Fondation Collective Groupe Mutuel
Pension Fund Regulations

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Contents

A. General provisions

Art. 1 Definitions and abbreviations

1. The following definitions and abbreviations are used in these regulations:

   Foundation
   Fondation Collective Groupe Mutuel

   Foundation Board
   Joint governing body of the Foundation

   Affiliated entity or entity
   Pension fund or joint pension fund affiliated to the Foundation

   Pension fund
   Entity set up based on an affiliation agreement signed by an employer or a group of employers with an economic link between them and wishing to set up a dedicated pension solution.

   Joint Pension Fund
   Entity that brings together employers who are not necessarily economically linked or the members of a professional association.

   Pension fund committee
   Joint representation of an affiliated entity

   Affiliated employer or employers
   Companies and self-employed persons affiliated to the Foundation through an entity

   Administrative committee
   Joint representation of an affiliated employer

   Members, insured persons or employees
   Persons working for an affiliated employer and self-employed persons

   Technical appendix
   Appendix to these regulations, specific to each entity

   Affiliation agreement
   Contractual document binding an employer to the Foundation, through an entity

   Pension plan
   Appendix to these regulations, specific to each group of insured persons under an affiliation agreement

   Regulatory retirement age
   The first day of the month following AVS/AHV regulatory retirement age, unless otherwise stipulated in the pension plan

   AI/IV - LAI/IVG
   Disability insurance / Federal Law on Disability Insurance

   AVS/AHV
   Old Age and Survivors' Insurance / Federal Law on Old Age and Survivors' Insurance

   LAA/UVG
   Federal Law on Accident Insurance

   LAM/MVG
   Federal Law on Military Insurance

   LPP/BVG
   Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans

   OPP2/BVV2
   Ordinance on occupational benefits

   LFLP/FZG, OLP/FZG
   Federal Law and Ordinance on Vesting in Pension Plans

   OEPL/WEFV
   Pension Assets for the Encouragement of Home Ownership

   LPart/PartG
   Federal Law on Registered Civil Partnerships between persons of the same sex

   LPGA/ATSG
   Federal Law on the General Part of Social Insurance Law

   CC
   Swiss Civil Code

   CO
   Swiss Code of Obligations

   FINMA
   Swiss Financial Market Supervisory Authority
2. For the purpose of these regulations, words importing the masculine gender include the feminine gender.
3. A registered partner, within the meaning of the Federal Law on Registered Civil Partnerships (LPart/PartG), is equated with a spouse. The legal dissolution of a registered partnership is equated with a divorce.
4. The determining eligibility age for membership, the level of contribution amounts and retirement credits, as well as the calculation of the minimum vested benefits are based on the difference between the current calendar year and the member's year of birth.

Art. 2 The Foundation

1. The purpose of the Foundation is to:
   - serve as a pension fund for employers;
   - provide employees and self-employed individuals with insurance benefits in the event of retirement, death or disability;
   - invest savings capital in accordance with the relevant rules and regulations.
2. The Foundation provides occupational benefits within the framework of the LPP/BVG and its implementing statutes, as well as supplemental benefits over and above the compulsory coverage defined by law.

3. The purpose of the Foundation is achieved in particular by setting up pension funds or joint pension funds.
4. The minimum legal LPP/BVG benefits are in any event guaranteed by the pension fund regulations.
5. The Foundation is listed in the Register of occupational pension plans. The organisation of the Foundation is governed by the Statutes and the Regulations. It is subject to supervision by the competent supervisory authority for foundations and pension funds in the place where it has its registered office.
6. Parameters and elements that are not defined in these regulations, as well as any derogations from these regulations, are defined in technical appendices specific to each entity and are applicable to the employers and insured members of the corresponding entity. The technical appendix for each entity forms an integral part of these regulations.
7. The Foundation offers employers a choice of pension plans. These regulations define the type of benefits granted, the terms and conditions of eligibility and the method of financing for all pension plans. The scope of benefits and any exceptions to these regulations are defined in the pension plan and apply to the members insured in the corresponding pension plan. An employer's pension plan forms an integral part of the employer's pension scheme regulations.
   In accordance with Art. 1d OPP2/BVV2, the Foundation may offer up to three different pension plans to members of the same employer group.
8. To cover the obligations of the entities, the Foundation may take out one or more insurance contracts with life insurance companies for disability, death and life expectancy risks, in accordance with the applicable legal provisions. The Foundation retains all rights and obligations with regard to these insurance companies. The personal data of the insured member, benefit recipients or their beneficiaries can be forwarded to these insurance companies for purpose of insurance coverage or the granting of benefits.

Art. 3 Obligation of the Foundation to inform

1. When a member joins the Foundation or in case of a change in benefits, but at least once a year, the Foundation issues an insurance certificate for each member indicating the member's benefits coverage. If the pension certificate differs from these regulations, the regulations are authoritative.
2. In accordance with the legal requirements on transparency, the Foundation provides employers and members with information, in particular with regard to
   - benefit entitlements, coordinated salary, contribution rates and retirement savings,
   - organisation and financing,
   - the members of the Foundation Board,
   - the exercise of the obligation to vote as a shareholder in accordance with Art. 71b LPP/BVG.
3. At the request of an insured member, the Foundation shall provide him with the annual financial statements, the annual report, information on the return on capital, trends in actuarial risk, administrative costs, the mathematical reserve calculation principle, the additional provision, the coverage ratio and the principles governing the exercise of the voting obligation incumbent on the Foundation in its capacity as shareholder.
4. An insured member may demand that all data concerning him and managed by the Foundation be communicated to him and, if necessary, amended.
5. Within the limits set out in Art. 86a LPP/BVG, the Foundation is authorised to communicate data relating to insured members to external authorities or bodies.

Art. 4 Obligation to inform and disclose

1. Each insured member is required to provide the Foundation with full and accurate information, within 30 days, on all matters relevant to his coverage, such as changes in marital status, maintenance obligations and address, as well as on any other pension plan accounts.
2. If the insured member has reached the maximum legal allowance for insured income, members who are insured with more than one pension fund shall disclose to the Foundation all of their pension plans and insured salaries or income, including any salaries or income insured outside the Foundation.
3. Beneficiaries are required to provide the Foundation with full and accurate information regarding any income entering into account (for example, from other Swiss or foreign insurances or from gainful employment).
   They shall also notify the Foundation without delay of any event or changes likely to affect their entitlement to retirement benefits, for themselves or for their children, such as:
   - a change in civil status
   - a change of address
   - a change of bank details
   - a change in their entitlement to social insurance benefits (AVS/AHV, AI/IV, accident insurance, military insurance, foreign social insurances)
   - full recovery or an increase in work capacity
   - birth or adoption of a child
   - beginning or end of the schooling of a child entitled to benefits
   - death of a child who was entitled to benefits.
4. Survivors shall notify the Foundation immediately of the death of a member receiving benefits.
5. The creditor spouse shall inform the Foundation of his entitlement to a lifetime pension, indicating the name of the pension fund of the debtor spouse. If the creditor

spouse switches pension fund or vested benefits institution, he must immediately notify the Foundation.

6. Within the limits set by law, the Foundation declines any liability for any prejudicial consequences to members, pensioners or their beneficiaries resulting from non-compliance with their obligations.
7. If the Foundation suffers a loss as a result of non compliance with the obligations in question, the responsible person will be held liable.
8. Subject to para. 10 below, employers are required to provide the Foundation at the beginning of each year with a list of members specifying, in particular: each member's surname, first name, date of birth, marital status, annual salary, address, AVS/AHV number, pension plan if applicable, employment rate, group of insured persons and choice of pension plan. Employers shall also provide the Foundation with detailed information if a group of insured members is covered by other pension schemes with another pension institution.
   Employers who are subject to a collective labour agreement are required to inform the Foundation of this and of any changes in the agreement.
9. Employers are required to inform the Foundation within 30 days of any new members or outgoing members and any other changes, using the appropriate forms at their disposal. If the departing member has reached the age of 58 and requests that his pension coverage be maintained, the employer must inform him of the reason for the termination of his employment.
10. The Foundation may authorise employers whose employees are hired on a seasonal basis to declare changes at the end of the year only, on the appropriate form provided by the Foundation.
11. Employers are responsible for maintaining the confidentiality of the data they have obtained from the Foundation and for ensuring that it is not used for any purpose detrimental to the insured member.
12. Personal data on insured members required for the administration of their occupational benefits may be forwarded to the persons responsible for administering the Foundation and to any insurers and reinsurers. The latter are authorised to process such personal details, including medical data, and to contact the insured member's doctors directly to obtain useful information for the purposes of the insurance coverage and the provision of benefits.
13. Employers, the Foundation, the persons responsible for administering the Foundation and any reinsurers are required to take all necessary measures to ensure that data is treated with the utmost confidentiality, in accordance with legal provisions on data protection.

Art. 5 Start and end of membership in the Foundation

1. An employer or self-employed person may join one of the Foundation's entities based on an application for admission. The employer or self-employed person chooses the entity it wishes to join. The affiliation agreement is drawn up after assessment of the application.
   The type, amount and financing of benefits are defined in one or more pension plans drawn up for each employer.
   Members may be divided into groups of insured members as defined in the affiliation agreement. Admission to a group of insured members is determined based on objective and non-discriminatory criteria. The definition of a group of insured members must allow several members to join.
   A self-employed person may not join on his own unless he is a member of a professional association that has recognised the Foundation within the meaning of Art. 44 para. 1 LPP/BVG.
2. Membership is for an indefinite period, but not less than three years. Save six months' written notice of termination, membership is renewed automatically every three years for a new three-year period.
3. In the event of the admission of a company, current pension beneficiaries shall remain affiliated to the previous pension plan. This principle may be waived by means of a written agreement approved by the Foundation.
4. Termination of membership by the employer is subject to agreement with the employees or the employees' representative. The decision must be notified in writing to the Foundation, which may otherwise refuse the termination.
   The Foundation notifies the termination to the Substitute Pension Plan, which is responsible for monitoring membership.
5. If a membership is terminated, current pension beneficiaries of pensions in payment shall be transferred to the new pension fund.

