwise, no pension benefits are paid as a result of an accident.
2. As a rule, the exemption from contributions and the refund capital shall be paid out both in the event of incapacity for work or death as a result of accident and as a result of illness.

Article 19 Third parties liable for damages

In the event that a third party is liable to pay compensation for the death or injury to the health of an insured person, the insured person and his/her survivors must assign their claims for compensation (but not the claims for satisfaction) to the pension fund up to the amount of the benefits to be provided by it. If the assignment is refused, the pension fund may reduce its benefits.

Article 20 Children entitled to a pension

1. Biological and adopted children as well as foster children shall have a claim pursuant to article 49 OASIO.
2. Such entitlement shall remain in effect until the end of the month in which the child turns 18.
3. In the case of children in education who are not predominantly in employment, the entitlement shall be extended until the end of their education, but at the latest until the end of the month in which they reach the age of 25.

Article 21 Disbursement of benefits

1. Pension fund benefits are payable as follows:
   a. the termination payment within 30 days of receipt of all documents required for the payment
   b. the pensions are paid quarterly in advance;
   c. the lump sum payments within 30 days of the due date;
   d. benefits to beneficiaries within 3 months

   In cases b to d, at the earliest when entitlement is established.
2. The pension fund may request proof of entitlement. If such evidence is not provided, the pension fund may defer payment of all or part of the benefits.
3. If it can be shown that benefits from the pension fund have been unlawfully received, the pension fund may demand an immediate refund. If refund is not possible, the pension shall be reduced for life by the amount outstanding and the lumpsum benefits shall be reclaimed by process of law.

Article 22 Adjustment for inflation

The retirement, disability and survivors' pensions shall be adjusted in accordance with the pension fund's financial ability in line with inflation. The board of trustees decides annually whether and to what extent pensions shall be adjusted.

Article 23 Non-assignability of benefits

Benefits under the pension scheme may not be assigned or pledged prior to maturity. The foregoing shall be without prejudice to the right of pledge to finance home ownership in accordance with the regulations on the promotion of home ownership.

Article 24 Promotion of home ownership

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 25 Loss of benefits

1. The pension fund may reduce or refuse to pay its benefits under the regulations if the OASI, MV or AIA reduces, withdraws or denies a benefit because the beneficiary has caused his/her own death or disability through his/her own serious fault.
2. In the event of a breach of the duty to provide information and to notify the pension fund or the doctor chosen by the pension fund, the pension fund may defer or reduce your benefits.

Article 26 Divorce or dissolution of the registered partnership

1. In the event of divorce, the vested termination benefits acquired during the marriage may be divided. The pension fund shall remit the amount to be transferred on the basis of the divorce decree and shall provide the necessary information in order to maintain pension protection. The benefits insured according to the defined contributions are reduced by the transferred amount on an actuarial basis. The insured person may make additional purchases 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 retirement or disability pension pursuant to article 19g VBO.
3. If the court awards a lifelong pension (divorce pension) to the entitled spouse of the insured person pursuant to article 22e VBA, but he/she does not yet fulfil the conditions for a payment to him/her, the portion of the pension awarded must be transferred to his/her pension fund.

Article 26
Divorce or dissolution of the registered partnership (continued)

4. In lieu of disbursement of the divorce pension, the entitled spouse of the insured person may request a lump-sum settlement. He/she must make a corresponding declaration in writing and irrevocably before the first pension instalment payment is made.
5. In the event of partial disability, where possible, the active termination payments shall always be divided first.
6. 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 27
Partial and total liquidation

The prerequisites and consequences of a partial or total liquidation of the pension fund or the pension scheme are set out in the partial liquidation regulations.

D. Salary

Article 28
Reference salary

1. The reference salary corresponds to a maximum of the annual salary subject to OASI contributions. Family and child allowances are not be taken into account. The reference 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. The definition of the reference salary applicable for purposes of affiliation is set out in the pension plan.
4. Any salary components earned with another employer may also be insured.

Article 29
Change in reference salary

1. The company shall notify the pension fund immediately of any changes to the qualifying salary.
2. Salary changes of +/–5% during the course of a year shall only be taken into account with effect from 1 January. Notwithstanding this provision, the company may request a salary change, for which the pension fund charges a processing fee for extraordinary expenses (fee regulations).
3. Upon receipt of the notification by the pension fund, the reference salary shall be adjusted to the first of the following month.
4. In the event of retroactive changes to the qualifying salary, the total contributions of the insured person and the company must also be paid retroactively to the date of the change in salary. If the change occurred three months or more previously, the pension fund shall charge a processing fee (fee regulations) for extraordinary expenses.
5. If the insured person is in a terminated employment relationship, no account will be taken of changes to the reference salary.

