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Pension fund regulations.

January 2024

Avanea Pension Fund

Merkurstrasse 3

8820 Wädenswil

(hereinafter referred to as the Foundation)

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In the event of legal discrepancies between the original text and the German translation, the German text shall have precedence.

I General provisions

Art. 1 Name and purpose

1 The Avanea Pension Fund (hereinafter referred to as the Foundation) is a registered employee benefits foundation with the purpose of protecting the employees of institutions or companies with which the Foundation has concluded an affiliation agreement, as well as their dependants and survivors, against the economic consequences of loss of employment due to old age, death and invalidity in accordance with the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision – Occupational Pensions Act (OPA).

2 The rights and obligations of the beneficiaries of the Foundation are governed by these regulations and by the pension plan applicable to them, which constitutes an integral part of these regulations.

3 The Foundation runs the mandatory and ongoing occupational benefit scheme on a defined contribution basis and is therefore entered in the register of occupational pension plans of the Canton of Zurich.

Art. 2 Affiliation agreements

1 The rights and obligations of employers are regulated in affiliation agreements. This also includes the applicable pension plans. The application of other regulatory and statutory provisions is unaffected.

2 The Foundation manages a pension fund for each affiliated employer.

3 Separate accounts will be kept for each affiliation insofar as this is necessary to monitor compliance with statutory provisions and to disclose any special assets contributed.

4 Special assets such as employer contribution reserves or uncommitted funds will only be used for the employer concerned and its insured persons.

Art. 3 Scope of application and relationship to the OPA

1 These regulations apply to all pension relationships and pension benefits of the Foundation.

2 Benefits and contributions are set out for each pension scheme in its pension plan or pension plans.

3 The Foundation provides the minimum benefits prescribed by the OPA within the framework of the mandatory pension scheme.

4 The Foundation is affiliated to the Guarantee Fund in accordance with Art. 57 OPA.

Art. 4 Liability

The Foundation accepts no liability for any consequences arising from the breach of obligations by the affiliated employers and the insured persons and reserves the right to claim compensation for any losses incurred and to reclaim any benefits paid out unjustly.

Art. 5 Persons insured

1 All employees of affiliated employers who fulfil the admission conditions described in the pension plan are insured in the Foundation; without prejudice to the exceptions described in para. 5.

2 Persons who are partially incapacitated for work when they enter into the pension relationship with the Foundation will only be insured for the portion corresponding to the degree of incapacity for work.

3 Insured persons who also work for employers who have not concluded an affiliation agreement with the Foundation may also take out insurance for the income from these employment relationships, subject to proof of the written consent of all the employers involved.

4 Persons not subject to compulsory insurance at the Foundation holding a managerial post at an affiliated employer (members of boards of directors, etc.) may be insured at the Foundation to the same extent as employees at the request of the Pension Fund Commission, provided they fulfil the other requirements under these regulations and the pension plan.

5 Persons not insured:

- employees who have already reached or exceeded the reference age;
- employees with an employment contract limited to a maximum of three months. If the employment relationship is extended beyond the three-month period without interruption, the employee will be included in the pension plan at the moment at which the extension was agreed upon. If several consecutive stints of employment with the same employer or assignments for the same loan-out company last longer than three months in total and no interruption exceeds three months, the employee will be insured from the start of the 4th month of work of the entire period. However, if it is agreed before work commences for the first time that the total duration of employment or assignment will exceed three months, the employee will be insured from the start of the employment relationship.
- employees who are at least 70% disabled as defined by the Federal Invalidity Insurance and employees who are provisionally insured as set out in art. 26a OPA;
- employees who do not work in Switzerland or are not expected to work in Switzerland permanently and who can prove that they are sufficiently insured abroad, provided they apply for exemption.

Art. 6 Start of pension provision

The pension relationship commences upon the affiliation of the employer or on the day on which the insured person takes up or should have taken up employment on the basis of the employment relationship with an affiliated employer, no later however than the day on which he/she sets off for work and/or on the day on which the conditions for admission under the pension plan are met.

Art. 7 Health check, restriction of benefits

1 The Foundation may make insurance cover dependent on a prior health check in the case of new members or increases in benefits. The insured person is obliged to answer the Foundation's questions truthfully. The Foundation and its reinsurers may request further evidence or order a medical examination at their own expense.

2 Depending on the content of the information on the state of health of the person to be insured, the Foundation may exclude non-mandatory benefits for certain conditions within the framework of statutory provisions.

3 The insured person will be notified of any restriction of benefits by registered letter within three months of the submission of all documents required for the relevant decision.

4 This restriction of benefits lasts for a maximum of five years from the start of the pension relationship.

5 If a risk benefit event arises during the period of restriction of benefits and this wholly or partly satisfies the conditions for restricting benefits, the benefits or the prospective benefits will be limited to the minimum benefits under the OPA.

6 This restriction will apply until the end of the obligation to pay benefits arising from this risk event, i.e. beyond the duration of the restriction for health reasons.

7 If a risk benefit event occurs before the health check has been completed, the Foundation may limit for life any risk benefits resulting from illnesses or the consequences of accidents from which the insured person was already suffering before the start of the employment relationship or to which he/she is susceptible as a result of previous illnesses and in respect of existing illnesses and infirmities to the minimum benefits under the OPA.

8 If the insured person is not fully fit for work at the start of the insurance cover and the reason for the incapacity for work leads to disability or to an increase in the degree of disability or to death, there is no entitlement to benefits under these regulations.

9 If the insured person fails to disclose pre-existing health impairments (breach of the duty of disclosure) or provides false information during the health examination, the Foundation may terminate the pension plan for the non-compulsory portion and limit its benefits during the employee's life to the minimum benefits under the OPA. The right of cancellation expires six months after the breach of the duty of disclosure becomes known.

10 No restriction of benefits takes place with regard to any benefits acquired under the transfer of vested benefits.

Art. 8 End of pension provision

1 The pension relationship ends upon termination of the employment relationship with the affiliated employer, upon cancellation of the conditions of admission or upon termination of the affiliation contract, if and insofar as there is no entitlement to retirement, invalidity or death benefits.

2 In the event of partial disability, the pension relationship ends to the extent of the remaining earning capacity, if and insofar as the employment relationship has been terminated.

3 The insured person remains insured for the risks of death and disability for 30 days after termination of the pension relationship, provided he/she does not enter into a new pension relationship.

4 Insured persons who leave the compulsory insurance scheme following the termination of their employment relationship may apply for continued insurance at their own expense. The conditions and details of the benefits and financing are regulated in art. 9b and 9c (voluntary continued insurance pursuant to art. 47a OPA and external affiliation).

Art. 9a Continuation of pension provision in the construction industry (FAR)

1 Insured persons who leave the mandatory pension scheme because they are drawing a bridging pension from the FAR Foundation may continue to draw their pension from the Foundation while drawing a FAR bridging pension.

2 The pension plan comprises savings insurance with annual retirement credits, which are provided by the FAR Foundation. The annual retirement credits are credited to the insured person's retirement account as a single contribution. At the insured person's request, the risk provision can also be continued at the previous level.

3 Continued insurance excludes early retirement in accordance with art. 15 of the regulations.

4 The Foundation must be notified of an application for continuation of the pension plan no later than 30 days before commencement of the FAR bridging pension.

5 In all other respects, the pension plan and, mutatis mutandis, the other regulatory provisions of the Foundation are applicable.

6 The affiliation of the former employer to a new occupational pension scheme results in the termination of the continued insurance at the time of the transfer of the persons insured under the same collective pension scheme on the basis of an existing employment relationship. The continued insurance is transferred to the new occupational pension scheme.

7 Similar models with other foundations or associations can be regulated in the appendix to these regulations.

Art. 9b Voluntary continued insurance after the age of 58 pursuant to art. 47a OPA (cancellation by employer)

1 Insured persons who cease to be covered by compulsory insurance after their 58th birthday as a result of termination of employment by their employer may apply for continued insurance at their own expense up to one month after termination of employment at the latest.

2 The termination of the employment relationship by the employer must be documented in writing. A cancellation agreement is deemed equivalent to a termination by the employer if it can be proven that the initiative to terminate the employment relationship has come from the employer.