Art. 6 Insured members

1. All persons gainfully employed by an employer and belonging to a group of insured persons mentioned in the affiliation agreement, and declared by name by the employer, as well as affiliated self-employed persons whose annual salary corresponds to the criteria set out in Art. 8, may join the Foundation as insured members.
2. The following persons are not admitted to the Foundation:
   - persons who are at least 70% disabled, as defined by the AI/IV;

- persons who are subject to provisional maintenance of insurance coverage pursuant to Art. 26a LPP/BVG during the three-year period following the reduction or discontinuation of the pension by the AI/IV;
- persons employed for a limited period not exceeding three months; if the employment relationship is extended beyond the three-month period, the employee is admitted to the insurance plan from the time the extension was agreed;
- persons who are not employed in Switzerland or whose employment in Switzerland is unlikely to be of a lasting nature and who benefit from sufficient pension provision abroad, provided that they justify their request for exemption within 30 days of the start of the employment contract;
- persons over the legal retirement age who start working for an affiliated employer.

3. Persons who are partially disabled or suffering from a partial earning incapacity at the time of joining shall be insured only for the salary corresponding to their residual earning capacity.
4. If several periods of employment with the same employer or several assignments on behalf of the same employment agency last more than three months in total, and provided employment is not interrupted for longer than three months, admission to the pension scheme must take place from the beginning of the fourth month of employment. If it is agreed prior to the commencement of employment that the employee will be employed for a total period of more than three months, membership to the pension scheme shall commence at the same time as the commencement of employment.
5. As soon as the conditions of para. 1 are satisfied, coverage commences on the first day of employment, but not before 1 January following the employee's 17th birthday for death and disability benefits, and not later than 1 January following the employee's 24th birthday for retirement benefits.
6. The insurance ceases as soon as a member is entitled to retirement benefits, if a member's employment contract is terminated, or if the annual salary no longer satisfies the criteria set out in Art. 8. The provisions of para. 7 and 9 below, as well as of Art. 8, para. 12, remain reserved.
7. If the salary temporarily no longer meets the criteria set out in Art. 8, para. 1, the pensionable salary shall be maintained at least as long as the employer is legally required to pay a salary under Art. 324a, 329f, 329g, 329i and 329j of the Swiss Code of Obligations (CO).
8. If the annual salary definitively no longer meets the criteria set out in Art.8, para. 1, the insured member leaves the Foundation. The retirement savings accrued at that date will be used as vested termination benefits in accordance with Art. 25.
9. In case of unpaid leave, the member may request, with the employer's consent, that the pension coverage be maintained for a maximum of 12 months. Such leave must be the subject of a prior written agreement between the employer and the employee, and the employment contract must be maintained, even though the insured is released by his employer and is not receiving a salary. The last salary insured immediately prior to the beginning of the unpaid leave remains decisive during the period, subject to adjustment of the coordination amount in accordance with the LPP/BVG. The employer remains responsible for transferring all contributions to the Foundation during this period.
10. If the pension plan mentions a retirement age different from the AVS/AHV reference age, the latter will be decisive for all retirement and disability benefits.

Art. 7 Medical exclusions

1. If a member's disability and death benefits exceed those purchased with the vested termination benefits he contributed on joining the Foundation, or if the member does not have full earning capacity on joining the Foundation, the Foundation may require him to undergo a medical examination by a doctor recognised by the Foundation, at his own expense. The member must authorise the Foundation or his insurer to request information from the insured's doctor without a medical examination of the insured.
2. Within the meaning of this provision, a member is deemed as not having full earning capacity when joining the Foundation if, for health reasons, he is not fully able to work or cannot be employed in a full-time activity related to his qualifications or skills, receives daily benefits due to illness or accident, or is expected to receive, or receives, a partial or full disability pension.
3. Following the risk assessment, admission to the Foundation may be denied or exclusions or restrictions may be decided on medical grounds for the portion of risk benefits exceeding those purchased by the vested termination payment contributed at the time of entry. Notwithstanding, the minimum LPP/BVG benefits are guaranteed. If a medical exclusion is issued, the minimum benefits under the LPP/BVG remain guaranteed in all cases. These provisions will be communicated to the person concerned in writing, stating their purpose. Pension coverage becomes definitive as soon as this information has been communicated.
4. In accordance with Art. 331c of the Swiss Code of Obligations (CO), exclusions may not last longer than five years, including any time already lapsed with a previous pension plan. For self-employed persons, the provisions of Art. 45 LPP/VVG remain reserved. In the event of incapacity for work, leading subsequently to disability or death, due to a cause subject to a medical exclusion, during the period of validity of the exclusion,

benefits will be reduced in accordance with the provisions of the exclusion, and this definitively until the end of the entitlement to benefits.

5. As long as the Foundation has not been provided with all the documents or information required to assess the risk, only the minimum legal LPP/BVG coverage will be granted. If an insured event occurs during this period, only the minimum legal LPP/BVG benefits will be granted.
6. If a person does not disclose, or discloses inaccurately or incompletely, a fact relating to his state of health (concealment), the Foundation shall be entitled to terminate the pension contract with this person for the coverage exceeding the legal minimum, within six months of becoming aware of the concealment. If the concealment concerns a fact related to a claim for benefits, the Foundation may refuse entitlement to supplemental coverage.
7. In case of an increase in benefits, para. 1 applies by analogy to the supplemental benefit coverage.
8. In all cases, the minimum benefits under the LPP/BVG and those purchased with the vested termination benefits are guaranteed.

Art. 8 Base salary and pensionable salary

1. The base salary for calculating the pensionable salary corresponds to the annual AVS/AHV reference salary, excluding occasional allowances, unless otherwise stipulated in the pension plan.
   Occasional allowances include:
   - special allowances, bonuses and incentives to the extent that they are not defined contractually. A reservation by the employer must clearly mention the voluntary nature of these allowances;
   - seniority bonuses paid every five years or more;
   - allowances for work of a particularly arduous nature (for example allowances for work in a noisy or insalubrious environment), providing that they are not set in advance or paid in the form of a lump-sum.

   The minimum salary granting entitlement to compulsory benefits is defined in the provisions of Art. 2, para. 1 and 7 LPP/BVG. A broader consideration of the minimum salary to be taken into account may be provided for in the pension plan.
2. For voluntary members and for members working in professions with irregular employment and remuneration conditions, the reference salary may be determined on a lump-sum basis provided it does not exceed the AVS/AHV annual salary.
3. For members employed less than one year, the annual salary is equal to the salary they would earn if they worked the whole year.
4. Income from employment with another employer may not be taken into account, unless the affiliated employer agrees to pay contributions for the other employers.
5. The pensionable salary is stipulated in the pension plan. The coordination deduction and the minimum and maximum amounts for part-time employees can be defined according to the actual rate of activity.
6. The pensionable salary is determined for the first time when the member joins the Foundation, then at the beginning of each calendar year, and for the last time at the beginning of the year coinciding with the member's retirement. Changes in salary made during a calendar year will as a rule only be taken into account in the following calendar year, subject to the provisions below.
7. If the pensionable salaries exceed ten times the maximum LPP/BVG limit, the Foundation shall reduce the pensionable salary accordingly. This threshold does not apply to the death and disability benefits of persons who had reached the age of 50 by 1.1.2006 and were already insured by the Foundation at that time.
8. If a member's annual salary changes as a result of a change in the employment contract (change of role or change in degree of employment), the employer may request that the annual salary be immediately adjusted to the new circumstances.
9. If a member's annual salary is temporarily reduced as a result of illness, accident, maternity leave, paternity leave, military service, civil defence service or other similar circumstances, the pensionable salary will remain unchanged for as long as a replacement salary is paid in accordance with Art. 6, para. 7. However, the member may request a reduction in the pensionable salary.
10. If the salary is changed after the occurrence of an insured event (e.g. incapacity for work), the change will not be taken into account for calculating the benefits payable due in that case.
11. From the age of 58, a member whose salary is reduced by a maximum of 50% can ask for his retirement benefits to be maintained at the level of his last pensionable salary until he reaches the standard retirement age, providing that he has not asserted his right to a partial early withdrawal according to Art. 11, para. 1 of these regulations and that he enjoys full working capacity. Employer and member contributions are payable by the member. The pension plan may provide for full or partial financing by the employer.
12. If a member is made redundant after reaching the age of 58 and is registered with the AVS/AHV, the Foundation will inform the member that he may on a voluntary basis apply for continued insurance cover to the same extent as before. If the member had previously exercised his right to a partial early withdrawal in accordance with Art. 11 para. 1, or if he does not have full working capacity, continuation of

insurance coverage may be requested only for the active part of his insurance. The waiting period for disability pensions and the pensions for children of disabled persons, as well as for the waiver of premium payments, is 12 months. Risk and cost contributions (employee and employer shares) are payable by the member. Savings contributions (employee and employer shares) are also payable by the member if the member maintains his retirement coverage.

The application must be submitted in writing by the member within 30 days of termination of employment, but at the latest before the occurrence of an insured event.

The member may request that his pensionable salary be lower than his last pensionable salary before termination, either only for the savings bonuses or for all benefits, but at least equal to 50% of the last pensionable salary, unless otherwise stipulated in the pension plan.

The member may terminate or reduce his insurance in writing by the end of the current month.

In the event of non-payment of risk contributions and fees, the Foundation may terminate the insurance at the end of the period for which the contributions have been collected.

The insurance terminates when the risk of death or disability occurs, when the insured reaches retirement age or if the affiliation agreement is terminated by the employer who dissolved the employment relationship. If the member joins a new pension fund, the insurance will terminate if more than two thirds of the termination benefit is required to purchase all regulatory benefits in the new pension fund. If, after payment, at least one third of the previous termination benefit remains in the Foundation, the member may continue to be insured with the Foundation in accordance with the remaining termination benefit. The pensionable salary will be reduced accordingly.

Members who remain insured for more than two years are no longer entitled to receive their retirement benefits in the form of lump-sum capital, or to withdraw or pledge all or part of their vested termination benefit for home ownership.

13. In the event of incapacity for work, the last salary insured immediately before the onset of the incapacity remains decisive for calculating all ensuing benefits.

    In the event of partial disability, the pensionable salary remains constant for the portion related to disability. For the active part, the salary earned within the scope of the residual earning capacity is taken into account for the calculation of the pensionable salary. These conditions also apply to persons who are partially disabled when they join the pension fund.

B. Retirement Benefits

Art. 9 Insured benefits

1. In accordance with the provisions relating to the payment of benefits under Art. 28 and subject to Art. 25 and 26, the Foundation grants the following benefits to insured members or their survivors:
   - retirement pensions or lump-sum capital (Art. 11);
   - pensions or lump-sum capital to pensioners' surviving spouses (Art. 12);
   - pensioners' child's pensions (Art. 13);
   - AVS/AHV bridging pensions (Art. 14).
2. Insured benefits are calculated based on the member's retirement savings capital at retirement age and are at least equal to the statutory LPP/BVG benefits.