Article 30
Coordination deduction

1. The coordination deduction is at least one and a half times the upper limit pursuant to article 8 (1) OPA.
2. The pension plan may provide for a higher coordination deduction.
3. The coordination deduction will not under any circumstances be adjusted to the level of employment.

Article 31
Insured salary

1. The insured salary corresponds to the reference salary less the coordination deduction.
2. The insured salary amounts to at least 12.5% of the simple maximum OASI retirement pension.
3. The pension plan may make further specifications concerning the insured salary. In particular, it may define a higher minimum insured salary in derogation from paragraph 2.
4. 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/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.

E. Savings capital, investment results and choice of investment strategy

Article 32
Savings capital account

1. The pension fund shall maintain a separate savings account for each insured person for whom savings capital credits are paid.
2. The savings capital account shall be increased by:
   a. savings capital credits paid in
   b. vested termination benefits transferred in
   c. purchases of contribution years
   d. other contributions
   e. investment results
3. The savings capital account shall be reduced by:
   a. advance withdrawals in connection with the promotion of home ownership
   b. partial disbursements as a result of divorce
   c. investment results
4. If the insured person makes deposits to finance early retirement, the following special credit balances are held for him/her:
   a. OASI bridging benefit or / and
   b. compensation for early retirement

   These assets increase or decrease within the meaning of paragraphs 2 and 3.

Article 33
Investment results

1. The pension fund does not guarantee minimum returns.
2. The savings capital of the insured person directly participates in the investment results based on the investment strategy pursued by the insured person.
3. Investment results may be negative.

Article 34
Choice of investment strategy

1. The insured person may choose to invest his/her assets from amongst the investment options set out in the investment regulations.
2. The savings capital and the special savings capital are managed separately under the same client number.
3. The insured person sets the investment strategy online or in writing for the first time upon joining the pension fund and has the option of changing the investment strategy on a weekly basis, unless the investment regulations provide otherwise.
4. The insured person's initial selection and all change notices must be submitted online or in writing using the official forms of the pension fund.
5. If the first selection is not made within 60 days of joining the pension fund in accordance with the regulations, incoming funds will be invested in an interest-free account.
6. The policy decision of the insured person is implemented on a weekly basis.
7. If the insured person has a full or partial disability, he/she shall continue to determine the investment strategy pursued.
8. The implementation of the insured person's strategy decision shall be confirmed to him/her online or in writing.
9. The insured person is obliged to inform the pension fund within 10 working days (post-mark) of receipt of the confirmation of the implementation if he/she deems it to be incorrect. Otherwise, the insured person shall be deemed to have accepted it.
10. The pension fund shall automatically inform the insured person on a quarterly basis about the status of their savings capital and the investment results.

F. Retirement benefits

Article 35
Entitlement

1. The ordinary retirement age corresponds to that specified in article 21 OASIA.
2. The insured person may claim retirement benefits at the earliest when he/she reaches the age of 58.
3. If the prerequisites pursuant to article 2 (1bis) VBA are met, the payment of a vested termination benefit may be requested up to the ordinary retirement age.
4. Entitlement expires at the end of the month following the death of the beneficiary.

Article 36
Partial retirement

1. Partial retirement with a corresponding reduction in the level of employment is possible.
2. Partial retirement can take place in a maximum of 3 interim stages; 3 lump sum withdrawals are possible.
3. A partial retirement stage must be associated with a reduction in the level of employment of at least 20%.
4. There must be at least a period of 12 months between each stage.
5. A subsequent increase in the level of employment is not possible.
6. The insured person and the company remain obliged to pay contributions on the remaining part of their gainful employment, provided that the insured person continues to meet the requirements for membership of the group of insured persons under the pension plan.
7. The insured person may continue to make purchases of contribution years on the remaining income from gainful employment, however only up to the date ordinary retirement age is reached.

Article 37
Deferred withdrawal of pension

1. If the insured person remains in employment beyond retirement age by agreement with the company, they may either draw the retirement benefit or defer the savings capital account up to the end of their gainful employment, but at most up to their 70th birthday.
2. By agreement with the company, and to the extent that the company assumes the financing share of the savings capital provided for during the year prior to ordinary retirement, the savings capital may continue to be accumulated. If the savings capital continues to be accumulated, voluntary purchases are possible. The purchasing potential is calculated on the basis of the maximum savings capital under the regulations at ordinary retirement age.
3. If the savings balance continues to be accumulated, the retirement benefit corresponding to the gainfully employed portion may not be drawn.
4. If retirement is deferred, there is no entitlement to a disability pension and survivors' benefits shall be determined based on the retirement pension acquired or the existing savings capital.

Article 38
Lump-sum withdrawal

1. Unless otherwise specified by the insured person, the pension fund shall pay out the retirement benefits at the time of retirement as a one-time lump sum.
2. The lump-sum payment extinguishes all claims of the insured person and his/her relatives against the pension fund.
3. If the insured person is married, payment may only be made with the written consent of the spouse. The pension fund shall issue suitable requirements for the verification of signatures.
4. If the insured person does not provide the written consent of the spouse by the reference date of retirement, the retirement benefit is irrevocably paid out as a lifelong retirement pension.