3 The insured person has the choice of only continuing with the insurance of the risks of death and disability (without savings contributions) or including the accumulation of retirement savings (with savings contributions). Irrespective of this, the retirement assets continue to accrue interest. The chosen solution can be changed annually with effect from 1 January of a calendar year. The Foundation must be informed in writing by 31 December at the latest. If written notification is not received by the deadline, the chosen form remains in force.

4 The insured person may specify a lower annual salary than the previous one at the start of continued insurance. This can no longer be increased at a later date.

5 If the continuation of the insurance has lasted for more than two years, the insurance benefits must be drawn in the form of a pension and the vested benefits can no longer be withdrawn in advance or pledged for residential property for personal use. This is subject to any regulatory provisions that only provide for the payment of benefits in the form of a lump sum.

6 The entire contributions to cover the risks of death and disability and the administrative costs must be financed by the insured person (employee and employer contributions). A fixed amount of CHF 150.00 per year is charged for administration. If the insured person continues to build up the pension, he/she must also make all the savings contributions. The partial liquidation risk contribution is waived. The obligation to pay contributions lasts until the insurance is terminated.

7 The Foundation is responsible for determining the due date of the contributions and for invoicing the insured person directly. If the contributions are not paid on time, a written reminder will be sent. The Foundation is entitled to cancel the insurance 14 days after an unsuccessful reminder with respect to the date up to which the premiums were paid. If the continued insurance is cancelled, the insured person remains insured for the risks of death and disability within the scope of the benefits pursuant to the regulations until the start of a new pension relationship, but for no longer than one month after the cancellation, without a corresponding risk premium being charged.

8 Purchases are possible up to the target retirement pension. The maximum possible purchase is determined by the savings salary.

9 Upon joining a new occupational pension scheme, the Foundation must transfer the termination benefit to the new institution to the extent that it can be used to purchase the full benefits pursuant to the regulations. Continued insurance ends if more than 2/3 of the termination benefit is required for the purchase of the full benefits pursuant to the regulations in the new pension fund. With the agreement of the new occupational pension provider, the insured person may request that the entire termination benefit be transferred.

10 If less than 2/3 of the termination benefit is required for the purchase of the full benefits pursuant to the regulations in the new pension fund, the continued insurance will remain in force. The insured salary, the retirement assets pursuant to the regulations and the statutory minimum retirement assets will be reduced proportionally in the event of a partial transfer.

11 Continued insurance may be cancelled by the insured person at any time at the end of a month or by the Foundation in the event of outstanding contributions. Otherwise, the continued insurance ends if more than 2/3 of the termination benefit is transferred or if an insured event occurs (disability or death), but no later than attainment of the reference age. Upon termination of the continued insurance, the retirement benefit is payable in accordance with the pension fund regulations. The insured person may also request a termination benefit if he/she continues to be gainfully employed or is registered as unemployed.

12 The affiliation of the former employer to a new occupational pension provider triggers the termination of the continued insurance at the time of the transfer of the persons insured under the same collective pension scheme on the basis of an existing employment relationship. The continued insurance is transferred to the new occupational pension provider.

13 In addition to the reporting obligations under the pension fund regulations, the insured person must notify the fund in the following cases:

- admission to a new pension fund due to a new employment relationship;
- change of domicile and correspondence address;
- changes in civil status;
- incapacity to work lasting more than three months;
- change in the degree of incapacity for work.

The insured person must bear the costs and consequences arising from the breach of these reporting obligations.

Art. 9c External affiliation

1 An insured person leaving the company may continue their pension cover within the scope of the statutory and regulatory options (external affiliation), provided they are fully fit for work at the time of termination of the employment relationship. The insured person must apply for external affiliation in writing before the termination of the employment relationship.

2 The insured person has the choice of only continuing with the insurance of the risks of death and disability (without savings contributions) or including the accumulation of retirement savings (with savings contributions). Irrespective of this, the retirement assets will continue to accrue interest. The chosen solution can be changed annually with effect from 1 January of a calendar year. The Foundation must be informed in writing by 31 December at the latest. If written notification is not received by the deadline, the chosen form remains in force.

3 The previous OASI (Old-Age and Survivors' Insurance) salary will continue unchanged. For insured persons with fluctuating income, the average salary for the period of employment, but no longer than the average salary for the previous 12 months, will continue to be insured.

4 The entire contributions required to cover the risks of death and disability and the administrative costs must be financed by the insured person (employee and employer contributions). A fixed amount of CHF 150.00 per year is charged for administration. If the insured person continues to build up the pension, he/she must also make all the savings contributions. The partial liquidation risk contribution is waived. The obligation to pay contributions lasts until the insurance is terminated.

5 The Foundation is responsible for determining the due date of the contributions and invoicing the insured person directly. If the contributions are not paid on time, a written reminder will be sent. The Foundation is entitled to cancel the insurance 14 days after an unsuccessful reminder, with effect from the date up to which the premiums were paid. If the continued insurance is cancelled, the insured person will remain insured for the risks of death and disability within the scope of the benefits pursuant to the regulations until the start of a new pension relationship, but for no longer than one month after the cancellation, without a corresponding risk premium being charged.

6 External affiliation ends when the insured person transfers to the pension scheme of a new employer. External affiliation also ends when the normal reference age is reached, in the event of early retirement, disability or death, but no later than two years from the start of the external insurance.

7 During the period of external affiliation, the insured person can make purchases, an early withdrawal or a pledge for residential property and make use of the option of early or partial retirement within the framework of other provisions in these regulations.

8 Continued insurance can be cancelled by the insured person at any time at the end of a month or by the Foundation in the event of outstanding contributions.

9 In addition to the reporting obligations under the pension fund regulations, the insured person must notify the fund in the following cases:

- admission to a new pension fund due to a new employment relationship;
- change of domicile and correspondence address;
- changes in civil status;
- incapacity to work lasting longer than three months;
- change in the degree of incapacity for work.

The insured person must bear the costs and consequences arising from any breach of the reporting obligations.

Art. 10 Salary definitions, voluntary pension scheme

1 The relevant annual salary for the pension relationship is the annual salary reported by the employer and corresponds to the annual income determined in accordance with OASI standards.

2 Salary components only occurring occasionally (severance payments, bonuses, gratuities, long-service awards, loyalty and performance bonuses, bonuses for improvement suggestions and similar remuneration from the employer) are not taken into account to the extent permitted by law. Exceptions must be regulated in the pension plan.

3 The relevant annual salary is determined for the entire year. If the employee joins the company during the year, the relevant annual salary is calculated for one year.

4 If income fluctuates, the eligible annual salary can be calculated on the basis of the sum of the last 12 monthly payments or the average annual salary customary in the industry.

5 The risk salary and the savings salary (retirement provision) are defined in the pension plan.

6 Salary changes of more than 10% of the annual salary during the year must be reported by the employer on an ongoing basis. Salary changes of less than 10% of the annual salary during the year can be reported voluntarily. These must also be reported to the Foundation immediately.

7 If the annual salary of an insured person is temporarily reduced due to illness, accident, military service, maternity, paternity or similar reasons, the previous insured salary will in principle remain in force. However, the insured person may request a reduction.

8 If an insured person acquires a degree of disability of at least 25%, the pension plan will be divided into an active and a passive part according to the degree of disability. For the active portion, the annual salaries will be determined in accordance with paragraphs 1 - 5. For the passive portion, reference will continue to be made to the annual salaries determined at the time of the insured event.

9 For insured persons who have an incapacity for work of between 25% and 69% within the meaning of IV (Invalidity Insurance), the limits are set according to the degree of remaining earning capacity.

10 Insured persons whose employment relationship is suspended due to unpaid leave or for other reasons may, with the agreement of the employer, maintain the pension relationship with the Foundation for the entire pension scheme or only the risk insurance for a maximum of two years. During this period, the Foundation is entitled to the corresponding contributions.

11 If an insured person's salary is reduced by no more than half after reaching the age of 58, he or she may request that the previous salary be continued until retirement, but no longer than the normal reference age. Continued insurance only applies to the part of the pension plan for which no retirement benefits are drawn. The full employer and employee contributions for the portion of the salary that continues to be insured must be financed by the insured person. The employer may voluntarily participate in the financing. There must be compliance with the provisions of art. 1a - 1h OPO 3 (Ordinance on Tax Relief on Contributions to Recognised Pension Schemes)

Art. 11 Registered partnership

1 Registered partners within the meaning of the SSPA (Same-Sex Partnership Act) are treated in the same way as married persons under these regulations. They have the same rights and obligations as married persons.