Art. 10 Retirement credits / Retirement savings capital

1. From 1 January following their 24th birthday, all members are entitled to retirement credits calculated as a percentage of their pensionable salary in accordance with the terms and conditions set out in the pension plan.
2. The individual retirement savings capital includes:
   - the retirement credits for the period during which the member was a member of the Foundation;
   - any vested termination benefits transferred from previous pension funds;
   - the member's voluntary purchases in accordance with Art. 44;
   - the repayments of early withdrawals made within the home ownership incentive scheme;
   - the amounts transferred and credited within the sharing of occupational benefits in the event of a divorce;
   - the amounts credited as part of a member's voluntary purchases following a divorce;
   - interest at the rates proposed by the pension fund committee and approved by the Foundation Board.

   At the end of each calendar year, interest is credited on the accrued retirement savings capital at the start of the same year and on the amounts transferred in during the year. Retirement credits for the current year do not bear interest.

   The following are deducted from the retirement savings capital:
   - early withdrawals for home ownership;
   - payments following a divorce;
   - payments following partial retirement.

   No interest is charged on the amounts deducted.

   If an insured event occurs or the member leaves during the course of the year, interest for the current year is calculated on a pro rata basis up to the date on which the insured event occurs or the vested termination benefit is paid.
3. The member shall transfer to the Foundation any vested termination benefits from prior pension plans and/or vested benefit institutions.

4. Early withdrawals or repayments within the home ownership scheme, payments or purchase amounts credited within a divorce, as well as withdrawals in the event of partial retirement, are recorded in the same proportion between the minimum LPP/BVG portion and the supplemental portion as the ratio existing between these portions before the said transfer.
5. The amounts transferred and credited in connection with a divorce for an insured creditor spouse are recorded in the same proportion between the minimum LPP/BVG and the supplemental portion as that existing on the credit balance accumulated assets of the debtor spouse.
6. If the minimum LPP/BVG retirement savings capital cannot be defined, due to the absence of the required data from the prior pension fund or vested benefits institution, the maximum amount the member could have reached under the minimum legal provisions at the date of calculation, is deemed to be the minimum LPP/BVG retirement savings capital, but no more than the retirement savings capital actually available with the Foundation.

Art. 11 Retirement pension or lump-sum capital

1. The entitlement to retirement benefits starts at the regulatory retirement age. A member may apply to receive all or a portion of his retirement benefits earlier, but not before he reaches age 58, unless otherwise stipulated in the pension plan. A lower retirement age may be permitted in the event of company restructuring.
   Full retirement benefits may only be withdrawn earlier if the employment relationship has been terminated.
   A partial early withdrawal is only possible in proportion to the reduction in the degree of employment, which must amount to at least 20% of full-time employment. Such a request must be made to the Foundation at least one month before the start of the partial early retirement. The reduced activity rate can no longer be increased. A member may only apply for a partial payment once in a calendar year. Retirement benefits may be paid in a maximum of three stages.
   Disabled members are entitled to a retirement pension when they reach the regulatory retirement age for the pension scheme in effect at the start of the incapacity for work, the cause of which led to the disability, unless otherwise stipulated in the technical appendix. Partial early retirement is only possible on a residual active portion.
   In the event of a partial early withdrawal, it will not be possible to continue to cover the pensionable salary according to Art. 8, para. 11.
2. The annual retirement pension is calculated by multiplying the accrued retirement savings capital at the retirement date by the pension conversion rates applicable on that date. Art. 33, para. 6 remains reserved. The conversion rates for each entity are proposed by its pension fund committee and approved by the Foundation Board. They are shown in the technical appendix specific to each entity.
   In case of early retirement, conversion rates are decreased accordingly.
   The pension plan may provide for different conversion rates. If these rates are higher than the rates defined in the technical appendix, their financing must also be provided for in the pension plan.
   In the event of partial early retirement, the minimum LPP/BVG and non LPP/BVG accumulated assets are proportionally divided into two parts, one corresponding to the member’s degree of early retirement and the other to the member’s residual employment rate; for a cumulative rate equal to 100%. The member shall no longer be entitled to disability benefits on the early retirement portion. If a member dies after he takes partial early retirement, the survivor benefits will be calculated in respect of both parts proportionally with the reduction in degree of employment. For the retirement part, the pensioner’s survivor benefits will be determined based on the retirement pension in payment.
   If a member ceases all gainful employment before he reaches the regulatory retirement age, he shall be entitled to the full early retirement pension from the first day of the month following his last day of gainful employment.
3. Entitlement to a retirement pension expires at the member’s death.
4. If, in accordance with Art. 28 para. 2, the member has opted to receive all or part of his retirement benefits in the form of a lump sum, only the remaining balance of the retirement savings capital will be paid as a retirement pension.
5. If a member remains employed after the regulatory retirement date, he may choose to receive his retirement benefit in addition to his salary, or to defer fully or in part his entitlement to retirement benefits as long as he is employed, but at the latest until his 70th birthday. The employer and the member may continue to pay contributions based on the last age bracket for calculating retirement credits. The accrued retirement savings capital at the regulatory retirement date shall continue to earn interest at the rate approved by the Foundation Board. The amount thus accrued shall be paid to the member in the form of a lump-sum capital or a retirement pension based on the conversion rates defined in the technical appendix.
   Entitlement to retirement benefits begins following application by the member, but at the latest at the end of the employment relationship or on the first day following the month during which the member reaches his 70th birthday. In case of a partial reduction in the member’s degree of employment after reaching the

regulatory retirement age, the member may apply for partial payment of the retirement benefit, in proportion to the reduction in the member's degree of employment. This reduction must amount to at least 20% of a full-time position. Retirement benefits may be paid in a maximum of three stages. The member's aggregate accrued minimum (LPP/BVG) and supplemental retirement savings will be proportionally divided into two parts.

If a member dies after the regulatory retirement age, the survivors' benefits are determined based on the accrued retirement savings capital at the end of the month coinciding with his death. If there are no beneficiaries, the accumulated retirement savings capital is paid to the other entitled persons in accordance with Art. 20.

In the event of total or partial incapacity for work lasting more than three months during the deferral period, the beneficiary is entitled to the retirement benefits determined at the start of the incapacity for work; no disability benefits are payable by the Foundation after retirement age.

Art. 12 Pensioner's surviving spouse's pension or lump-sum capital

1. Upon the death of the beneficiary of a retirement pension, his surviving spouse is entitled to a spouse's pension. The amount of the spouse's pension is defined in the pension plan. The surviving spouse may apply to receive the benefit in the form of a lump-sum capital in accordance with Art. 28, para. 4.
2. The pension may be reduced or withdrawn in accordance with the provisions of Art. 17 para. 4, which apply by analogy.

Art. 13 Pensioner's child's pension

1. The beneficiary of a retirement pension is entitled to a pensioner's child's pension for each child who would be entitled to an orphan's pension at his death in accordance with Art. 19.
2. The amount of the pensioner's child's pension is defined in the pension plan. It cannot be combined with a disabled's child's pension.
3. In addition to Art. 29, the AVS/AHV retirement pension combined with the supplemental AVS/AHV child's pensions, the retirement pension and the pensioner's child's pensions payable by the Foundation may not exceed 100% of the pensioner's last AVS/AHV annual salary. Otherwise, the pensioner's child's pensions will be reduced proportionally. The retirement pension may not be reduced.
4. Entitlement to a pensioner's children's pension lapses on the death of the member, insofar as it has not lapsed previously in accordance with Art. 19.
5. Any entitlement to a pensioner's child's pension which already existed at the time the divorce proceedings were initiated shall not be affected by the division of the pension assets.

Art. 14 AVS/AHV bridging pension

1. If provided for in the pension plan, members who take early retirement before reaching the AVS/AHV reference retirement age may request payment of an AVS/AHV bridging pension. The amount of the AVS/AHV bridging pension is defined in the pension plan.
2. The AVS/AHV bridging pension is paid up to the reference AVS/AHV retirement age. In the event of death before the AVS/AHV reference age, the AVS/AHV bridge pension lapses at the end of the month of death.
3. The pension plan specifies how the AVS/AHV bridging pension is to be financed or how the lifetime retirement pension is to be reduced, as well as any expected surviving spouse's and orphan's pensions.

C. Risk Benefits

Art. 15 Insured benefits

1. The Foundation grants the following death and disability benefits:
   - surviving spouses' pensions payable at the death of an active or disabled member (Art. 17);
   - surviving partners' pensions payable at the death of an active or disabled member (Art. 18);
   - orphan's pension payable at the death of an active member or pensioner (Art. 19);
   - lump-sum death benefits in case of death of an active or disabled member (Art. 20);
   - disability pensions payable if an active member becomes disabled (Art. 21);
   - disabled members' child's pensions payable to the beneficiaries of a disability pension (Art. 22);
   - contribution waivers in case of incapacity for work (Art. 23).
2. Contribution waivers in case of incapacity for work and lump-sum death benefits are due in case of illness or accident. As regards other benefits, the benefits payable pursuant to the LAA/UVG are payable first; the Foundation provides supplementary benefits within the limits of Art. 29.
3. An accident is an event which falls within the scope of the LAA/UVG or LAM/MVG, regardless of whether it is an illness or an actual accident.
4. Illness is defined as an illness within the meaning of Art. 3, para. 1 LPGA/ATSG, that is any impairment of the member's physical, mental or psychological health

which is not the result of an accident and requires a medical examination or treatment, or which causes incapacity for work. Events which fall within the scope of the LAA/UVG or LAM/MVG are not considered as an illness.