Article 39
Withdrawal of pension

1. The insured person may draw the retirement savings capital or part thereof in the form of an annuity. To this end, she is obliged to notify the pension fund in writing of the annuity option no later than 1 month before the date of retirement.
2. The annuity option may be changed or revoked up to 1 month before the first annuity payment is made.
3. The retirement pension is variable and consists of a guaranteed and a non-guaranteed component. At the time of retirement, the starting pension is set a single time. It is calculated on the basis of the retirement assets existing at the time of retirement and the conversion rate applicable at the time of retirement. The amount of the variable retirement pension is reviewed annually – for the first time in the year following the start of the pension – and, if necessary, adjusted as of 1 April. It depends on the funding ratio as at 31 December of the previous year and the previous year's return (net return) of pension scheme pensions. Pensioners are informed by the end of February at the latest

Article 39 Withdrawal of pension (continued)

of the amount of the retirement pension applicable from 1 April of the year in question.

4. The conversion rate of the starting pension and the manner in which the variable retirement pension is set are determined in accordance with Annex I. The conversion rate is determined by the board of trustees.
5. Retirement pensions beginning on or after 1 January 2020 are managed in the «Pension Scheme Pensions». The board of trustees determines the technical interest rate as well as the technical bases and the investment strategy. The pension insurance expert calculates the actuarial reserves of this pension scheme on an annual basis.

Article 40 OASI bridging benefit

1. If the insured person retires early, he/she is entitled to an OASI bridging benefit paid by the pension fund.
2. The OASI bridging benefit shall be paid as from the same date as the retirement benefit.
3. It ceases
   a. if the «OASI bridging benefit» special savings account has been used up,
   b. upon reaching OASI retirement age,
   c. upon commencement of the payment of a pension by the IV
   d. or if the insured person dies.
4. The OASI bridging benefit corresponds either to an annual pension of a maximum of the simple maximum OASI retirement pension or the equivalent cash value.
5. The OASI bridging benefit is financed
   a. with the capital accumulated for this purpose by the insured person and/or the company from the «OASI bridging benefit» special savings account and/or
   b. if the OASI bridging benefit is to be paid out as a pension and the corresponding special savings balance is insufficiently endowed, it is financed by an actuarially equivalent, lifelong reduction of the retirement benefit from the time of early retirement.
6. If the OASI bridging pension is to be financed within the meaning of paragraph 5 (b), the insured person must inform the pension fund in writing no later than one month before the planned withdrawal of the OASI bridging pension and inform it of the desired amount of the pension. The pension fund will then provide information on the actuarial lifelong reduction of the retirement benefits.
7. The OASI bridging benefit is not adjusted for inflation.
8. If the recipient of an ongoing OASI bridging pension dies leaving
   a. a spouse,
   b. a cohabiting partner within the meaning of article 62 (2) or
   c. children entitled to a pension within the meaning of article 20,

   the pension shall continue to be paid, either in the previous amount and until the special savings account has been used up, or the remaining cash value is paid out on a one-time basis at the request of the beneficiary. In the absence of beneficiaries within the meaning of a to c, the remaining cash value shall accrue to the assets of the pension fund.
9. If the insured person has transferred an OASI bridging benefit in at a certain point in time and waives early retirement or deferred it to a later point in time, the OASI bridging benefit also lapses in whole or in part.
10. A balance remaining on the special savings account «OASI bridging benefit» shall be paid out in cash at the time of retirement or included in the calculation of the pension fund annuity at the request of the insured person.

Article 41 Compensation for early retirement

1. If the insured person retires early, he/she is entitled to a compensatory payment from the pension fund to compensate for the missing contribution years, the missing income up to normal retirement age and the reduced pension conversion rate.
2. The compensatory benefit shall be transferred to the savings capital at the time of receipt of the retirement benefit and shall be paid together with the retirement benefit as prescribed under the regulations and in the same form as an annuity and/or a lump sum.
3. The compensatory payment shall be financed with the capital accumulated for this purpose by the insured person and/or the company from the «compensation benefit early retirement» special savings account.

G. Pensioner’s child’s pension

Article 42
Entitlement

1. If the insured person receives a retirement pension from the pension fund, he/she is entitled to a pensioner’s child’s pension.
2. Children of the insured person have an entitlement in accordance with article 20.
3. If the child is at least 70% incapacitated and had this incapacity before reaching the final age specified in article 20 (2) and (3), they shall be entitled until they regain the capacity to work, but no later than their 25th birthday.

Article 43
Amount of pension (Pensioner’s child’s pension)

For each entitled child, the pensioner’s child's pension amounts to 20% of the retirement pension received by the insured person and is also variable in by analogy with the retirement pension.