2 In the event of the death of an insured person, the registered partner is treated in the same way as a spouse.

3 The judicial dissolution of a registered partnership is equivalent to a divorce.

Art. 12 Duty to provide information and report

1 Affiliated employers, insured persons and other beneficiaries are obliged to provide the Foundation with all information and proof required for the processing of the pension relationship, in particular when registering, in the event of incapacity for work or while drawing benefits, in the event of death, change of marital status, departure, etc.

2 In individual cases, insured persons must authorise all relevant persons and bodies, in particular employers, doctors and other medical service providers, public and private insurance providers and official bodies, to provide the information required for the clarification and verification of entitlements to benefits and recourse claims that are due or have become due.

3 At the request of the Foundation and at their own expense, pension recipients must furnish proof of their existence and/or civil status.

4 Recipients of child or orphan's pensions who claim a pension entitlement beyond the age of 18 must provide confirmation of the type and duration of training from the training institute.

5 Insured persons acknowledge that the data collected from the application documents or during the implementation of the pension relationship, including particularly sensitive data, may be transmitted to an administrative office, in particular to the reinsurer. The confidentiality and data protection provisions pursuant to art. 56 are applicable.

6 The Foundation may refuse or discontinue benefits in compliance with the OPA minimum benefits if contractual or statutory notification and reporting obligations are violated or if information and documents requested are not provided, if authorisation to inspect files is refused or if medical examinations cannot be carried out for reasons for which the insured person is responsible.

7 Persons who fail to comply with the maintenance obligations pursuant to art. 40 OPA, art. 24 fbis VBA (Vested Benefits Act) and articles 5, 13 and 14 of the Collection Assistance Ordinance (Inkassohilfeverordnung - InkHV) may be reported to the Foundation by the relevant specialised offices entrusted with collection assistance. In such cases, the Foundation is obliged to inform the relevant offices immediately as soon as pension assets are due to be paid out, pledged or realised.

II Benefits

Art. 13 Retirement credits and retirement assets

1 An individual retirement account is maintained for each insured person to finance retirement benefits.

2 The retirement account is credited with:
- the annual retirement credits;
- the vested benefits brought in from previous employment relationships;
- purchases, one-off deposits from divorce, repayments of advance withdrawals for home ownership;
- the amounts transferred as part of a pension equalisation pursuant to article 22c, paragraph 2 VBA;
- the lump-sum settlement paid in accordance with a divorce decree pursuant to art. 124e, para. 1 VBA and art. 124d of the Swiss Civil Code;
- deposits by the employer;
- additional credits, shares in free funds, etc. decided by the pension fund committee or the Board of Trustees;
- interest.

3 The retirement account is reduced by:
- advance withdrawals for residential property;
- payments due to divorce;
- further (partial) payments of retirement assets.

4 The sum of the amounts in paragraphs 2 and 3 equals the retirement assets.

5 The amount of the retirement credits is laid down in the pension plan.

6 At the end of the calendar year, the Foundation credits the individual retirement account with the following amounts:
- the annual interest on the retirement account according to the account balance at the end of the previous year;
- the non-interest-bearing retirement credits for the previous calendar year.

7 If a vested benefit is paid in, an early withdrawal is made, an insured event occurs or the insured person leaves the pension scheme during the year, the interest is calculated pro rata temporis in arrears for the year in question.

8 The Board of Trustees decides annually on any additional interest on the retirement assets of active insured persons in accordance with the financial possibilities of the respective investment models. All persons, both actively insured employees and those exempt from contributions, are entitled to this.

Art. 14 Reference age

1 The reference age corresponds to the OASI reference age.

2 Early retirement is possible from the age of 58.

3 Retirement can be postponed until the age of 70.

4 Retirement takes place on the first day of the month after reaching the normal reference age or after early or deferred retirement.

5 The entitlement to retirement benefits arises on the first day of the month following retirement.

Art. 15 Early retirement / partial retirement

1 Upon reaching the earliest possible reference age, each insured person is entitled to retirement benefits if he/she ceases gainful employment in whole or in part. The right to voluntary continued insurance in accordance with art. 9b or 9c of these regulations is unaffected.

2 The entitlement to retirement benefits corresponds to the extent of the salary reduction. In the event of a salary reduction, the insured person may waive the right to receive retirement benefits, provided that the conditions for the continuation of the pension plan are met.

3 The entire retirement benefit is due if the residual earned income falls below the entry threshold set out in the pension plan.

4 The termination benefit can be claimed if gainful employment is continued but the conditions for continuing the pension plan are no longer met.

5 Retirement is possible in a maximum of five steps. A maximum of 3 lump-sum withdrawals are possible, where one step comprises all withdrawals of retirement benefits in lump-sum form within a calendar year.

6 If an insured person becomes disabled within the meaning of the regulations after taking early partial retirement, he/she is only entitled to disability benefits within the scope of his/her continued insured gainful employment.

7 Early retirement is not possible to the extent of the entitlement to a disability pension under these regulations.

8 Upon reaching the ordinary reference age, the insured person is fully entitled to retirement benefits.

Art. 16 Target retirement pension

The target retirement pension is the maximum possible actuarial benefit on retirement at the normal reference age. It corresponds to the retirement assets for the full contribution period multiplied by the conversion rate applicable at the normal reference age.

Art. 17 Pension reduction commutation due to early (partial) retirement

1 The difference between the retirement pension upon early retirement and the target retirement pension at ordinary reference age can be commuted in full or in part.

2 If an insured person does not retire on the date stipulated in the commutation, the retirement benefit may not exceed the target retirement pension upon reaching the normal reference age by more than 5%. If the insured person has earned this maximum, the accumulation of the retirement account is suspended and no more retirement credits are collected.

3 Early retirement is excluded for recipients of a bridging pension from the FAR Foundation.

Art. 18 Deferred retirement

1 Upon reaching the normal reference age, the insured person may request that retirement be postponed while continuing in gainful employment until the end of gainful employment at the latest. The insured person can choose whether the retirement assets are maintained with or without further accumulation of savings contributions.

2 During the deferral period, the insured person may request partial withdrawal of the retirement benefit at any time, provided he/she continues to work.

3 If an insured person becomes disabled within the meaning of the regulations after reaching the normal reference age, there is no entitlement to disability benefits from the Foundation. The retirement benefit is due.

4 If an insured person dies after reaching the normal reference age, the survivors are entitled to the benefits that would be due after the death of a pensioner. Any purchases made may be returned as a lump-sum death benefit in accordance with art. 32, para. 6 as long as no pension payments have been made. The survivors' benefits will be reduced accordingly.

Art. 19 Retirement pension / retirement lump sum

1 The insured active or disabled person can choose whether to draw the retirement assets acquired at the time of retirement in the form of a lifelong retirement pension or in whole or in part as a lump sum.

2 The amount of the retirement pension corresponds to the accrued retirement assets multiplied by the conversion rate set by the Board of Trustees and corresponding to the effective reference age.

3 The insured person can opt for the 90/90 pension model before the first pension is paid out, provided this does not fall below the OPA minimum benefits. In this case, the retirement pension calculated in accordance with para. 2 is reduced by 10%. The prospective partner's pension, on the other hand, is increased to 100%. In the event of death, the spouse thus receives a partner's pension that is the same as the retirement pension. The right to reductions pursuant to art. 27, para. 6 is reserved.

4 A lump-sum withdrawal leads to a reduction in the retirement pension and co-insured benefits corresponding to the lump sum drawn. A maximum of three partial lump-sum withdrawals are permitted.

5 If the insured person wishes to withdraw the accrued retirement assets or a portion thereof in the form of a lump sum, he/she must submit a corresponding application at least three months before actual retiring. If the application is received by the Foundation later, the payment of the lump sum may be postponed without interest by the amount of time exceeded. Once the first retirement pension has been paid, it is no longer possible to withdraw a lump sum.

6 The signature of the insured person and any spouse on the application must be officially notarised.

7 Any costs and fees charged by third parties in connection with the capital withdrawal will be borne in full by the applicant.

8 The retirement assets pursuant to the regulations and the retirement assets pursuant to the OPA are reduced proportionately in the event of a partial lump-sum withdrawal.