5. A congenital defect is a condition suffered by the insured since birth.
6. Incapacity for work means an incapacity for work within the meaning of Art. 6 LPGA/ATSG, that is any full or partial loss by the member of the capacity to perform work which could reasonably be expected of him within the limits of his occupation or area of activity, provided such incapacity is the result of a physical, mental or psychological impairment. In case of long-term incapacity for work, the work which could reasonably be expected of the insured may also be work in another profession of area of activity.
7. Earning incapacity is deemed to be earning incapacity within the meaning of Art. 7 LPGA/ATSG, that is continuing full or partial loss of the ability to take up employment in the relevant job market, in the member's area of activity, due to impaired physical, mental or psychological health and in spite of reasonable treatment and rehabilitation. The consequences of the health impairment alone are taken into account to assess the earning incapacity. Furthermore, there is earning incapacity only if a person is not objectively able to overcome it.
8. Disability within the meaning of LAI/IVG is defined as a full or partial earning incapacity that is likely to be permanent or persist in the long-term. Insured members who are under 18 are considered to be disabled in the case of an impairment of their physical, mental or psychological health which is likely to cause full or partial earning incapacity. Adult members who were not engaged in gainful employment before becoming impaired in their physical, mental or psychological health, and who cannot be required to carry out gainful activity, are considered to be disabled if the impairment prevents them from carrying out their usual tasks. Only the consequences of the health impairment are taken into account to assess disability. Furthermore, there is only disability if the person is not objectively able to overcome it.
9. The amount of the death and disability benefits is specified in the pension plan. For persons who are not subject to the LAA/UVG, accident coverage may be included in all benefits provided it is specified in the pension plan.
10. The Foundation may require supporting documents or any information necessary to determine entitlement or the scope of benefits. It may, at any time, assess the entitlement to benefits and make the payment of benefits dependent on an official confirmation or life certificate.
11. If Switzerland is at war or if it is involved in warlike operations, the war clauses prescribed by FINMA for life insurance companies based in Switzerland, shall apply. Insurance for earning incapacity shall be terminated if the member takes part in a war or in warlike operations in which Switzerland is not involved. For earning incapacity insurance to be reinstated, it shall be necessary to establish a specific proposal.
    In the event of earning incapacity during or following a stay in a country at war or involved in warlike operations, without Switzerland being at war or being engaged in warlike operations, and that earning incapacity ensues, no benefits are payable by the Foundation. The Foundation will only pay benefits if is proved that the earning incapacity is not directly or indirectly linked to the war or hostilities described. However, the compulsory benefits under the LPP/BVG remain reserved.

Art. 16 Entitlement to survivor benefits

1. Survivor benefits are due if:
    a. the deceased was insured at the time of his death or when the incapacity for work, the cause of which led to his death, occurred; or
    b. as a result of a congenital disability, the deceased was suffering from an incapacity for work of between 20% and 40% at the start of gainful employment and was insured when the incapacity for work, the cause of which was death, worsened to reach at least 40%, or
    c. having become disabled before reaching the age of majority, the deceased was between 20% and 40% incapacitated for work at the start of gainful employment and was insured when the incapacity for work, the cause of which led to his death, worsened to reach at least 40%, or
    d. the deceased was receiving a disability pension from the Foundation at the time of his death.

    In the event of a death insured under letters (b) or (c) of this paragraph, the Foundation will pay no more than the minimum LPP/BVG benefits.
2. Suicide as well as a suicide attempt resulting in death are covered in principle. However, there is no coverage if the two following conditions are fulfilled cumulatively:
    a. the insured member was free to choose the coverage and its scope, and
    b. suicide occurred during the first three years of insurance or during the first three years from the time of increase of the insured benefits.

    This restriction applies only to the portion of insurance coverage which can be modified by the member.

Art. 17 Entitlement to a surviving spouse's pension

1. If a married active member or beneficiary of a disability pension dies, his spouse is entitled to a pension.

The surviving spouse may apply to receive the benefit in the form of a lump-sum capital in accordance with Art. 28, para. 4.

2. The surviving spouse's entitlement to a pension starts at the member's death but not before payment of a salary or a disability pension ends. The entitlement ceases when the surviving spouse dies.
   Remarriage shall be notified to the Foundation immediately. In case of remarriage before age 45, an allowance equal to three annual pension benefits will be paid. Benefits paid after the date of remarriage will be deducted proportionally from the allowance. The payment of this allowance extinguishes any other entitlement to benefits. In case of remarriage after age 45, the pension is paid out as long as the surviving spouse is alive.
3. The divorced spouse is entitled to a surviving spouse's minimum LPP/BVG pension if, upon death of the member, the following conditions are fulfilled cumulatively:
   a. the marriage lasted for at least 10 years;
   b. the divorced spouse is entitled to a pension pursuant to Art. 124e, para. 1 or Art. 126, para. 1 CC when the divorce takes place, or pursuant to Art. 34a, paras. 2 and 3 LPart/PartG in case of a registered partnership.

   Entitlement to survivor benefits will exist as long as the pension would have been due.
   The pension allocated to a divorced spouse may on no account exceed the surviving spouse's pension calculated in accordance with the LPP/BVG minimum provisions. The payment of a pension to a divorced spouse will not affect the entitlement of the legal surviving spouse to a pension. In addition, the surviving spouse's pension is reduced to the extent that, when combined with the pensions paid by other insurance schemes, in particular the AVS/AHV, AI/IV or LAA/UVG, it exceeds the amounts of the claims arising from the divorce decree.
   AVS/AHV surviving spouse's pensions are taken into account only if they exceed the divorced spouse's own entitlement to the AI/IV disability pension or the AVS/AHV retirement pension.
4. The pension may be reduced or withdrawn. If the surviving spouse is more than 10 years' younger than the deceased member, the current pension is reduced by 1% of the full pension per year, or fraction of year, exceeding 10 years. Moreover, if the member married after reaching the AVS/AHV reference age, the pension shall be reduced by 20% for each year or fraction of a year over that age limit. If the marriage took place more than four years after the AVS/AHV reference age, no spouse's pension is payable by the Foundation. If a member marries after reaching the AVS/AHV reference age and was suffering from a serious illness of which he should have been aware when he married, and which causes his death within two years of the marriage, no survivor's pension is due.
   The reductions only apply to the portion of the survivor's benefit that exceeds the minimum legal benefit.

Art. 18 Surviving partner's pension

1. If an active member, a member receiving a disability pension or a member receiving a retirement pension dies, his surviving partner shall be entitled to a pension if all of the requirements in para. 2 and 3 of this Article are satisfied.
2. An active member or a member receiving a disability pension is entitled to a surviving partner's pension if, at the member's death, the two partners
   - shared a common life and destiny similar to marriage and had cohabited for an uninterrupted period of at least five years immediately prior to the death, or were cohabiting and were responsible for the maintenance of one or more of the couple's children, and
   - were neither married nor related to each other, and
   - are not registered partners within the meaning of LPart/PartG.

   Persons already receiving a spouse's or partner's pension from a Swiss or foreign pension institution are excluded.
   If the member was receiving full retirement benefits from the Foundation, there is no entitlement to a partner's pension, except in cases where the above conditions have already been met and the common life has already been notified to the Foundation prior to the commencement of retirement benefits.
3. The Foundation must be notified in writing, dated and signed by both partners, before the death of the deceased, of the existence of a cohabitation giving rise to an entitlement to a partner's pension. Otherwise, there is no entitlement to a partner's pension.
   Only duly declared circumstances which are effective at the time of the death are authoritative. If the partnership based on a common life and destiny was dissolved before the death, no partner's pension is due.
   The Foundation may request that a partnership based on a common life and destiny be certified by additional official documents.
4. The surviving partner's entitlement to a pension starts on the month after the member's death but not before the payment of a salary or a disability pension ends. The entitlement to a partner's pension ends if the partner enters into a new partnership based on a common life and destiny, if he marries, if he enters a registered partnership or if he dies.
5. The surviving partner's pension is equal to the spouse's pension. If the same person is entitled to both a

divorced spouse's pension and a surviving partner's pension, the higher benefit is paid.

6. The partner's pension may be reduced or withdrawn in accordance with the provisions of Art. 17 para. 4, which apply by analogy.
   The surviving partner cannot ask for the benefit to be paid in the form of a lump-sum capital within the meaning of Art. 28, para. 4.
7. Only the last and duly declared partner is entitled to a partner's pension. Benefits cannot be paid to more than one partner at a time. There is no entitlement to a partner's pension if a member is survived by a spouse.

Art. 19 Orphan's pension

1. At the death of a member, an orphan's pension is paid to the beneficiaries determined in accordance with the applicable AVS/AHV provisions.
2. The entitlement to an orphan's pension begins at the time of the member's death but not before the payment of a salary, disability pension or a retirement pension ends.
3. Entitlement to a pension ceases as soon as the child turns 18, or at his death. If the child has reached 18 or is over the age of 18, entitlement to a pension shall continue:
   a. as long as the child is in training, but no later than his 25th birthday. If the latter also works in a main or significant professional activity, only the compulsory LPP/BVG benefits will be paid.
   b. as long as the child is at least 70% disabled, providing that the disability due to the same cause existed already before he reached age 18, but no later than his 25th birthday.
4. Since the pension of a child of a beneficiary of a retirement or disability pension is not affected by the sharing of occupational benefits, the orphan's pension is calculated in the same way.

Art. 20 Lump-sum death benefit

1. The Foundation shall pay the total retirement savings capital accrued at the death of the active or disabled member, less the capitalised value of the surviving spouse's or surviving partner's matured pension entitlements, to the following surviving beneficiaries, regardless of the law of succession:
   a. the surviving spouse; if there is none:
   b. the member's children entitled to an orphan's pension under Art. 19; if there are none:
   c. the physical persons who were significantly dependent on the member, or the person who shared a common life and destiny with the member for an uninterrupted period of at least five years immediately prior to the member's death, or who has to contribute to the maintenance of at least one of the couple's child; if there are none:
   d. the member's children who are not entitled to a lump-sum death benefit under (b); if there are none:
   e. the member's parents; if there are none:
   f. the member's brothers and sisters; if there are none:
   g. the other legal heirs, excluding public bodies, for a maximum of half of the retirement savings capital.

   If there are several beneficiaries in the same category, the lump-sum death benefit shall be distributed in equal shares, unless otherwise specified by the member for the beneficiaries referred to in letters (d) to (g).
   If there are no beneficiaries in accordance with letters (a) and (c) above and if there are beneficiaries in accordance with letters (b) and (d), the lump-sum benefit is divided equally between them, unless otherwise specified by the insured member.
   If there are no beneficiaries under letters (a) to (c) above, the member may designate one or more specific beneficiaries in one or more of the categories mentioned under letters (d) to (f) above, as well as define the distribution of the lump-sum benefit among these beneficiaries. If there are no beneficiaries under letters (a) to (f) above, the member may designate one or more specific beneficiaries mentioned under letter (g) above, as well as define the distribution of the lump-sum benefit among these beneficiaries.
   It is not possible to designate other beneficiaries than those mentioned under letters (a) to (g) above. In the event of several beneficiaries designated by the member and unless the latter indicates otherwise, the lump-sum shall be distributed equally among the designated beneficiaries.
   The designation of beneficiaries must have been notified to the Foundation in writing before the death of the insured member, dated and signed, and duly authenticated. The member may change or cancel his designation at any time by the same procedure, any new designation cancelling the previous one in full. Designations which do not comply with all the above terms and conditions shall be considered null and void in their entirety.
2. Beneficiaries within the meaning of letter (c) are required to contact the Foundation within 30 days following the death. Otherwise, they shall not be granted any entitlement to the lump-sum death benefit.
3. If there is no beneficiary, the lump-sum death benefit is acquired by the insured member's entity and used to achieve the pension plan objective.
4. The Foundation may exclude benefits if the beneficiary intentionally caused the death of the insured member.
   The benefit made available is granted to the next beneficiaries in the order set out in para. 1 of this Article.
5. If the pension plan provides for an additional lump-sum benefit in case of death, the order of entitlement of beneficiaries is defined by paragraph 1.
6. The pension plan may contain other provisions.