H. Contribution exemption in the event of incapacity for work and disability

Article 44
Prerequisites

If the insured person is at least 25% incapacitated for work, the insured person and the company shall be exempt from paying contributions and the pension fund shall assume them.

Article 45
Entitlement

The waiver of contributions begins after a waiting period of 3 months has elapsed and is paid out at the latest until the ordinary retirement age is reached.

Article 46
Scope

1. The contribution exemption includes:
   a. the savings capital balance
   b. all other contributions
2. The exemption from contributions also covers future age-related contribution increases.

Article 47
Partial incapacity

In the event of partial incapacity or disability, the exemption from contributions shall apply from a degree of incapacity or disability of 25%. The waiver of contributions shall then take place in accordance with the pension entitlement pursuant to article 52 of the pension regulations.

Article 48
Relapse

The provisions of article 53 apply *mutatis mutandis*.

I. Disability pension

Article 49
Prerequisites

The prerequisite for disability benefits is that the insured person is at least 25% disabled within the meaning of the Federal disability insurance (IV) and was insured with the pension fund at the start of the incapacity for work, the cause of which led to the disability.

Article 50
Entitlement

1. Benefits shall be paid as soon as the effective duration of the incapacity for work has exceeded the waiting period specified in the pension plan.
2. Entitlement to a pension shall lapse if:
   c. the incapacity for work is less than 25%, and the insured person has thus regained his/her capacity to work;
   d. the insured person reaches retirement age or
   e. the insured person dies.
3. Pensions drawn beyond that date must be refunded to the pension fund.

Article 51
Amount of pension (disability pension)

1. The amount of the full disability pension in the event of full disability is defined in the pension plan. The maximum annual disability pension is CHF 500,000.
2. In the event of continued insurance pursuant to article 26a OPA, the pension fund shall reduce the disability pension in line with the reduced degree of disability, provided that the reduction is offset by additional income.

Article 52
Partial disability

In the event of partial disability, the disability pension shall be 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 53
Relapse

1. A relapse is deemed to be the reoccurrence of an incapacity for work due to the same cause.
2. A relapse shall be deemed to be a new event with a new waiting period if the full capacity for work has continued uninterrupted for more than one year.
3. If the insured person relapses earlier and benefits have already been due, they are paid without a new waiting period. If no benefits have yet been paid, the days on which the insured person was unable to work for the same cause shall be counted towards the waiting period.

Article 54
Change in the degree of disability

1. Any change in the degree of disability must be reported to the pension fund without delay. If necessary, the benefit shall be re-determined in accordance with the changed degree of disability.
2. The pension fund shall be entitled at any time to review the degree of disability at its own expense. It will request the refund of excess payments and the transfer of unpaid premiums.
3. If the degree of disability increases during the period of active insurance for the same reason as the original disability, the benefits will be adjusted immediately to the new degree of disability. In the event of an increase for other reasons during the period of active insurance, the benefits will be adjusted after the expiry of a new waiting period.

J. Disabled person's child's pension

Article 55
Entitlement

1. If the insured person receives a disability pension from the pension fund, he/she is entitled to a disabled person's child's pension.
2. The entitlement is available for children pursuant to article 20.
3. If the child is at least 70% incapacitated and had this incapacity before reaching the final age specified in article 20 (2) and (3), they shall be entitled until they regain the capacity to work, but no later than their 25th birthday.

Article 56
Amount of pension (Disabled person's child's pension)

1. The amount of the full disabled person's child's pension in the event of full disability of the insured person is set out in the pension plan.
2. The pension is determined based on the insured person's degree of disability in accordance with article 52 of the pension regulations.

K. Spouse's pension

Article 57
Entitlement

1. Entitlement commences on the date of the insured person's death.
2. Entitlement to a spouse's pension depends on the insured person's marital status at the time of death.
3. The surviving spouse is entitled to a pension regardless of age, duration of marriage and number of children. The foregoing is without prejudice to article 59.
4. 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 annuity payment. The lump-sum 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.

Article 58
Amount of pension (spouse's pension)

1. The amount of the spouse's pension in the event of the insured person's death prior to the payment of a retirement benefit is set out in the pension plan. The maximum annual spouse's pension is CHF 400,000.
2. If the recipient of a retirement pension dies due to illness or accident, the spouse's pension is 60% of the retirement pension paid out. The spouse's pension is variable. The retirement pension is set annually and adjusted as of 1 April, if necessary. The amount of the spouse's pension is set by analogy with the retirement pension in accordance with Annex I. By the end of February at the latest, beneficiaries are informed of the amount of the spouse's pension applicable from 1 April of the year in question.