9 A cancellation of the application for payment of retirement benefits in the form of a lump sum can be requested up to three months before the effective retirement date at the latest.

Art. 20 OASI bridging pension

1 Insured persons who retire early and are not yet drawing an OASI retirement pension can apply for an OASI bridging pension paid by the Foundation.

2 The pension will be paid until the insured person reaches the OASI reference age, until the insured person's death at the latest or until the OASI/IV begins to pay a pension.

3 The OASI bridging pension leads to a reduction in the retirement pension or lump-sum settlement calculated according to actuarial principles, unless this was previously fully financed with a purchase.

4 The insured person may determine the amount and duration of the OASI bridging pension himself or herself, provided that the reduction does not fall below the minimum retirement pension under the OPA. The OASI bridging pension may not exceed the maximum OASI pension applicable at the time of retirement. Any bridging pension from the FAR Foundation will be taken into account.

5 If the employer co-finances the OASI bridging pension, this must be specified in the pension plan. In this case, the insured person must consult with the employer regarding the duration and amount.

6 If a beneficiary dies before the OASI bridging pension expires, the cash value of the remaining pensions will be paid out to the surviving dependants in the form of a lump sum as set out in art. 32.

Art. 21 Retired person’s children’s benefit

1 Recipients of a retirement pension are entitled to a child's pension for each child who could claim an orphan's pension under the regulations in the event of their death.

2 The child's pension is paid from the same date as the retirement pension, but at the earliest upon reaching the normal reference age. It lapses in the same way as the entitlement to the statutory orphan's pension would cease.

3 The amount of the annual retired person's children’s benefit is specified in the pension plan.

Art. 22 Disability pension

1 Insured persons are entitled to a disability pension in the event of disability if they:

- are at least 25% disabled within the meaning of the IV and were insured at the onset of the incapacity for work, the cause of which led to the disability, or
- were at least 20% but less than 40% incapacitated for work as a result of a birth defect or when still a minor when they took up gainful employment and were insured when the incapacity for work leading to the disability increased to at least 40.

2 If the insured person is partially disabled, the benefits determined for full disability will be granted according to the degree of disability. In the case of a degree of disability of 70% or greater, there is an entitlement to a full disability pension.

3 The entitlement to disability benefits arises at the earliest when a disability as defined in the IV exists. The entitlement is deferred as long as the insured person receives salary or salary replacement payments of any kind amounting to at least 80% of the lost salary and at least half of this amount is co-financed by the employer. If an entitlement already exists before this date for special reasons, only the minimum benefits in accordance with the OPA will be paid.

4 The entitlement lapses if the disability ceases (subject to art. 23), if the insured person dies or reaches reference age.

5 Changes in the degree of disability will result in a review and, if necessary, an adjustment of the entitlement to benefits.

6 The disability pension is calculated on the basis of the insured annual salary at the start of the incapacity for work giving rise to benefits.

7 The amount of the annual disability pension is specified in the pension plan.

8 Disability benefits are paid exclusively in the form of a pension.

Art. 23 Provisional continued insurance in accordance with art. 26a OPA

1 If the disability insurance pension is reduced or cancelled following a reduction in the degree of disability, the insured person will remain insured with the pension fund liable to pay benefits for a period of three years under the same conditions, provided that he/she participates in reintegration measures in accordance with article 8a InvlA (Invalidity Insurance Act) prior to the reduction or cancellation of the pension or the pension was reduced or cancelled due to the resumption of gainful employment or an increase in the degree of employment.

2 The insurance cover and entitlement to benefits will be maintained for as long as the insured person receives a transitional benefit in accordance with Article 32 InvlA.

3 During the period of continued insurance and maintenance of the entitlement to benefits, the Foundation may reduce the disability pension in accordance with the insured person's reduced degree of disability, but only to the extent that the reduction is offset by the insured person's additional income.

Art. 24 Exemption from contributions

1 If an insured person is permanently and continuously unable to work or becomes disabled, there is no obligation to pay contributions. The starting date of the exemption from contributions is specified in the pension plan.

2 The extent of the exemption from contributions corresponds to the degree of incapacity for work or disability. The calculation is performed in accordance with the provisions of art. 22, para. 2.

3 If the insured person temporarily regains the ability to work and this ability to work lasts no longer than six months, the waiting period for the exemption from contributions will not start anew, provided the incapacity to work is due to the same cause.

4 The entitlement ceases in whole or in part if the incapacity for work or disability ends in whole or in part, the entitlement to a disability pension from the Foundation ceases in whole or in part, the IV discontinues its benefits, the insured person reaches the normal reference age or dies.

Art. 25 Disabled person's child's pension

1 An insured person who is entitled to a disability pension is entitled to a disabled person's child's pension for each child who would have an entitlement to an orphan's pension in the event of the insured person’s death. The provisions on orphans' pensions apply mutatis mutandis.

2 The amount of the annual disabled person's child's pension is specified in the pension plan.

Art. 26 General requirements for death benefits

Entitlement to death benefits exists if the insured person

- was insured at the time of death or at the onset of the incapacity for work, the cause of which led to death, or
- became disabled as a result of a congenital infirmity or when still a minor and was therefore at least 20% but less than 40% incapacitated for work when taking up gainful employment and was insured when the incapacity for work leading to the person’s death increased to at least 40%, or
- was drawing a retirement or disability pension from the Foundation at the time of death.

Art. 27 Spouse's pension

1 The spouse of a deceased insured person or pensioner is entitled to a lifelong spouse's pension.

2 The entitlement begins upon the death of the insured person or the pension recipient, but at the earliest when the continued payment of salary ends or after the entitlement to a retirement or disability pension expires.

3 The entitlement expires upon the death of the spouse or as soon as the spouse remarries.

4 The amount of the spouse's pension is specified in the pension plan.

5 If the spouse is more than 10 years younger than the insured person or if the marriage takes place after the age of 65, the spouse's pension is reduced as follows:
- the spouse's pension is reduced by 1% of its amount for each full or partial year by which the spouse is more than 10 years younger than the insured person;
- the spouse's pension is also reduced if the marriage took place after the age of 65, namely by 20% for each full or partial year over the age of 65;
- No spouse's pension is paid if the marriage was contracted after the insured person reached the age of 69 or if the insured person had reached the age of 65 at the time of the marriage and was suffering from a known serious illness from which he or she died within two years of the marriage.

6 The entitlement to the minimum benefits under the OPA is maintained in all cases.

7 In the event of the death of a person drawing a disability pension, the spouse's pension is payable in accordance with the pension plan.

8 After the death of an insured old-age pension recipient or an insured person who was gainfully employed beyond the normal reference age, the spouse's pension corresponds to 60% of the last retirement pension drawn or the retirement pension that would have been paid to the deceased insured person in the event of survival. This is subject to any application for the 90/90 pension model submitted during the lifetime of the insured person pursuant to art. 19, para. 3. Instead of the spouse's pension, payment of the corresponding share of the retirement assets (60% or 90%) may be requested in the form of a lump sum.

Art. 28 Life partner's pension

1 If an insured person dies before the reference age and leaves no spouse but does leave a life partner, the partner is entitled to a partner's pension equal to the spouse's pension.

2 The life partner is only entitled to survivors' benefits if

- the insured person submits a corresponding declaration during their lifetime or a testamentary disposition is submitted after their death in which the entitled life partner is named. The testamentary disposition must make unambiguous reference to the occupational benefit scheme.
- the life partner was living in the same household with the insured person for an uninterrupted period of five years until the death of the insured person, or
- the life partner was living in the same household at the time of the insured person's death, was in a civil partnership and is responsible for the maintenance of one or more joint children who are entitled to orphan's pensions under these regulations.

In addition, the partner

- does not have to be married or in a registered partnership and there were no legal grounds against the marriage or registration of the partnership of the two partners;
- and was not drawing a spouse's pension or partner's pension from a 2nd pillar pension scheme or the OASI and had not received a corresponding lump-sum settlement in the past.

A civil partnership is defined by a shared flat and the existence of an exclusive relationship between two people.

3 The benefits paid by the Foundation amount to a maximum of 100% of the spouse's pension. The other provisions on spouse's pensions apply mutatis mutandis.