Art. 21 Entitlement to disability benefits

1. Are entitled to disability benefits, members who:
   a. are at least 40% disabled as defined by the AI/IV, provided that they were insured with the Foundation at the onset of the incapacity for work, the cause of which led to their disability, unless otherwise stipulated in the pension plan; or
   b. as a result of a congenital disease, had an incapacity for work of at least 20% but no more than 40% when they started gainful employment and became a member of the Foundation, and were insured with the Foundation on the date when the incapacity for work, the cause of which led to their disability, increased to reach at least 40%; or
   c. became disabled before coming of age and had an incapacity for work of not less than 20% and not more than 40% when they started gainful employment, provided they were insured with the Foundation on the date when the incapacity for work, the cause of which led to their disability, increased to reach at least 40%.

   When the disability is insured under letters (b) or (c) (disability as a result of a congenital disease and under-age disabled persons), the Foundation shall only pay the statutory LPP/BVG benefits.
2. Unless otherwise stipulated in the pension plan, the insured is entitled to:
   a. full disability benefits if he is at least 70% disabled; however, if the incapacity for work which led to the disability started in 2005 or 2006, the insured member shall be entitled to full disability benefits if he is at least 66 2/3 % disabled;
   b. disability benefits in the proportion defined in accordance with the LAI/IVG based on the degree of disability associated with the professional activity insured by the Foundation if he is at least 40% disabled, but less than 70%;
   c. no benefits if the degree of disability is less than 40%.
3. The Foundation establishes the degree of disability in accordance with the principles of the AI/IV. The Foundation pays benefits in the proportion corresponding to the degree of disability decided by the AI/IV in the AI/IV decision that has come into force, unless the decision is clearly unsustainable. In addition, in accordance with Art. 52 of the LPGA/ATSG, the Foundation reserves the right to appeal against a decision by the AI/IV. The retirement savings capital is divided into an active portion and a disability portion, depending on the degree of disability.
4. Entitlement to disability benefits begins on the same day as entitlement to an AI/IV pension but not before the end of the waiting period defined in the pension plan. However, benefits are not paid as long as daily allowance benefits, or a salary are due.

   If the agreed waiting period is 12 months and the AI/IV pays a pension before the waiting period expires, the statutory minimum benefits are paid from the date on which the entitlement to the AI/IV pension arises.

   If the agreed waiting period is 24 months and, in the event of invalidity due to illness, daily benefits are not paid for the full 24 months, the statutory minimum benefits are paid from the date on which the entitlement to daily benefits lapses, but not before the date on which the entitlement to an AI/IV pension arises.

   Payment of disability benefits is deferred until expiry of the entitlement to daily allowance benefits if, instead of a full salary, the member is receiving daily allowance benefits from the health insurance equal to at least 80% of the salary no longer received and that these benefits are funded for at least half by the employer. If a member's incapacity for work or earning incapacity is interrupted, the total duration of the incapacity for work arising from the same cause will be taken into account in calculating the waiting period. If the incapacity for work or earning capacity has been interrupted continuously for more than six months, the waiting period will start running again. The conditions for suspension are met if the incapacity for work or earning capacity is less than 20%.

   As soon as the Foundation is aware of the AI/IV's decision to provisionally suspend payment of the disability pension, it will also provisionally suspend payment. If the member is sentenced to a custodial sentence, payment of the disability pension will be suspended until the end of the sentence, in accordance with the principles of the AI/IV. If the member avoids serving such a sentence, payment of benefits is suspended from the time when the sentence should have been served.

   Entitlement to benefits ends if the degree of earning incapacity falls below the minimum rate according to the scale of earning incapacity set out in para. 2, when the member dies, or when the member reaches the regulatory retirement age. Benefits paid out after that date must be reimbursed.
5. If the AI/IV pension is reduced or cancelled following a reduction in the degree of disability, the member remains insured during three years at the same conditions with the pension fund liable to pay benefits, providing that before the pension was reduced or cancelled, the member took part in new rehabilitation measures within the meaning of Art. 8a LAI/IVG, or that his pension was reduced or cancelled because he returned to work or increased his degree of employment.

   The pension coverage and entitlement to benefits shall also continue as long as the member is entitled to a temporary benefit within the meaning of Art. 32 LAI/IVG.

During the continuation of insurance and entitlement to benefits, the pension fund may reduce the disability benefits proportionally to the reduction in the member's degree of disability, providing that the reduction is compensated by additional income from the member. The persons concerned are deemed to be disabled within the meaning of these regulations.

6. Benefits will be denied or reduced temporarily or definitively if the member evades, opposes or does not take part spontaneously in, within the limits of what could be reasonably required of him, a treatment or reasonable measures for occupational rehabilitation designed to significantly improve his capacity for work or provide him with new possibilities for gainful employment.
7. Any change in the degree of disability shall be immediately notified to the Foundation. If need be, the amount of the disability benefits will be adjusted to the new degree of disability, in accordance with para. 2. The Foundation has the right, at all times, to have the degree of disability verified at its expense. It may ask for any excess benefits to be paid back to the Foundation and for any missing premiums to be paid.
   If, during the insurance term, the degree of a member's disability increases for the same reason as that which led to the initial disability, benefits will immediately be adjusted to the new degree of disability. If the cause is different, the increase in benefits will be paid after a new waiting period and based on the coverage in force at the time of the increase in the degree of disability.
8. Relapse is equivalent to a new earning incapacity due to the same cause.
   Relapse is deemed as a new event with a new waiting period if the return to full earning capacity has lasted for more than six months without interruption. If the member has a relapse earlier and benefits have already expired, benefits will be paid without a new waiting period. If no benefits have already expired, the days during which the member was unable to work due to the same cause will be taken into account to determine the end of the waiting period.
9. After a payment made in connection with a divorce, the disability pension may be reduced if the retirement savings capital accumulated up to the date of entitlement to the pension has an influence on the calculation of the pension in accordance with the pension plan. The disability pension may be reduced by no more than the amount by which it would be reduced if it were calculated based on the retirement savings capital less the transferred part of the termination benefit. However, the reduction in the disability pension paid up to that date cannot exceed, proportionally, the ratio between the transferred portion of the termination benefit and the full termination benefit. Entitlement to a disabled member's child's pension that existed at the beginning of the divorce proceedings will not be affected.
   The reduction is calculated based on the legal provisions used to calculate the disability pension. The decisive date for calculating the reduction is the date of the beginning of the divorce proceedings.

Art. 22 Disabled member's child's pension

1. The beneficiary of a disability pension is entitled to a child's pension for each child who would be entitled to an orphan's pension at his death. For disabled members, the child's pension is determined in accordance with the rules for disability pensions.
2. Entitlement to a disabled member's child's pension that existed before the divorce proceedings is not affected by the sharing of occupational provisions.

Art. 23 Contribution waivers

1. If a member is unable to work as a result of illness or accident, the employer's contribution and the member's contribution under Art. 39 cease to be due from the end of the waiting period defined in the pension plan. In the case of a partial incapacity for work, the contributions are reduced in accordance with Art. 21, para. 2.
2. During periods of incapacity for work, and proportionally to the degree of disability, retirement credits will continue to be paid based on the last pensionable salary.
3. Entitlement to a contribution waiver terminates when:
   - the AI/IV denies the entitlement to benefits or cancels the pension entitlement,
   - when the incapacity for work is less than 40%, unless otherwise stipulated in the pension plan, or
   - when the member dies, but at the latest when he reaches full retirement age.
4. If the incapacity for work is not notified to the AI/IV within six months from the time of its occurrence, the Foundation has the right to end the contribution waivers. In this case, the contribution waivers are limited to a maximum of 12 months.

D. Lifetime Pension in the event of Divorce or Dissolution of a Registered Partnership

Art. 24 Payment of a lifetime pension

1. If, at the time of the divorce proceedings, a member is receiving a retirement pension and is required to share the occupational provisions under the divorce decree,

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the Foundation will pay the creditor spouse, or transfer to the pension fund of the latter, the portion of the pension allocated by the judge and converted into a lifetime pension. The mandatory LPP/BVG portion and the supplemental portion are reduced proportionally.
2. Children's pensions that are in payment when divorce proceedings are initiated, as well as any orphan's pensions that replace them, will not be reduced Pensioner's children's pensions and future survivors' benefits are calculated based on the reduced retirement pension.
3. If the creditor spouse has reached the AVS/AHV reference age, the lifetime pension will be paid to him directly. He can require that the pension be paid to his pension fund if he is still able to make voluntary contributions in accordance with the pension fund regulations of the said fund. If the creditor spouse is entitled to a full disability pension, or if he has reached the minimum legal age for early retirement, he can require that the lifetime pension be paid to him directly.
4. If the creditor spouse does not provide the Foundation with the details of his pension fund or vested benefits institution, the Foundation shall transfer the amount to the Substitute Pension Plan, at the earliest six months, and at the latest two years, after the transfer is due.
5. Instead of the lifetime pension, the creditor spouse and the Foundation can agree to a transfer in the form of a lump-sum capital. To do so, the Foundation must receive a written request from the creditor spouse before the first pension is paid. A lump-sum payment brings an end to any other claims from the creditor spouse towards the Foundation.
6. For the transfer of a lifetime pension by the Foundation, the provisions of Art. 33, para. 2 will apply by analogy. If a lifetime pension is transferred to the Foundation, the transfer shall be treated in the same way as a vested benefits contribution. Art. 33, para. 4 remains reserved. The related information from the pension fund or vested benefits institution transferring the pension is decisive.

E. Vested Termination Benefits

Art. 25 Vested termination

1. A member departs from the Foundation when he no longer meets the conditions for admission and no insured event has occurred or is pending, particularly when a member's employment contract is terminated.
2. The retirement savings capital accumulated by the outgoing member is used as a vested termination benefit, in accordance with the legal provisions.
3. Pursuant to Art. 15 LFLP/FZG, the vested termination benefit is equal to the retirement savings capital accrued up to the time of departure, calculated in accordance with Art. 10 of these regulations.
4. The vested termination benefit is at least equal to the higher of the amount calculated in accordance with Art. 17 LFLP/FZG or the accrued retirement savings capital under the LPP/BVG.
5. Art. 17 LFLP/FZG provides that the vested termination benefit must be at least equal to the sum of:
   a. the vested termination benefits transferred from prior pension plans, plus any voluntary contributions, with interest;
   b. total savings contributions, with LPP/BVG minimum interest;
   c. an additional amount based on the contributions in letter (b) equal to 4% per year over age 20 up to a maximum of 100%. The reference age for calculating the additional amount is equal to the difference between the calendar year and the year of the member's birth.