Article 59
Reduction of pension

1. If the surviving spouse is more than 10 years younger than the deceased insured person, the pension shall be reduced by 1% for each full or partial year in excess of the age difference of 10 years.
2. 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 shall total at least 4 annual annuities. Annuities 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.
3. If the marriage is concluded after the insured person's ordinary retirement age, the pension fund shall reduce the pension in accordance with article 58 (2) according to the following scale:

   Marriage
   - while the insured person is 66 years of age: 80%
   - while the insured person is 67 years of age: 60%
   - while the insured person is 68 years of age: 40%
   - while the insured person is 69 years of age: 20%
   - after 69 years of age: 0%
4. If the marriage is concluded after the ordinary retirement age and the insured person is at that time suffering from a disease of which he/she must have been aware and in which he/she dies within the following 2 years, the pension fund shall not pay a pension.

Article 60
Remarriage

1. Any remarriage must be notified to the pension fund without delay.
2. In the event of remarriage before reaching the age of 45, a settlement in the amount of 3 annual annuities is paid. Pensions paid in excess of the time of remarriage shall be deducted pro rata from the settlement. Upon payment of the settlement, all further pension entitlement ceases.
3. In the event of remarriage after reaching the age of 45, the pension shall continue to be paid until the death of the surviving spouse.

Article 61
Divorced spouse

After the death of his/her former spouse, the divorced spouse is not entitled to benefits.

L. Cohabiting partner's pension

Article 62
Entitlement

1. Entitlement commences on the date of the insured person's death.
2. The surviving cohabiting partner is entitled to a pension if:
   a. the cohabiting partner has lived continuously in the same household with the insured person for the past 5 years prior to his/her death and has cohabited with the insured person in a partnership similar to a marriage.
   b. the cohabiting partner lived with the insured person in the same household at the time of the insured person's death and is responsible for the maintenance of one or more common children.
3. There is no entitlement to a pension
   a. if the surviving spouse already had an entitlement based on the same event or
   b. if the surviving cohabiting partner already receives a second-pillar cohabiting partner's or spouse's pension.
4. The foregoing is without prejudice to article 64.
5. The cohabiting partner must be notified to the pension fund in writing before the insured person dies. In the event of an event giving rise to a claim, the pension fund shall conclusively examine whether the prerequisites for entitlement are met.
6. In the event of the death of an insured per-son before receiving an retirement pension, the cohabiting partner's due pension may also be drawn in the form of a lump sum if the corresponding request is made before the first pension payment is made. The one-off lump sum amount for cohabiting partners who had reached the age of 45 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.

Article 63
Amount of pension (cohabiting partner's pension)

1. The amount of the cohabiting partner's pension in the event of the insured person's death prior to the payment of a retirement benefit is set out in the pension plan. The maximum annual cohabiting partner pension amounts to CHF 400,000.
2. If the recipient of a retirement pension dies due to illness or accident, the cohabiting partner's pension shall amount to 60% of the retirement pension paid out. The cohabiting partner's pension is variable. The retirement pension is set annually and adjusted as of 1 April, if necessary. The amount of the cohabiting partner's pension is set by analogy with the retirement pension in accordance with Annex I. By the end of February at the latest, beneficiaries are informed of the amount of the cohabiting partner's pension applicable from 1 April of the year in question.

Article 64
Reduction of pension

1. If the surviving cohabiting partner is more than 10 years younger than the deceased insured person, the pension shall be reduced by 1% for each full or partial year exceeding the age difference of 10 years.
2. If the cohabiting partner is not yet 45 years of age, then when calculating the one-time lump sum, the actuarial reserve shall be reduced by 3% for each full or partial year by which the cohabiting partner is younger than 45 at the time of the insured person's death. However, the minimum lump sum shall total at least 4 annual annuities. Annuities 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 excep-tion of entitlement to an orphan's pension.
3. If the prerequisites pursuant to article 62 (2) are fulfilled after the insured person's ordinary retirement age, the pension fund shall reduce the pension in accordance with article 63 (2) based on the following scale:
   Fulfilment of prerequisites
   - while the insured person is 66 years of age: 80%
   - while the insured person is 67 years of age: 60%
   - while the insured person is 68 years of age: 40%
   - while the insured person is 69 years of age: 20%
   - after 69 years of age: 0%
4. If the prerequisites pursuant to article 62 (2) are fulfilled after the insured person's ordinary retirement age and, at that time, the insured person suffered 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 65
Marriage

1. Any marriage must be notified to the pension fund without delay.
2. In the event of marriage before the beneficiary reaches 45 years of age, a settlement in the amount of 3 annual annuities is paid. Pensions paid in excess of the time of marriage are deducted pro rata from the settlement. Upon payment of the settlement, all further pension entitlement ceases.
3. In the event of marriage after the beneficiary reaches 45 years of age, the pension shall continue to be paid until the death of the surviving cohabiting partner.