Art. 29 Pension for a divorced spouse

A divorced spouse is treated in the same way as a widow or widower to the extent of the statutory minimum benefits provided he or she was married to the insured person for at least 10 years and was awarded a pension or a lump-sum settlement for a lifelong pension in the divorce decree. He or she is only entitled to benefits to the extent that the entitlement from the divorce decree exceeds the benefits from other insurances, in particular the OASI and IV.

Art. 30 Orphan’s pensions

1 The children and foster children (provided the deceased insured person was responsible for their maintenance) of a deceased insured person or pension recipient are entitled to orphan’s pensions.

2 The entitlement arises upon the death of the insured person or the pension recipient, but at the earliest upon termination of continued salary payments or after the entitlement to a retirement or disability pension expires. It expires upon the death of the orphan or upon reaching the age of 18. However, it may still be drawn beyond this point until the orphan reaches the age of 25:

- for children in education until they graduate;
- for children who are at least 70% disabled until they are able to work.

3 The amount of the orphan's pension is specified in the pension plan.

Art. 31 Carer's pension

1 If the insured person was a single parent before his/her death and no spouse's or partner's pension and no additional lump-sum death benefit pursuant to art. 33 is due, his/her children are also entitled to a carer's pension.

2 The entitlement arises at the same time as the entitlement to an orphan's pension and ends when the orphan's pension expires.

3 The amount of the carer's pension corresponds to the orphan's pension.

Art. 32 Lump-sum death benefit / payment of retirement assets

1 If an insured person dies before drawing a retirement pension without being entitled to a spouse's or partner's pension or a pension for divorced spouses, the retirement assets are paid out as a lump-sum death benefit at the end of the month of death.

2 The survivors are entitled, irrespective of the right of inheritance, according to the following order of priority, with the understanding that the preceding group excludes the following group from entitlement:

- natural persons who were supported to a considerable extent by the insured person at the time of death, as well as the person who lived with the insured person continuously for the last five years until the insured person's death or who was responsible for the maintenance of at least one joint child; in their absence
- the children of the insured person; in their absence
- the parents and siblings.

3 The lump-sum death benefit is generally allocated on a per capita basis. Within the respective group of beneficiaries, the insured person can make a written declaration to the Foundation specifying which persons are entitled to which parts of the lump-sum death benefit.

4 Persons who assert a claim under this article must notify the Foundation accordingly no later than three months after the death and furnish the documents required for clarification. Any costs and fees incurred by third parties are borne in full by the applicant.

5 The eligibility requirement is only met for life partners and for persons supported to a significant extent by the insured person if the insured person has submitted a corresponding declaration during their lifetime or if a testamentary disposition is submitted after their death in which the beneficiaries are named. The testamentary disposition must make unambiguous reference to the occupational benefit scheme. In any case, the circumstances at the time of the death of the insured person are decisive for any payments made to the beneficiaries. A joint household is not a prerequisite for life partners.

6 In a departure from para. 1, any voluntary purchases made will be paid out as a lump-sum death benefit. The survivors are entitled to lodge a claim in accordance with art. 33, para. 2. In the case of purchases that were not made with the Foundation, suitable supporting documents such as certificates from previous pension funds or tax receipts must be submitted during the insured person's lifetime. Repayments of advance withdrawals for residential property, deposits from divorce decrees and repayments of divorce settlements are not deemed to be purchases.

7 In a departure from para. 1, any voluntary commutations of pension reductions due to early retirement will be paid out in any case.

8 In a departure from para. 1, the portion of the retirement assets exceeding the actuarial current value of the spouse's or partner's pension due is also paid out.

Art. 33 Additional lump-sum death benefit

1 If an insured person or a person drawing a disability pension dies before drawing the retirement pension and before reaching the normal reference age, an additional lump-sum death benefit of CHF 10,000.00 is payable. The employer's pension plan may provide for a higher additional lump-sum death benefit. The additional lump-sum death benefit is paid independently of other death benefits.

2 The survivors are entitled, irrespective of the right of inheritance, according to the following order of precedence, with the understanding that the preceding group excludes the following group from entitlement:

- the spouse of the insured person; in whose absence
- natural persons who were supported to a considerable extent by the insured person at the time of death, as well as the person who lived with the insured person uninterruptedly for the last five years until the insured person's death or who is responsible for the maintenance of at least one joint child; in their absence
- the children of the insured person; in their absence
- the parents and siblings.

3 The additional lump-sum death benefit is generally allocated on a per capita basis. Within the respective group of beneficiaries, the insured person can specify by means of a written declaration to the Foundation which persons are entitled to which portions of the additional lump-sum death benefit.

4 Persons who assert a claim under this article must notify the Foundation accordingly no later than three months after the death and furnish the documents required for clarification. Any costs and fees incurred by third parties are borne in full by the applicant.

5 The eligibility requirement is only met for life partners and for persons supported to a significant extent by the insured person if the insured person submits a corresponding declaration during their lifetime or if a testamentary disposition is submitted after their death in which the beneficiaries are named. The testamentary disposition must make unambiguous reference to the occupational benefit scheme. A joint household is not a prerequisite for life partners. In any case, the circumstances at the time of the death of the insured person are decisive for any payment to the beneficiaries.

6 The amount of the additional lump-sum death benefit is specified in the pension plan.

III Common provisions governing benefits

Art. 34 Coincidence of disability and death benefits

1 The Foundation's benefits will be reduced as soon as they, together with other qualifying income (see para. 2), exceed 90% of the presumed lost income or 90% of the amount that was deemed to be presumed lost income when calculating overcompensation immediately before reaching the normal reference age. In the cases of art. 10, para. 11, the previous creditable annual salary is decisive for determining the presumed loss of earnings.

2 All benefits paid to the entitled person are deemed to be qualifying income, in particular the following benefits:

- those deriving from domestic and foreign social insurance and pension schemes;
- those deriving from a non-life insurance policy, at least half of which was co-financed by the employer;
- benefits paid by a liable third party;
- a pension share awarded to the divorced spouse in connection with a divorce.

This does not include helplessness allowances, severance payments, any additional lump-sum death benefits in accordance with the pension plan and similar benefits.

Lump-sum benefits are recognised at their pension conversion value.

3 Recipients of partial disability benefits are also credited with the income from gainful employment or replacement income that they continue to earn or could reasonably be expected to earn. When determining the hypothetical earned or replacement income, reference is made to the disability income determined by the IV. In a departure from this rule, art. 23 is applicable.

4 If the Foundation's disability benefits were reduced before reaching the normal reference age as a result of overlapping with benefits from compulsory accident insurance, military insurance or comparable foreign benefits, the Foundation will continue to provide the same level of benefits after reaching the normal reference age, but no more than the amount of the retirement benefit payable under the regulations. In particular, it does not have to compensate for benefit reductions upon reaching the reference age pursuant to art. 20, para. 2ter and 2quater AIA (Accident Insurance Act) and art. 47, para. 1 MilIA (Military Insurance Act). However, the reduced benefits paid by the Foundation together with the benefits under the AIA, MilA or comparable foreign benefits may not be lower than the unreduced benefits pursuant to the regulations. It complies with art. 24a OPO 2.

5 If a disability or retirement pension is divided as a result of divorce (art. 124a Swiss Civil Code), the share of the pension awarded to the entitled spouse will be deducted from the disability or retirement benefit reduced in accordance with paragraphs 1 and 2.

6 The date of disability or death is decisive for the calculation of the Foundation's benefits. If a social insurance pension is increased, reduced or cancelled, the benefits pursuant to the regulations will be recalculated.

7 The Foundation may reduce its benefits accordingly if the OASI/IV reduces, withdraws or refuses its benefits because the beneficiary has caused death or disability through gross negligence or is resisting rehabilitation measures under the IV.

8 The Foundation is not obliged to compensate for any refusal or reduction of benefits by the accident insurance or military insurance if the refusal or the reduction is attributable to the claimant.

9 Accident is included in the insurance. If an accident insurer or the military insurance is liable to pay benefits for the same insured event, the Foundation will provide its benefits within the framework of the statutory coordination provisions. Self-employed persons without accident insurance in accordance with the AIA are treated as if they had taken out accident insurance in accordance with the AIA.

10 In cases of hardship and progressive inflation, the Board of Trustees may mitigate the reduction.

11 If the Foundation has a statutory obligation to pay benefits in advance, this is limited to the statutory minimum benefits in accordance with the OPA. The beneficiary must prove that he or she has registered his or her entitlement to benefits with all other relevant pension schemes or insurance companies.