   If, during the term of an overdraft, the retirement savings capital is remunerated at a rate lower than the minimum LPP/BVG rate, the rate at which the retirement savings capital is remunerated is the determining rate for calculating the minimum amount in accordance with Art. 17 LFLP/FZG.
6. If a member leaves the Foundation before reaching the regulatory retirement age but after he reaches the early retirement age, he shall be entitled to a vested termination benefit with a view to his further gainful employment or in view of an application to unemployment insurance, provided he does not apply to receive his retirement benefit.

Art. 26 Transfer of vested termination benefits

1. Vested termination benefits must continue to be used for the outgoing member's retirement, disability and survivors' pension plan. Therefore, the vested termination benefit will be transferred to the pension fund of the member's new employer in accordance with the member's instructions. When the Foundation pays out vested termination benefits, it is released from the obligation to pay retirement benefits.

   If, after having paid out vested termination benefits, the Foundation is subsequently required to pay disability or survivor's benefits, the benefits will have to be repaid to the Foundation since the repayment will be necessary for granting the payment of disability or survivor's benefits. Failing repayment, the Foundation may reduce disability or survivor's benefits.
2. If the vested termination benefit cannot be transferred to the new employer's pension fund, the outgoing member must inform the Foundation, before the end of his employment, in which form the benefits are to be maintained (blocked vested benefit account or policy). In accordance with Art. 12 OLP/FZG, the vested termination benefit may be transferred to a maximum of two vested benefits institutions.

Failing such instructions, the Foundation shall pay the vested termination benefit to the Substitute Pension Plan, at the earliest six months and at the latest two years after the member's departure, in accordance with Art. 4 LFLP/FZG.

3. The vested termination benefit is paid in cash to the outgoing member at his express request if:
   a. he leaves Switzerland or Liechtenstein permanently. Members who continue to be subject to compulsory retirement, death and disability insurance under the laws of a Member State of the EU or of EFTA, may not request the payment in cash of their accrued retirement savings capital, within the meaning of Art. 15 LPP/BVG;
   b. he becomes self-employed and is no longer subject to compulsory occupational pension insurance;
   c. the termination benefit is less than the member's annual contribution.

   If the member is married, the cash payment may only be made with the spouse's written consent. The Foundation may ask to have the spouse's signature certified at the member's expense.
   For a cash payment, the member shall produce the requisite proof.
   The deduction of a withholding tax remains reserved.
4. The vested termination benefit is due when the member leaves the Foundation. It earns interest from that date. If the Foundation does not transfer the vested termination benefit within 30 days of receiving the necessary information for the transfer, default interest shall accrue from that time. The default interest rate is 1% higher than the LPP/BVG interest rate (Art. 7 OLP/FZG).
5. The secured creditor's prior written consent is required for a cash payment of pledged benefits. In other cases, the creditors are notified of the transfer.

Art. 27 Extension of risk coverage

The Foundation maintains an outgoing member's death and disability coverage, without any special premium, until he starts employment with a new employer, but no longer than one month after employment ends. If, during this time, a benefit becomes payable, any amounts already paid will have to be repaid or set off against the benefits due.

F. General Provisions on Benefits

Art. 28 Payment of benefits

1. Benefits will be paid within four weeks after the Foundation has been able to verify, based on the information received that the claim is well-founded.
   The Foundation may request at any time that the beneficiary provide proof of entitlement to benefits. If this is not provided, the Foundation will terminate the payment of benefits in accordance with the provisions of Art. 2 para. 4.
   As a rule, pensions are payable monthly. The first pension is paid from the date of the pension entitlement until the end of the current payment period. The last monthly pension is due for the month in which the pension entitlement expires.
2. Members who retire may apply to receive their benefits in the form of lump-sum capital instead of a pension. The provisions of Art. 8 para.12 and Art. 44 para. 6 are expressly reserved.
   However, the member must submit a written request to the Foundation no later than one month before the benefit becomes due. The entity's technical appendix may specify a different deadline. If a member does not submit his request by the deadline, the Foundation is not obliged to pay a lump-sum capital.
   If only a portion of the retirement benefit is paid in the form of lump-sum capital, the retirement pension shall be calculated based on the remaining balance of the retirement savings capital, less the minimum LPP/BVG portion and the supplemental portion in the same proportion as for the retirement savings capital. The lump-sum portion of the retirement benefit is deducted in priority from the purchases made by the member.
   The portion of the retirement benefit paid out in the form of lump-sum capital does not give entitlement to any surviving spouse's or children's benefits.
   Payment of all or a portion of the retirement benefit in the form of lump-sum capital is subject to the written consent of the member's spouse. The Foundation may request certification at the member's expense.
   The deduction of a withholding tax remains reserved.
3. Deviating from para. 2 above and unless otherwise stipulated in the technical appendix, the beneficiary of a full disability pension, or a member whose disability claim is pending, is not entitled to draw retirement benefits in the form of lump sum capital when he reaches retirement age. The retirement savings capital resulting from the residual earning capacity of a partially disabled member, as well as purchases that have not contributed to the financing of a disability pension, may be paid out in the form of a retirement savings capital at the member's request, with the written consent of the spouse.
4. Surviving spouses entitled to a pension may apply to receive their benefits in the form of lump-sum capital instead of a pension. In that case, the surviving spouse must apply in writing to the Foundation before the first pension payment is made.
   If benefits have been pledged in connection with the measures encouraging home ownership, the mortgagee's written consent is mandatory.
   For surviving spouses having reached age 45 at the member's death, the lump-sum capital paid in lieu of a pension is equal to the current value of the pension. For

surviving spouses under 45, the current value of the pension is reduced by 3% for each full year or portion of year before age 45. The lump-sum capital is equivalent to at least four annual pensions.

5. If the Foundation is obliged to advance payment of benefits by virtue of binding legal prescriptions, it shall only pay the minimum LPP/BVG benefits.
6. The Foundation's benefits are paid to the beneficiaries on their bank account and at the address communicated to the Foundation, in Switzerland or in an EU/EFTA Member State. If a beneficiary lives abroad, in a non-EU/EFTA Member State, the place of performance is the Foundation's registered office. Benefits are paid in Swiss Francs.
7. The Foundation pays a lump-sum capital benefit in lieu of a pension if the pension is less than 10% of the minimum AVS/AHV retirement pension, or 6% in the case of a surviving spouse's pension, or 2% in the case of a child's pension.
8. If the Foundation is in default, interest on arrears equal to the minimum LPP/BVG interest rate is payable in accordance with Art. 105 of the Swiss Code of Obligations (CO).

Art. 29 Relationship with other insurances

1. Principles
   a. The benefits contemplated in these regulations are supplemental to those of other social or occupational insurances financed by the sole employer or by the employer and the employee. The accumulation of such benefits must not, however, afford the beneficiary an unjustified advantage.
   b. An unjustified advantage exists if the total benefits due under these regulations combined with other income exceed 90% of the yearly income of which the member is deprived.
   Income and benefits entering into account comprise any benefits of a comparable type and purpose allocated to a beneficiary as a result of the insured event, such as:
      - allowances, pensions or lump-sum benefits converted into pensions from Swiss or foreign social insurance and pension funds, or other insurance schemes if they were funded for at least half by the employer, with the exception of invalidity allowance, personal injury allowance and other similar benefits;
      - the income earned by a disabled person or the replacement income, as well as that which he could still earn from work that could reasonably be required of him;
      - the income of the surviving spouse and orphans are added together. Benefits in the form of an additional lump-sum capital in case of death are not taken into account in the calculation;
      - benefits from a third party responsible for the claim, or its insurer;
      - benefits from vested benefits institutions.

   The additional income received by the member during his participation in new rehabilitation measures according to Art. 8a LAI/IVG is not taken into account.
   c. Beneficiaries are required to inform the Foundation of all their insurance benefits and income and of any fact or decision that could affect their entitlement to benefits.
   d. If the Foundation is required to advance benefits pursuant to legal provisions, only the statutory minimum benefits in accordance with the LPP/BVG are payable.
   e. If the Foundation is informed that the supplementary benefits agency has settled a claim against the member, the Foundation cannot release itself by paying the benefit to the member.
   f. If disability or death is caused by active participation by the member in war or hostilities in the nature of war operations or in a riot, without Switzerland itself being at war or engaged in hostilities of that nature, benefits are excluded; only the statutory minimum benefits under the LPP/BVG remain reserved.
   g. Benefits that are not paid to beneficiaries within the meaning of these regulations revert to the member's entity and are allocated to the purpose of the pension plan.
2. Coordination with the accident insurance and federal military insurance
   If, at the occurrence of an insured event, the accident insurance or federal military insurance are required to intervene, the Foundation will reduce its disability and death benefits. Combined with other income, those benefits may not exceed the limit stipulated in letter (b) of paragraph 1, and cannot in any event exceed the minimum LPP/BVG benefits. If there are several simultaneous claim causes, benefits will be paid proportionally to the claim causes.
   Notwithstanding, on no account shall the Foundation pay benefits which are designed to compensate a decision of the accident or military insurance reducing or denying benefits on the ground, for example, that the insured event was caused through gross negligence of the disabled or deceased member.
3. Reduction by the AVS/AI//AHV/IV
   If the AVS/AI//AHV/IV reduces, withdraws, or denies benefits on the grounds that the death or disability of a member was caused through gross negligence of the beneficiary, or if the member refuses rehabilitation measures imposed by the AI/IV, the Foundation may reduce its benefits proportionally.

Art. 30 Cost-of-living adjustment

1. Disability and survivors' pensions are adjusted to the cost of living up to the AVS/AHV reference retirement age in accordance with the provisions of the Federal Council. The adjustment is based on the minimum LPP/BVG provisions.
2. Current retirement pensions, surviving spouses' pensions paid to beneficiaries who are over the AVS/AHV reference retirement age, and the portion of other pensions exceeding the minimum legal amount may be adjusted within the limits of the Foundation's available financial resources. The pension fund committee is responsible for setting the level of the adjustment, subject to approval by the Foundation Board. Adjustments are decided once a year and are commented on in the Foundation's annual report.