M. Orphan's pension

Article 66
Entitlement

1. Entitlement commences on the date of the insured person's death.
2. Children have an entitlement pursuant to article 20.
3. If the child is at least 70% incapacitated and had this incapacity already existed before reaching the final age specified in article 20 (2) and (3), he/she shall be entitled until the age of 25, until he/she regains the capacity to work.

Article 67
Amount of pension
(Orphan's pension)

1. The amount of the orphan's pension in the event of the insured person's death prior to the payment of a retirement benefit is set out in the pension plan.
2. If the recipient of a retirement pension dies due to accident or illness, the orphan's pension shall amount to 20% of the retirement pension paid out. The orphan's pension is variable. The retirement pension is set annually and adjusted as of 1 April, if necessary.

N. Lump-sum death benefit

Article 68
Entitlement

The entitlement to the lump-sum death benefit exists if the insured person dies prior to taking a retirement benefit.

Article 69
Capital amount (lump-sum death benefit)

1. The lump-sum death benefit on the basis of the insured person's death due to illness or accident shall correspond to the savings capital available in the pension fund on the date of death.
2. The pension plan may provide for an additional lump-sum death benefit. The maximum additional lump-sum death benefit amounts to CHF 5,000,000.

Article 70
Order of beneficiaries

1. 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 are 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 death benefit; in the absence thereof;
   d. the parents or siblings to the full lump sum death benefit; in the absence thereof
   e. the other statutory heirs (excluding public authorities) to 50% of the lump-sum death benefit.
2. 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.
3. 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.
4. 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.

O. Contributions and purchases

Article 71
Savings capital credits

1. The savings capital credits are based on the pension plan.
2. The pension plan may provide for the insured person's freedom of choice between a maxi-mum of 3 savings plans with different contribution rates.
3. If the pension plan provides for freedom of choice, the following shall apply:
   a. The employer's share of the financing must be the same in all savings plans.
   b. The contribution rate of the savings plan with the lowest savings capital credits must be at least two thirds of the contribution rate of the savings plan with the highest savings capital credits.
   c. The insured person choses his/her savings plan for the first time upon joining the pension fund.
   d. The insured person has the option of changing the savings plan as of 1 January of each calendar year; no changes to the savings plan are permitted during the year.
   e. The insured person must notify the pension fund in writing of his/her choice of savings plan using the form provided for this purpose.

Article 72
Other contributions

1. The other contributions consist of:
   a. the premium for risk insurance in the event of disability (including exemption from contributions within the meaning of Section H) and in the event of death
   b. contributions to the Federal Guarantee Fund
   c. the foundation administrative fees and other contributions
2. The risk premium is based on the rate of the pension fund.
3. The contribution to the Federal Guarantee Fund shall be levied in accordance with the statutory requirements.
4. The foundation management fees are set out in the fee regulations.

Article 73
Financing of pension provision

1. The total contributions consist of the savings capital credits and the other contributions; at least 4% of the total contributions must be reserved to finance the risk benefits (insurance principle).
2. The company shall bear at least the same proportion of the total contributions as the total contributions of all members of the pension scheme.
3. The insured person's contribution is collected by the company on a monthly basis and deducted from his/her salary.
4. The company shall pre-finance the remaining contributions in full on 1 January or on the entry date of the insured person.
5. The savings contributions are invoiced to the company on an annual basis.
6. The total contributions shall be used by the pension fund to finance the costs. If the total contributions are insufficient, the pension fund shall finance the uncovered costs.

Article 74
Duty to pay contributions

1. The duty to pay contributions begins with admission to the pension fund. It continues until the death of the insured person, but in any event no later than retirement age or until the insured person exits from the pension fund.
2. If the insured person is fully or partially incapacitated for work, he/she and the company are exempted from paying contributions within the meaning of section H.

Article 75
Vested termination benefits from previous pension plans

1. Insured persons are obliged to contribute vested termination benefits from salary components exceeding 450% of the maximum OASI retirement pension to the pension fund.
2. Any vested termination benefits transferred in shall be used to purchase the full benefits under the regulations and credited to the insured person's retirement assets.
3. If the transferred vested termination benefits exceed the maximum possible savings capital according to the pension plan at the time of entry, the insured person may arrange for the surplus to be transferred to another pillar 2 pension fund or vested benefits institution.