12 The Foundation reserves the right to request further documents and additional information, including from third parties. The insured person is obliged to do everything possible to minimise the Foundation's obligation to pay benefits. In the event of a breach of one of these obligations, the Foundation may reduce or reclaim its benefits accordingly.

Art. 35 Subrogation

Within the scope of its obligation to provide benefits, the Foundation will be subrogated to the claims of beneficiaries against liable third parties.

Art. 36 Reimbursement

1 Benefits received unlawfully must be refunded to the Foundation.

2 The benefits can be offset against existing benefit entitlements.

3 In cases of hardship, the Foundation may waive the right to reclaim the benefit if the insured person accepted it in good faith.

4 The claim for repayment will lapse one year after the Foundation becomes aware of it, but no later than five years after the payment of the benefit. If the claim for repayment is based on a criminal offence for which criminal law stipulates a longer limitation period, this longer period will apply.

Art. 37 Inflation adjustment

1 Any adjustment of current pensions in line with inflation is reviewed annually by the Board of Trustees.

2 Pensions can only be fully or partially adjusted for inflation if the Foundation's financial resources permit this.

3 OPA survivors' and disability pensions are adjusted in accordance with federal regulations if their term has exceeded three years, irrespective of any deferral until the end of continued salary payments. However, an adjustment is only made to the extent that the statutory minimum benefit, adjusted for inflation, exceeds the benefit payable under the pension fund regulations.

Art. 38 Proof of entitlement to benefits

1 Pension recipients must furnish proof of their existence and civil status at the request of the Foundation. The costs of this will be borne by the pension recipient.

2 Recipients of child and orphan’s pensions who are entitled to a pension beyond the age of 18 must provide annual confirmation from the training institute of the type and duration of training.

Art. 39 Payment

1 Benefits are generally paid to the beneficiaries personally.

2 Pensions are paid out in monthly instalments rounded up to the nearest whole franc. Payments are due at the end of the month.

3 The pension amount for the month in which the pension entitlement expires is paid out in full.

4 If when the pension is drawn, the annual retirement pension or the disability pension payable in the event of full disability is less than 10%, the spouse's pension is less than 6% and the child's pension is less than 2% of the simple minimum OASI retirement pension, the available retirement assets or the pension capitalised in accordance with actuarial principles will be paid out instead of the retirement pension. In the case of lump-sum withdrawals in connection with this de minimis rule, the signatures do not need to be notarised.

5 Retirement, disability and death benefits do not bear interest.

6 Subject to art. 89c OPA, the Foundation only fulfils its obligations in Switzerland and Liechtenstein. Any costs and risks for the transfer of benefits abroad must be borne by the beneficiary.

7 The Board of Trustees decides annually on any additional payment for pensioners in accordance with the financial possibilities of the investment models. Pension recipients are not entitled to retain an extraordinary additional payment, even if this has been paid several times.

IV Termination benefit

Art. 40 Entitlement to termination benefit

1 If the pension relationship is terminated before the occurrence of an insured event without benefits becoming due in accordance with these regulations, the insured person leaves the Foundation at the end of the last day of the employment relationship or when the conditions for admission in accordance with the pension plan cease to apply and the termination benefit becomes due. The foregoing is without prejudice to the possibility of continued insurance pursuant to art. 9b and 9c.

2 From the first day after leaving the Foundation, the termination benefit will bear interest at the minimum interest rate pursuant to art. 15, para. 2 OPA.

3 Interest on arrears in accordance with art. 7 VBO is only payable if the termination benefit due is not transferred within 30 days of receipt of the termination notification and all necessary information on utilisation.

4 Insured persons can also request a termination benefit if they have already reached the earliest possible reference age and continue to work or are registered as unemployed.

5 Insured persons whose disability insurance pension was reduced or cancelled following a reduction in the degree of disability are entitled to a corresponding termination benefit at the end of the provisional continued insurance and maintenance of the entitlement to benefits in accordance with art. 23.

Art. 41 Amount of the termination benefit

1 The amount payable corresponds to the accrued retirement assets pursuant to art. 13, para. 4 of these regulations.

2 The statutory provisions pursuant to art. 15, art. 17 and art. 18 VBA are guaranteed in all cases.

3 The minimum amount pursuant to art. 17 VBA corresponds to the sum of:

- the entry benefits and sums paid in with interest (the interest rate corresponds to the OPA minimum interest rate) and
- the retirement credits paid by the insured person with interest (the interest rate corresponds to the OPA minimum interest rate), together with a supplement of 4% per year of age from the age of 20, up to a maximum of 100%. This supplement is not calculated for the contributions pursuant to art. 9b and 9c and art. 10, para. 11.

4 A portion of a purchase sum assumed by the employer can be deducted from the termination benefit on leaving the company, provided this was stipulated by the employer at the time of the purchase. The deduction is reduced by 1/10 of the purchase sum for each contribution year. The unused portion is transferred to the employer contribution reserve of the employer concerned.

Art. 42 Utilisation of the termination benefit

1 The termination benefit is transferred to the new occupational pension scheme in favour of the departing insured person.

2 Insured persons who do not join a new pension fund will be informed by the Foundation about the options for maintaining their pension cover and about the possibility of continuing their pension cover with the Foundation. They must inform the Foundation within 30 days about the form (vested benefits account, vested benefits policy) in which they wish to maintain their pension cover or whether they wish to continue their pension cover with the Foundation in accordance with art. 9b or 9c.

3 The termination benefit can be transferred to a maximum of two termination benefits institutions. In accordance with FSIO Communication No. 122, margin no. 782, the transfer to two termination benefits accounts at the same institution is not permitted.

4 If the insured person fails to notify the Foundation of the utilisation of their termination benefit, the termination benefit and interest will be transferred to the Substitute Occupational Benefit Institution after six months at the earliest, but no later than two years after the vested benefits event.

5 At the request of the departing insured person, the termination benefit will be paid out in cash if

- they leave Switzerland or the Principality of Liechtenstein permanently. This does not apply to the OPA portion of the termination benefit if the departing person moves to an EU or EFTA country and is subject to statutory insurance against old age, death and disability there.
- the insured person becomes self-employed, this constitutes his or her main occupation and the insured person is no longer subject to compulsory occupational benefits insurance;
- the termination benefit is less than the insured person's annual contribution.

6 The signature of the insured person and that of any spouse on the application must be officially notarised. In the case of cash payments of up to CHF 5,000, the signatures do not need to be notarised.

7 The insured person must furnish the necessary supporting documents for the request for a cash payment.

8 Any third-party costs and fees in connection with the cash payment must be borne in full by the applicant.

V Divorce and encouragement of home ownership

Art. 43 Divorce

1 The relevant provisions of the Swiss Civil Code (CC), the Civil Code Procedure (CPC), the OPA and the Vested Benefits Act (VBA), including the respective implementing provisions, apply to pension equalisation in the event of divorce.

2 The Swiss courts have exclusive jurisdiction for the settlement of pension claims against Swiss occupational benefit schemes. The Foundation only enforces legally binding divorce judgements issued by Swiss courts.

3 If an insured person divorces, the vested benefits accrued during the marriage up to the time of the initiation of divorce proceedings must generally be divided equally, with the exception of one-off contributions from personal assets. The court notifies the Foundation of the amount to be transferred together with the necessary information concerning the preservation of the pension cover.

4 If a portion of the termination benefit or the hypothetical termination benefit of a person drawing a disability pension has to be transferred to the divorced spouse in the event of divorce, the termination benefit is reduced accordingly. The amount due to be transferred is debited in accordance with the ratio of the retirement assets pursuant to the OPA with respect to the remaining pension assets. The OPA portion is always paid out from the OPA retirement assets. The non-compulsory portion is paid out in the following order from

- commutations for early retirement
- purchases
- the retirement assets from non-mandatory pension provision.

5 The spouse subject to the obligation described in para. 4 may buy in again within the scope of the transferred termination benefit. The OPA portion is allocated on a pro rata basis, provided that the OPA portion transferred at the time is known.