Art. 31 Assignment, pledge, compensation and subrogation

1. Subject to Art. 32 and 33 of these regulations, entitlement to a benefit may not be pledged or assigned before it becomes due.
2. Entitlement to benefits may not be offset against claims of the employer against a member or beneficiaries of pensions, assigned to the Foundation, with the exception of contributions due by the member and not deducted from salary.
3. In accordance with Art. 34b LPP/BVG and Art. 27 and seq. OPP2/BVV2, the Foundation is subrogated to the rights of the insured member, his survivors and any other beneficiaries provided for by these regulations, against any liable third parties, up to the amount of the minimum LPP/BVG benefits as soon as the insured event occurs.
4. Persons entitled to disability or survivor's benefits above the legal minimum must assign their claims against liable third parties to the Foundation, up to the amount of the benefit due by the Foundation.

Art. 32 Pledging and early withdrawal

1. Up to three years prior to the regulatory retirement age, an active member may pledge his entitlement to benefits or apply to withdraw in advance his vested termination benefit to finance the purchase of his own home within the limits prescribed by law.
2. The use of pension assets for the encouragement of home ownership is regulated by the relevant legislation and the implementing regulations enacted by the Foundation Board.
3. If a member makes an early withdrawal, the insured benefits are reduced commensurately with the amount withdrawn. A member may maintain his existing death and disability coverage by paying a risk premium to an insurance company.
4. The insured member may repay the amount withdrawn. Such a repayment is treated as a vested benefits contribution.
   Repayments for early withdrawals made within the home ownership incentive scheme are credited in the same proportion as the early withdrawal, in accordance with Art. 10. If it is no longer possible to determine the LPP/BVG portion commensurately with the amount withdrawn, the amount repaid will be allocated to the LPP/BVG retirement savings capital and to the non-compulsory portion of the assets taking into account the ratio between these two assets prior to the repayment.
   Repayment is permitted until the entitlement to retirement benefits, or until the occurrence of another insured event, or until the vested termination benefit is paid out in cash.
5. The amount of the early withdrawal is deducted from the retirement savings capital; both the compulsory LPP/BVG benefits and the supplemental benefits are reduced in the same proportion as the early withdrawal in relation to the total retirement savings capital.
6. If the member is married, the written consent of the spouse is required for any early withdrawal or pledge.
7. The Foundation will notify the Federal Tax Administration of the early withdrawal or realisation of the pledge and of any repayments made.
   The Foundation shall request that a restriction on the right to dispose of the residential property be entered in the Land Register.
8. Fees, taxes and other costs payable to third parties in connection with an early withdrawal or pledge are payable by the insured member.
9. If the member acquires participations using the early withdrawal, he must deposit them with the Foundation.
10. For any early withdrawal or pledge, the Foundation may levy a contribution from the member.

Art. 33 Divorce or dissolution of a registered partnership

1. In the event of a divorce within the meaning of the Swiss Civil Code or the legal dissolution of a registered partnership in accordance with the LPart/PartG, the vested termination benefits (termination benefits) acquired by the former spouses during the marriage and up to the time the divorce proceedings are initiated may be divided. The divorce decree specifies the amount payable and the allocation of the vested termination benefits to be transferred. Only final and enforceable rulings issued by Swiss courts are enforceable.
2. The vested termination benefit to be transferred is deducted from the member's retirement savings capital. The LPP/BVG portion and the supplemental

benefits will be reduced by the same proportion as the vested termination benefits bear to the total accrued retirement savings capital.
If the vested termination benefit to be transferred is affected by a pledged amount, the pledgee's written consent is required.

3. The active or disabled debtor spouse may redeem the transferred vested termination benefit. The amounts paid are allocated to the LPP/BVG portion and supplemental benefits in the same proportion as when the withdrawal was made. In this case, the regulatory purchase restrictions do not apply up to the amount transferred as part of the divorce. On the other hand, retirees cannot repurchase benefits lost as a result of a divorce by means of a personal repurchase.
4. When vested termination benefits are transferred to a creditor spouse who is insured with the Foundation, the LPP/BVG and supplemental benefits are allocated in the same proportion as when the amounts were withdrawn from the pension fund of the debtor spouse.
5. If, in accordance with para. 1, a portion of the hypothetical termination benefit according to Art. 124 CC of a beneficiary of a disability pension is transferred, paras. 2 and 4 apply by analogy. The regulatory purchase restrictions do not apply up to the amount transferred as part of the divorce.
If the disability pension of a member was reduced because the conjunction of such a benefit with accident or military insurance, the hypothetical termination benefit cannot be taken into account when dividing the occupational benefits in the event of divorce taking place before retirement age. However, the amount can be used in the sharing of benefits if the disability benefit was not reduced in the absence of child pensions.
6. If the debtor spouse claims his right to retirement benefits during the divorce proceedings, the Foundation has the right to reduce the termination benefits to be shared, as well as the retirement benefit. The reduction shall not exceed the amount which would have been deducted from the benefits up until the entry into force of the divorce decree, if the calculation were based on the retirement benefit less the transferred portion of the departure benefit. If only a portion of the retirement benefit is paid in the form of lump-sum capital, the retirement pension shall be calculated based on the remaining balance of the retirement savings capital. The amount equal to the reduction will be shared equally between the two spouses.
7. If the debtor spouse is receiving a disability pension and has reached retirement age during the divorce proceedings, the Foundation has the right to reduce the hypothetical departure benefit to be shared, as well as the retirement benefit. The reduction will correspond to the maximum of the amount which would have been deducted from the benefits until the entry into force of the divorce decree if the calculation has been based on the benefit less the transferred portion of the departure benefit. The amount equal to the reduction will be shared equally between the two spouses.
8. The case of an active member who is partially disabled is treated by analogy. The provisions of the divorce decree shall apply to the sharing of the pension assets. In the absence of such provisions, the amount resulting from the sharing of the pension assets is deducted first from the insured member's active portion.
9. The retirement benefit is adjusted as from the entry into force of the divorce decree taking into account the retirement savings capital that existed before the sharing of the occupational benefits.

Art. 34 Statute of limitations

Debt collection proceedings involving contributions or periodic benefits become statute-barred after five years, those involving other claims after 10 years. Art. 129 to 142 of the Swiss Code of Obligations (CO) are applicable.

Art. 35 Repayment of benefits unduly received

Benefits unduly received must be repaid. Benefits may be offset against outstanding claims. The right to claim restitution expires three years after the Foundation becomes aware of the fact but no later than five years after the benefit was paid. If the claim arises from a punishable act which is subject to a longer prescription period under criminal law, that period is decisive.

G. Security Fund

Art. 36 Membership

The Foundation is a member of the Federal Security Fund.

Art. 37 Contribution

The Foundation pays to the Security Fund the contribution set by the Federal Council.

Art. 38 Security Fund subsidies

Any subsidies from the Security Fund shall be used in accordance with the relevant legislation and guidelines put forward by the pension fund committees and approved by the Foundation Board.

H. Funding

Art. 39 Nature of contributions

1. Retirement and risk benefits are financed by contributions from insured members and employers.

2. The composition and distribution of the contributions to be paid by the insured member and the employer are defined in the pension plan.
3. Pensions may be adjusted in line with inflation and contributions to the Security Fund may be financed by a premium.
4. The amounts and application of administrative costs are set out in the regulations for administrative fees issued by the Foundation Board.

Art. 40 Start and end of the contribution obligation

1. The obligation to pay contributions begins at the same time as the employment relationship. The premium for risk benefits and expenses is payable from the date a member joins the Foundation, but not before 1 January following the employee's 17th birthday. The other contributions are payable from the date of admission, but not before 1 January following the employee's 24th birthday, unless otherwise stipulated in the pension plan. Contributions are calculated and due to the day.
2. The obligation to pay contributions ends
   - when the pension relationship ends;
   - when the insured member reaches retirement age;
   - when the member fulfils the conditions for contribution waiver set out in Art. 23;
   - at the end of the month coinciding with the member's death.

   The provisions of Art. 11 para. 5 and Art. 8 para. 12 remain reserved.
3. During maternity leave, paternity leave, adoption, military service, civil defence service or any other similar circumstances, contributions remain payable in full.
4. In case of a partial earning incapacity, the contribution is due on the portion of the pensionable salary which corresponds to the residual activity.

Art. 41 Distribution of contributions

1. The employer pays at least one half of the total contribution. Contributions relating to the continuation of retirement benefits from the insured's 58th birthday in accordance with Art. 8 para. 11 are not included in the calculation of contribution parity.
2. The employer deducts the members' contributions from their salaries or daily allowances and adds them to the contributions paid by the employer to the Foundation.
3. The employer may make payments to improve its employees' occupational benefits, applying objective criteria for the distribution of such payments.

Art. 42 Reserve for future employer contributions

Employers may set up a reserve by making advance payments to the Foundation. Contributions due from the employer may be deducted from this reserve. The contribution reserve must be accounted for separately; it may not be used for any other purpose without the employer's authorisation. The remuneration of this reserve is approved by the Foundation Board, on the recommendation of the entity's pension fund committee, and may not exceed the remuneration of the insured members' retirement savings.

Art. 43 Payment of contributions

1. Contributions are payable in advance. The Foundation shall lay down the provisions governing the method of payment.
2. In the event of late payment of contributions, costs and interest on arrears will be charged. If contributions have not been paid within three months of the annual due date, the Foundation will inform the administrative committee.
3. In case of significant delay and after sending the usual reminders, the Foundation shall initiate legal proceedings against the employer. It may suspend insurance coverage or exclude the employer; in both cases the Substitute Pension Plan, responsible for overseeing membership, will be informed.

Art. 44 Purchases

1. Individual members may purchase missing regulatory benefits, including an AVS/AHV bridging pension if provided for in the pension plan, up until the occurrence of an insured event.

   However, the total amount of the purchases may not result in a retirement savings capital higher than that which would have been obtained by making contributions from the age at which retirement contributions began, as set out in the pension plan, based on the last pensionable salary. The maximum amount of the purchase is determined by the difference between the retirement savings capital actually acquired on the date of calculation and that calculated by the Foundation based on the member's exact age and personal details, and a maximum interest rate of 2%. In accordance with Art. 60a OPP2/BVV2, 3a pillar pension assets must be deducted from the maximum amount. Any vested termination benefits held with other pension institutions shall also be deducted.

   Once the member has reached retirement age, the maximum amount of the regulatory purchase is determined by the difference between the retirement savings capital actually accrued at the date of calculation and the retirement savings capital which would have accrued at retirement age, taking into account a full contribution period, the salary and the pension scheme in force at retirement age. In the event of partial retirement, the amount of the regulatory purchase is determined in proportion to the part of the working life that is still active.