Article 76 Purchase of contribution years

1. The insured person has the option of making additional purchases to the full benefits under the regulations. The purpose of the purchase is to improve pension protection. The necessary decision may be taken at the time of joining the pension fund or later. The purchases table (maximum savings capital balance) is set out in the annex to the pension plan.
2. If the ratio of the existing savings capital to the vested termination benefits pursuant to article 81 (2) is less than 1.2, the pension fund may refuse to accept the purchase of contribution years.
3. Purchases are all extraordinary contributions made out of the insured person's private assets in order to fill coverage gaps.
4. The maximum purchasing amount corresponds to the difference between the maximum possible purchasing amount as at the reference date and the available savings capital. The following restrictions apply to the purchase of contribution years:
   a. Purchases are not permitted, in any amount, if the insured person has made a withdrawal for home ownership and the withdrawal has not been repaid. It does not matter whether this was with pension fund or another occupational benefits institution.
   b. If the personal savings capital in the tied pension scheme (pillar 3a) exceeds the maximum savings capital of an employed person, the maximum purchasing amount shall be reduced by the excess amount.
   c. If the savings capital available in another pension scheme exceeds the maximum possible savings capital there, the maximum purchasing mount shall be reduced by that excess amount.
   d. The maximum purchasing amount is reduced by vested termination benefits that did not have to be transferred to the pension fund or another pension scheme.
   e. The purchasing amount is limited to 20% of the insured salary if the insured person moved from abroad to Switzerland after 31 December 2005 and had never previously been a member of an occupational benefits institution in Switzerland. This restriction applies for a period of 5 years from the date of establishing a domicile in Switzerland. Admission to this occupational benefits institution is not relevant in this regard.
   f. Benefits relating to a purchase may not be withdrawn in the form of a lump sum for 3 years.
   g. Tax deductibility is not guaranteed by the pension fund. The insured person must himself or herself conduct the necessary investigations. The pension fund declines any liability.

Article 77 Purchase of OASI bridging benefit

1. The insured person has the option of pre-financing an OASI bridging benefit.
2. Pre-financing is undertaken by means of a «purchase of OASI bridging benefit».
3. The maximum purchasing amount corresponds to the difference between the maximum possible savings capital in the «OASI bridging benefit» special savings account on the date of the purchase and the existing savings capital on the same special savings account.
4. A «purchase of OASI bridging benefit» may take place at the same time as a «purchase of contribution years» and/or a «purchase of compensatory early retirement benefit».
5. The «purchase of OASI bridging benefit» shall be subject to the same restrictions as in article 76 (4).

Article 78
Purchase of early retirement compensatory benefit

1. The insured person has the option of pre-financing an early retirement compensatory benefit.
2. Pre-financing is undertaken by means of the «purchase of early retirement compensatory benefit» by the insured person.
3. The maximum purchasing amount corresponds to the difference between the maximum possible savings balance in the «early retirement compensatory benefit» savings account on the date of the purchase and the existing savings balance on the same special savings account.
4. A «purchase of early retirement compensatory benefit» is only possible if a «purchase of contribution years» is no longer possible because the corresponding purchasing potential is not present.
5. The «purchase of early retirement compensatory benefit» shall be subject to the same restrictions as in article 76 (4).

Article 79
Waiver of early retirement

1. If the insured person has purchased early retirement in full or in part within the meaning of articles 77 and 78 and waives early retirement in full or in part or defers it until a later date, the benefit target as set out in the pension plan at the time of ordinary retirement pursuant to article 35 may be exceeded by a maximum of 5%.
2. In order to comply with paragraph 1, the following shall apply:
   a. The cash value of the special savings accounts during the waiver period shall be regarded as savings capital credits of the insured person and the company for the same period. The payment of savings capital credits by the insured person and the company is not required until the cash value for this purpose has been fully consumed. The obligation to pay contributions for risk benefits in the event of disability or death shall continue to apply.
   b. If the measure under letter a is insufficient, the insured person's and the company's obligation to pay contributions for risk benefits in the event of disability or death shall be met by the remaining cash value.
   c. If the measures under letters a and b are insufficient, the savings account balance and the special savings account balance shall be disinvested and maintained without interest.
   d. If the measures provided for in letters a to c are insufficient, the remaining retirement savings capital shall be reduced to the level defined in paragraph 1. The reduction amount shall be credited to the free assets of the pension scheme and may only be used by the pension commission for the benefit of the other members of the pension scheme.

P. Benefits in the event of exit/vested termination benefit

Article 80
Entitlement

If the insured person no longer meets the requirements for membership of the group of insured persons before he/she is entitled to a retirement or disability pension and at this time has a savings capital balance, he/she is entitled to a vested termination benefit.

Article 81
Vested termination benefits

1. The vested termination benefits correspond to the full savings capital balance available at the time the insured person exits the pension fund, including all special savings accounts.
2. If the employment relationship of a partially disabled person is terminated, he/she shall be entitled to a vested termination benefits claim in respect of the portion of the occupational pension to be terminated based on the degree of his/her capacity for work.
3. If the partially disabled person subsequently becomes fully fit for work without entering into a new employment relationship with the company, he/she shall also be entitled to a vested termination benefits claim for the portion of his/her pension fund continued after the termination of his/her employment relationship.
4. If a partially disabled person whose employment relationship has been terminated dies, there is an entitlement to death benefits in accordance with these regulations for the non-terminated part of their employee pension plan.
5. The vested termination benefit shall fall due upon his/her exit from the pension fund.
6. The partial liquidation regulations provide information on individual or collective claims and the existence of a case of partial liquidation.