6 An advance withdrawal within the context of encouraging home ownership that has not yet been repaid is deemed to be a termination benefit that is included in the division if the marriage is terminated before the occurrence of an insured event. If the early withdrawal took place during the marriage, the capital outflow and the loss of interest are charged pro rata to the pension assets accumulated before the marriage and subsequently until the withdrawal. A cash payment or lump-sum settlement made during the marriage does not count towards the termination benefit due to be divided.

7 If a share of the hypothetical termination benefit of a person drawing a disability pension is transferred in favour of the divorced spouse as a result of a divorce before the normal reference age, this triggers a reduction in the retirement assets of the disability pension recipient thus resulting in correspondingly lower retirement benefits. In contrast, the disability pension already drawn at the time the divorce proceedings are initiated and any disabled person's children's pensions (incl. those drawn in the future) remain unchanged; the disability pension pursuant to the OPA (shadow calculation) is reduced by the maximum possible amount pursuant to art. 19, paragraphs 2 and 3 OPO 2.

8 If, as a result of a divorce before the normal reference age, a portion of the hypothetical termination benefit of a disability pension recipient with a lifelong entitlement to disability benefits is transferred in favour of the divorced spouse, this triggers an immediate reduction in the lifelong disability pension. The reduction is determined by the Foundation based on actuarial principles. In contrast, any disabled person's children's pensions drawn at the time the divorce proceedings are initiated remain unchanged.

9 If, as a result of a divorce after the normal reference age, a share of the pension is awarded to the entitled spouse, this leads to a reduction in the retirement benefits. An entitlement to a retired person's child's pension already existing at the time the divorce proceedings are initiated is not affected by the pension equalisation. The pension portion awarded to the entitled spouse does not trigger any entitlement to further benefits from the Foundation.

The Foundation converts the pension portion awarded to the entitled spouse into a lifelong pension according to a legally binding formula or calculation basis. The date on which the divorce becomes final is decisive for the conversion.

The lifelong pension awarded is transferred by the Foundation to the pension or vested benefits institution of the entitled spouse in accordance with statutory provisions. The Foundation may agree with the entitled spouse on a transfer in the form of a lump sum instead of a pension transfer.

If the entitled spouse is entitled to a full disability pension or has reached the age of 58, he or she can request payment of the lifelong pension. If the entitled spouse has reached the ordinary OASI reference age, the lifelong pension will be paid out to him or her.

10 If the insured event of old age occurs during the divorce proceedings or if a disability pension recipient reaches the normal reference age during the divorce proceedings, the Foundation will reduce the portion of the termination benefit due to be transferred and the retirement pension in accordance with art. 19g VBO by the excess benefits paid in the meantime.

11 If the insured person has reached the normal reference age when the divorce proceedings are initiated and has postponed drawing the retirement benefit, the retirement assets available at that time will be divided in the same way as a termination benefit.

12 If an insured person or disability pension recipient receives a termination benefit or a pension portion transferred as a lifelong pension or as a lump sum in the context of a divorce, this amount will be credited to the retirement assets pursuant to the OPA and the extra-mandatory assets of the retirement account at the Foundation in the same proportion as it was deducted from the pension scheme of the obligated spouse.

Art. 44 Encouragement of home ownership

1 An insured person may, as long as and insofar as no disability has occurred, withdraw an amount for home ownership for their own use up to three years before reaching the normal reference age. They may also pledge this amount or their entitlement to benefits for the same purpose.

2 Withdrawals to encourage home ownership can be claimed for the purchase or construction of residential property, investments in residential property and the amortisation of mortgage loans.

3 Residential property is deemed to refer to a flat or single-family house owned solely or jointly by the insured person and his or her spouse, as well as in independent and permanent building rights.

4 The use of the residential property at the place of residence or habitual abode by the insured person is deemed to be personal use.

5 The following limits apply to early withdrawal or pledging:

- The insured person must withdraw an amount of at least CHF 20,000. This minimum amount does not apply to the purchase of share certificates in housing cooperatives and similar participations.
- Insured persons may withdraw or pledge an amount up to the amount of their termination benefit up to the age of 50. If they have exceeded the age of 50, they may withdraw a maximum of the termination benefit to which they were entitled at the age of 50 or half of the termination benefit at the time of withdrawal, whichever is higher.
- An early withdrawal can be claimed at most every five years.

6 Upon request, the Foundation will inform the insured person about:

- the amount available for home ownership;
- the general tax liability;
- the reduction in benefits associated with an early withdrawal;
- the possibility of covering the insurance gaps that have arisen;
- the obligation to repay the amount drawn in advance;
- the entitlement to a refund of the taxes paid in the event of repayment and the deadline that must be observed for this to take place.

7 If the insured person makes use of the advance withdrawal or pledge, he/she must provide the Foundation with all necessary documents constituting legally sufficient evidence of the purchase or construction of residential property, the participation in residential property or the repayment of mortgage loans.

8 The signature of the insured person and that of any spouse on the advance withdrawal agreement drawn up by the Foundation or on the pledge application must be officially notarised.

9 The intended use of the funds withdrawn in advance must be recorded by a corresponding entry in the land register or by depositing the co-operative share certificates with the Foundation.

10 Any costs and fees incurred by third parties in connection with the promotion of home ownership must be borne in full by the applicant.

11 In the event of underfunding, the Foundation may restrict the payment of an advance withdrawal for the amortisation of mortgage loans in terms of time and amount.

12 If the Foundation's liquidity is jeopardised by early withdrawals, the Foundation may postpone the processing of applications. In this case, the Foundation will establish an order of priority for the processing of applications.

13 The assets and the retirement assets pursuant to the OPA will be reduced proportionally.

Art. 45 Repayment of the advance withdrawal

1 The advance withdrawal must be repaid to the Foundation by the insured person or their heirs if

- the residential property is sold;
- rights to this residential property are granted that are economically equivalent to a sale;
- no pension benefits are due upon the death of the insured person.

2 If the insured person wishes to use the proceeds from the sale of the residential property to the extent of the advance withdrawal for his or her residential property again within two years, the insured person may transfer this amount to a vested benefits institution.

3 The repayment obligation is limited to the proceeds. The proceeds are deemed to be the sale price less the debts secured by mortgage and the charges imposed on the seller by law.

4 The repayment obligation continues to exist until the normal reference age is reached.

5 The insured person is also free to voluntarily repay the amount withdrawn in advance until they reach the normal reference age. The minimum amount for a repayment is CHF 10,000.

6 The OPA portion reduced when an advance withdrawal takes place will be replenished, provided the exact amount is known to the Foundation.

VI Financing

Art. 46 Obligation to contribute

1 The contributions are due from the 1st day of the month in which the pension relationship begins. However, if the pension relationship begins after the 15th day of a month, the contributions are only due from the 1st day of the following month.

2 The age used to determine the amount of contributions and retirement credits corresponds to the difference between the current calendar year and the insured person's year of birth.

3 The employer transfers all the contributions to the Foundation, even if only the employee is obliged to pay contributions (e.g. in the case of voluntary insurance pursuant to art. 8, para. 4). The employer deducts the employee's share of the contribution from the insured person's salary or salary replacement each month and transfers the employee contributions to the Foundation together with the employer's contributions.

4 The employer's contributions are at least equal to the sum of the contributions of its insured persons. Contributions pursuant to articles 9b and 9c and art. 10, para. 11 are excluded.

5 During the waiting period until the exemption from contributions kicks in, the contributions will continue to be invoiced to the employer.

6 As part of the voluntary continuation of insurance for employees in the construction industry (FAR Foundation) in accordance with art. 9a of the regulations, the FAR Foundation is liable for contributions.

7 Other foundations or associations with which the Foundation has concluded corresponding agreements as an addendum to these regulations in accordance with art. 9a, para. 7 may also be liable for contributions.

8 The obligation to pay contributions ends

- at the end of the pension relationship;
- upon commencement and to the extent of a retirement pension;
- at the end of the month of death.

In this case, the contributions are payable until the last day of the month. However, if the pension relationship ends before the 16th day of a month, the contributions are only payable until the last day of the previous month.

Art. 47 Contributions

1 The contributions are made up of

- the retirement credits according to the pension plan for retirement provision;
- the risk contributions in accordance with the pension plan for insuring the risks of death and disability;
- the administrative cost contributions according to the pension plan;
- the contributions to cover the partial liquidation risk in accordance with the pension plan;
- any other recurring contributions.