For persons arriving from abroad who have never been affiliated to a pension fund in Switzerland, Art. 60b OPP2/BVV2 is applicable. No purchase can be made following a payment linked to a partial retirement, except for purchases following a divorce, according to Art. 33.

Members interested in making a purchase must submit a request to the Foundation, which has sole authority to determine the exact amount. The purchase must be used first and foremost to close any pension gaps resulting from a divorce. The member is required to provide the Foundation with all necessary information for calculating this amount. The member is responsible for checking with the relevant tax authorities whether he is entitled to any tax deductions. The Foundation cannot accept any liability.

Regulatory benefit purchases are allocated to supplemental non-compulsory benefits. If they are managed separately, they are paid as a lump sum to the beneficiaries in the event of death in accordance with Art. 20.

2. The employer may contribute financially to the purchase of regulatory benefits that are lacking.
3. Once all regulatory benefits have been purchased, the member and the employer may make additional purchases to partially or fully compensate for any reductions that may occur in the event of early retirement. The retirement savings capital resulting from such a purchase is allocated to supplemental non-compulsory benefits; it is separately managed and is not taken into account for the calculation of disability and survivors' pensions. In the event of a request for access to home ownership, the amount will be deducted primarily from these additional purchases.

   If the insured member chooses not to take early retirement, the regulatory benefit target may not be exceeded by more than 5%. If it is exceeded, the savings contributions of the member and the employer may be reduced or suspended before retirement. At maturity, any retirement savings capital in excess of the 5% limit is allocated to the entity's uncommitted funds and used for pension purposes. After the payment of partial early retirement benefits or in the event of an extension of retirement benefits, no new additional purchases may be made, with the exception of purchases made following a divorce.
4. Members who made an early withdrawal for home ownership must repay the amount paid before they can make a purchase. The only exceptions are members who are no longer authorised to repay the aforementioned withdrawal, provided that the total of the purchases combined with the early withdrawals do not exceed the maximum regulatory benefits, as well as the purchases made following a divorce.
5. Purchases bear interest at the rates specified in Art. 10 and approved by the Foundation Board, on the recommendation of the entity's pension fund committee, from the day the payment is received by the Foundation.
6. If purchases have been made, the vested termination benefit or retirement benefit resulting from such purchases cannot be paid out in cash during the three years following the date of purchase.

Art. 45 Assets of affiliated entities

The assets of the entities must include, as tied assets, the retirement savings of all active insured members, the actuarial value of all pensions in payment which are not reinsured with an insurance company, the employers' uncommitted funds, the employer's contribution reserves, the technical provisions necessary for the entity's long-term survival and the value fluctuation reserve. Anything in excess of the tied assets constitutes the entity's uncommitted funds, the use of which is subject to an annual decision by the Foundation Board, on the recommendation of the pension fund committee.

Art. 46 Surplus sharing

The distribution of surpluses from insurance contracts between the Foundation and insurance companies is subject to a decision by the pension fund committees, in accordance with Art. 68a LPP/BVG, which is communicated to the Foundation.

H. Final Provisions

Art. 47 Gaps in the regulations

Any cases not expressly provided for in these regulations shall be settled by the Foundation Board. In so doing, it shall comply with the legal framework and the guidelines issued by the supervisory authority.

Art. 48 Measures in the event of underfunding

1. Entities must at all times provide a guarantee that they are able to meet their obligations under these regulations. There is an underfunding of an entity when the pension liabilities, valued in accordance with the principles set out in the regulation on actuarial liabilities on the balance sheet key date, are not covered by the available pension assets. In this case, the coverage ratio defined in accordance with Art. 44 OPP2/BVV2 is

less than 100%. If an underfunding occurs, the entity's pension fund committee will take remedial measures to eliminate it, with the approval of the Foundation Board and following the recommendations of the Foundation's expert.

2. The measures must be commensurate with the underfunding, be likely to eliminate it, comply with the principle of proportionality and form part of a balanced overall concept.
3. During the underfunding period, the pension fund committee can choose to limit in time, reduce or deny pledging or an early withdrawal made within the framework of encouragement of home ownership.
   Members subject to such a limitation or refusal will be informed by the Foundation of the scope and duration of the measure.
4. During the underfunding period, the pension fund committee can decide to adjust the parameters that exceed the minimum legal benefits, such as the interest rates on retirement savings capital, pursuant to Art. 10, or the conversion rate for retirement pensions, pursuant to Art. 11. It sets the new rates and the implementation period.
   The pension fund committee may also ask employers to pay contributions into a separate account from the employer's contribution reserves, including a declaration waiving their use, or to transfer assets from the employer's ordinary contribution reserves to such an account.
5. If the measures described in para. 3 and 4 are not sufficient to eliminate the underfunding, the pension fund committee may decide to levy from employers and members remedial contributions to eliminate the underfunding, for as long as the underfunding lasts. The employer’s remedial contribution must be at least equal to the sum of the members’ remedial contributions. Remedial contributions will not include retirement credits under Art. 10 and do not form part of personal contributions under Art. 25. Members who maintain their pension entitlement in accordance with Art. 8, para. 12 must pay the employee's share of the remedial contribution, while the employer who terminates the employment relationship is not obliged to pay the employer's share on behalf of the member.
   The pension fund committee can also decide to collect a contribution from beneficiaries of pensions to eliminate the underfunding. This contribution is deducted from the current pensions within the limits of Art. 65 d, para. 3, letter (d) OPP2/BVV2.
   If collecting remedial contributions is not sufficient to eliminate the underfunding, the minimum LPP/BVG interest rate may be lowered for the duration of the underfunding, but in any event for not more than five years and by not more than 0.5%.
6. The Foundation shall inform the supervisory authority, employers, members and pensioners of the extent and causes of the underfunding, as well as of the measures taken and their effectiveness.

Art. 49 Total or partial liquidation / Uncommitted funds

1. In the event of a partial liquidation of the pension benefits of employers, entities or the Foundation, the provisions of the regulations on partial liquidation shall apply.
2. In the event of partial or total liquidation of the pension benefits of employers, entities or the Foundation, an entitlement to uncommitted funds will be added to the entitlement to vested termination benefits. Only members who have paid contributions for their retirement are entitled to a share of the uncommitted funds.
3. The uncommitted funds to be taken into consideration correspond to those shown in the balance sheet for the financial year preceding the liquidation. They may be adjusted if a significant change occurs between the time they are calculated and the time they are distributed and, as the case may be, the time they are paid.
   In the event of an underfunding following the partial liquidation of an entity, the latter may reduce the vested termination benefits proportionally to the degree of coverage; however, the vested termination benefit equivalent to the minimum retirement savings capital under the LPP/BVG is, in any event, guaranteed.
   Once the uncommitted funds to be taken into account have been determined, the Foundation shall apply the provisions of the partial liquidation regulations.
4. The Foundation shall inform members and pensioners of the liquidation. Members are entitled to consult the distribution plan. If necessary, they may ask the supervisory authority to which the Foundation is subject to verify the conditions of the liquidation, the procedure and the distribution plan. In the event of a total liquidation of the Foundation, the supervisory authority will automatically examine all such elements.

Art. 50 Legal remedy

Only Swiss courts are competent for disputes under these regulations. The place of jurisdiction is the headquarters or the Swiss domicile of the defendant or the business premises in which the member is employed, pursuant to Art. 73 LPP/BVG. Swiss law is applicable.

Art. 51 Temporary provisions

1. These regulations apply to divorce proceedings that are pending before a cantonal court at the time of entry into force of these regulations. Divorced spouses who received a pension or lump-sum benefit allowance instead of a lifetime allowance pursuant to the Swiss

Civil Code in force before 1 January 2017, are entitled to benefits in accordance with the regulations in force on 31 December 2016.

2. Benefits for insured events occurring before the entry into force of new regulations are determined in accordance with the regulations in force when the insured event occurred.
   If the member is receiving disability benefits, the regulations in effect at the start of the incapacity for work, the cause of which led to the disability, are authoritative for all claims, as well as for defining the regulatory retirement age on which disability benefits end and retirement benefits begin.
   If the member was receiving disability benefits before 1 January 2022 and the degree of disability was revised by the AI/IV by at least five percentage points after 1 January 2022, the Foundation's disability benefits will be recalculated based on the new percentage of the pension defined by the AI/IV. The following cases remain reserved:
   - members aged at least 55 on 01.01.2022, i.e. born between 1957 and 1966;
   - members aged between 30 and 54 on 01.01.2022, i.e. born between 1967 and 1991, if the change in the degree of disability defined by the AI/IV results in a reduction in the pension in the event of an increase in the degree of disability or an increase in the pension in the event of a reduction in the degree of disability pursuant to Art. 24a LPP/BVG;
   - members under 30 years of age on 01.01.2022, i.e. born between 1992 and 2003, if the change in the degree of disability defined by the AI/IV results in a reduction in the pension in the event of an increase in the degree of disability or an increase in the pension in the event of a reduction in the degree of disability pursuant to Art. 24a LPP/BVG.

   If the member was receiving disability benefits and was under 30 years of age (i.e. born between 1992 and 2003) before 1 January 2022, Art. 24a LPP/BVG applies until 1 January 2032 at the latest. If the amount of the pension is reduced compared with the amount previously paid, the former amount will continue to be paid as long as the degree of disability does not change within the meaning of Art. 17, para. 1 of the LPGA/ATSG.
   The application of Art. 24a LPP/BVG is deferred during the period of provisional continued insurance in accordance with Art. 26a LPP/BVG.
   If a member is entitled to a waiver of payment of the insurance premium or is within the waiting period for such a benefit, the pension plan, the regulations and the pensionable salary in force on the date when the incapacity for work the cause of which lies at the root of the incapacity, occurred, are decisive for all benefits.
   The amount of retirement benefits is determined based on the regulatory provisions in force on the date the retirement savings capital is converted into a pension when the member reaches retirement age.

Art. 52 Effective date and amendment of the pension fund regulations

1. Effective date
   These regulations shall enter into force on 1 January 2024. As of its effective date, it replaces all previous versions, with the exceptions mentioned in Art. 51.
2. Version
   These regulations may be translated. However, the French version is authoritative.
3. Amendments
   Any amendment to these regulations must be submitted to the Foundation Board for approval.
   Le présent règlement peut être traduit. La version française fait foi.

These regulations were approved by the Foundation Board on 12 December 2023.

Fondation Collective Groupe Mutuel

Chair:	Vice-Chair:
Karin Perraudin	Bruno Pache