Article 82
Appropriation

1. The pension fund shall transfer the vested termination benefits to the occupational benefits institution of the new employer.
2. If the insured person does not join a new pension fund, the vested termination benefits may be transferred at the insured person's request to a maximum of 2 vested benefits accounts or vested benefits policies.
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 Occupational Benefit Institution at the earliest after 6 months and at the latest after 2 years have elapsed, calculated from the vested benefits event.
4. By disbursing the vested termination benefits, the pension fund is released from all obligations towards the insured person and his/her survivors. The foregoing shall be without prejudice to the provision of risk protection for disability and death until the start of a new employment relationship, but for no longer than one month. If, for this reason, the pension fund is subsequently obliged to pay benefits, the vested termination benefits already paid out will be reclaimed.

Article 83
Cash payment

1. The insured person may request a cash payment of his/her vested termination benefits
   a. wif he/she leaves the Swiss and Liechtenstein Economic Area permanently
   b. if he/she takes up self-employment and is no longer subject to mandatory pension provision
   c. if the amount of the vested termination benefits is less than one annual contribution from the insured person at the time of termination of the employment relationship
2. If the insured person is married or living in a registered partnership, cash payment is only permitted with the written consent of the partner. The pension fund shall issue suitable requirements for the verification of signatures.
3. If the vested termination benefit is pledged for home ownership, cash payment is only possible with the consent of the pledgee.
4. If the insured person has made a purchase of contribution years, the resulting vested termination benefit may not be withdrawn in cash within the 3 years following the purchase.
5. The insured person is obliged to provide the necessary evidence for a cash payment.

Q. Income, assets and financial equilibrium

Article 84
Income

The income of the pension fund is comprised of:

a. the contributions of the insured persons and the company under the regulations
b. the transfer value and purchasing benefits of the insured persons and the voluntary contributions of the company
c. gifts and legacies
d. the investment results
e. insurance benefits and surpluses from insurance contracts

Article 85
Purpose of assets

The pension fund's assets are used exclusively to cover its current and future obligations.

Article 86
Regulations on investment plans

The board of trustees shall issue investment regulations in which the investment principles, the medium- and long-term investment structure, the valuation of the investments, as well as the organisation and powers of asset management are set out.

Article 87
Employer contribution reserves

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 company and in accordance with the purpose of the pension fund.
2. The employer contribution reserve shall be credited with voluntary contributions by the company and the resulting investment income based on 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.The provisions of articles 33 and 34 apply *mutatis mutandis*.
4. The employer contribution reserves must be notified to the pension fund in writing 30 days before they are used.

Article 88
Annual finacial statements & actuarial balance sheet

1. The annual financial statements of the pension fund shall be drawn up as at 31 December of each year. The financial statements are prepared in accordance with Swiss GAAP FER 26.
2. Separate annual accounts shall be kept for each pension scheme.
3. The board of trustees shall arrange for a periodic actuarial balance sheet of the pension fund to be drawn up by a recognised expert for occupational pension schemes in accordance with the funding in advance principle.

Article 89
Liability pension scheme pensions

The pension schemes affiliated to the pension fund are jointly and severally liable for the «Pension Scheme Pensions». In the event of a shortfall in this pension scheme, restructuring contributions (employer and employee contributions) may be levied, which are borne jointly and severally by the affiliated pension schemes.

Article 90
Surplus from insurance contracts

1. Entitlement and calculation of the surplus shares are governed by the provisions of the valid reinsurance contract.
2. Any surpluses shall be credited to the free assets of the pension fund.

R. Data protection

Article 91
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, 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 in Switzerland and abroad. 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-collective-foundation

S. Final provisions

Article 92
Language of the regulations

1. The regulations and the pension plan may be obtained from the pension fund in German, French, Italian and English.
2. The German text of the regulations and the pension plan shall be authoritative.

Article 93
Gaps

Insofar as these regulations do not contain any provisions for special circumstances, the board of trustees shall adopt rules that are consistent with the purpose of the pension fund.

Article 94
Legal proceedings

Disputes concerning the application of these regulations shall be decided by the ordinary courts in accordance with the provisions of the OPA.

Article 95
Amendments

1. The board of trustees is authorised to amend these regulations at any time.
2. Amendments to the regulations must be brought to the attention of the supervisory authority.

Article 96
Notices

1. Notifications by the pension fund to the insured person shall be made in writing.
2. Notices to third parties appear in the Swiss Official Gazette of Commerce.

Article 97
Transitional provision

The pensions already in effect on 1 January 2023 (including reversionary benefits) remain guaranteed and are not transferred to the variable pension model.

Article 98
Entry into force

These regulations come into force on 1 March 2024 and supersede all previous editions.

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