2 Unless the pension plan provides otherwise, the obligation to pay contributions for risk insurance begins at the age of 18 and for retirement provision at the age of 25.

3 The type and amount of contributions are defined in the pension plan.

4 The Foundation reserves the right to levy a premium surcharge in the event of an increased risk of disability or death.

5 In the event of deferred retirement, risk contributions are no longer payable. The other contributions and costs are payable until the retirement benefits are drawn.

6 The contributions are collected from the employer by the Foundation on a quarterly basis. In justified and exceptional cases, the employer may request a monthly contribution invoice. Subject to the Foundation's approval, the changeover will take place in January of the following year at the earliest.

Art. 48 Entry lump sum transfer and purchase

1 New insured persons must transfer all vested benefits from previous pension schemes to the Foundation.

2 An active or disabled person who does not have the full benefits pursuant to the regulations can make a purchase. In the case of disabled persons, the purchase amount is calculated on the basis of the insured savings salary at the start of the incapacity for work.

3 However, a purchase can only be made once any advance withdrawal under the home ownership promotion scheme has been repaid in full or repayment of the advance withdrawal is no longer permitted by law. The foregoing is without prejudice to the right to repurchase after a divorce.

4 Purchases are allocated to the extra-mandatory retirement assets.

5 The Foundation accepts a maximum of three payments for voluntary purchases per year.

6 The admissible purchase amount is calculated by the Foundation on the basis of actuarial principles. Information on the amount that can be purchased can be obtained from the Foundation.

7 The vested benefit assets and pillar 3a assets not brought in are taken into account in the calculation of the maximum possible purchase amount within the framework of legal requirements. For this purpose, the corresponding application form must be submitted to the Foundation prior to the calculation.

8 If a purchase has been made, the resulting benefits may not be withdrawn from the pension fund in the form of a lump sum within the next three years after the purchase.

9 Insured persons who make use of the purchase option are themselves responsible for clarifying their deductibility from taxable income.

10 The pension provision of insured persons can be improved through one-off or recurring contributions by the employer, subject to compliance with the principles of collectivity, regularity, appropriateness, equal treatment and exclusivity.

11 A vested benefit or pension transferred following a divorce decree is credited to the retirement assets pursuant to these regulations and the retirement assets pursuant to the OPA in the same proportion in which the obligated spouse’s pension scheme was debited.

Art. 49 Interest rates

1 The interest rate for the retirement assets pursuant to these regulations is determined annually by the Board of Trustees in accordance with the Foundation's financial possibilities.

2 The interest rate for interest on OPA retirement assets corresponds to the OPA minimum interest rate set by the Federal Council, without prejudice to art. 65d, para. 4 OPA.

3 The technical interest rate for calculating the actuarial reserves is determined by the Board of Trustees after consulting its recognised expert.

VII Organisation

Art. 50 Board of Trustees

1 In accordance with the foundation charter, the Board of Trustees is responsible for managing the Foundation. It is made up of at least four members.

2 Details of the organisation and duties of the Board of Trustees are set out in the deed of foundation and the organisational regulations.

Art. 51 Employee pension fund committee

1 Each affiliated pension fund must set up a pension fund committee with equal representation.

2 Details of the organisation and duties of the pension fund committee are set out in the organisational regulations.

Art. 52 Assembly of Delegates

The Assembly of Delegates is held annually. The delegates are elected by the pension fund committees in accordance with the organisational regulations.

Art. 53 Business management

1 Current business is conducted by the management under the supervision of the Board of Trustees and in accordance with the organisational regulations and the investment regulations.

2 The Management Board informs the Board of Trustees periodically about the course of business and immediately about any special events.

3 The annual financial statements are closed on 31 December of each year. The accounts are prepared in accordance with statutory provisions.

Art. 54 Auditors and expert

1 The Foundation appoints an auditor for the annual audit of the organisation, management, accounting, asset investment and compliance with the duties of loyalty. The auditors fulfil their duties in accordance with statutory provisions.

2 The Foundation must have a recognised occupational benefits expert periodically review whether

- the Foundation provides assurances that it can fulfil its obligations;
- the actuarial provisions governing benefits and financing comply with statutory provisions.

Art. 55 Reinsurance

The Foundation may conclude a group life insurance contract with a life insurance company to cover the risks of death and disability. All rights and obligations arising from this contract are borne exclusively by the Foundation and the insurance company. The insured persons have no direct claims against the life insurance company in question.

Art. 56 Data collection, confidentiality and data protection

1 The Foundation is authorised to collect and process personal data, including particularly sensitive personal data (art. 85a OPA), as part of the task assigned to it for the implementation of the occupational benefit scheme. All data that is absolutely necessary for the implementation of the occupational benefit scheme is collected from the insured persons and third parties (social insurance schemes, daily sickness benefits insurers, employers, etc.).

2 Insured persons acknowledge that the Foundation and all bodies entrusted with implementation, monitoring or supervision are authorised to process or have processed personal data, including particularly sensitive personal data, in order to fulfil the tasks assigned to them by law. The Foundation may transmit the necessary documents to the administrative office. It may pass on the insurance-related data, including particularly sensitive data, to co-insurers or reinsurers as well as lawyers, the occupational pensions expert and the auditors for the processing and settlement of benefit cases or the legally prescribed control functions, insofar as necessary and in compliance with the Data Protection Act.

3 The members of the Board of Trustees and all persons entrusted with the management, administration, monitoring or supervision are subject to a duty of confidentiality with regard to the personal and financial circumstances of the insured persons and employers. The duty of confidentiality also applies after leaving office or after termination of the mandate.

4 The Foundation complies with statutory provisions on data protection when handling the personal data of insured persons.

Art. 57 Information

1 The Foundation must inform insured persons annually about
- the insured salary
- the benefits
- the contributions
- the retirement assets
- financing
- the organisation of the Foundation
- the members of the Board of Trustees.

2 Upon request, insured persons must also be informed in an appropriate manner about
- the return on capital
- the actuarial risk trend
- administrative costs
- the mathematical reserve calculation
- the formation of reserves and provisions
- the coverage ratio.

3 The annual financial statements and the annual report must be made available to insured persons upon request.

4 The Foundation informs the pension fund committee about any outstanding employer contributions.

5 The pension fund committee informs insured persons about their pension fund and the decisions taken.

6 Disputes concerning an insured person's right to information may be submitted to the supervisory authority for judgement in accordance with art. 62, para. 1, letter e OPA.

Art. 58 Fluctuation reserves and provisions

The calculation and formation of the fluctuation reserves and technical provisions are governed by the investment regulations and the provisions regulations.

Art. 59 Uncommitted funds

Assets that are recognised as uncommitted funds can be used within the scope set out under the law.

Art. 60 Employer contribution reserves

1 The employer has the option of creating a separately recognised employer contribution reserve.

2 At the employer’s request, the employer's contributions may be paid from these funds.

3 Employers who wish to pay into employer contribution reserves are themselves responsible for clarifying the legality of this with the relevant cantonal tax authorities.

4 Whether and at what interest rate interest is paid on these accounts is determined annually by the Board of Trustees in accordance with the Foundation's financial resources.

Art. 61 Measures in the event of underfunding

1 If, based on a review by the occupational pensions expert, the Foundation determines that there is a shortfall in cover, the Board of Trustees must decide on measures to remedy the shortfall. To this end, the occupational pensions expert will submit a restructuring plan to the Board of Trustees, setting out the measures and the expected duration for remedying the shortfall.

2 The Board of Trustees may take the following restructuring measures in particular, taking into account proportionality, appropriateness, balance and suitability as well as the statutory provisions:

- restriction of early withdrawals for the amortisation of mortgage loans;
- reduction in the interest rate for interest on retirement assets;
- collection of reorganisation contributions from employers and employees;
- collection of reorganisation contributions from pensioners. These contributions are levied by offsetting them against current pensions. The contributions may only be levied on those parts of the current pensions that have arisen in the last 10 years prior to the introduction of this measure as a result of increases not prescribed by law or the regulations.

The reduction in the interest rate for interest on retirement assets also applies to the calculation of the termination benefit pursuant to art. 17 VBA.

Restructuring measures can also be taken if only a single investment model is underfunded without the Foundation itself being underfunded.

3 Instead of restructuring contributions, affiliated employers will make deposits into a separate "Employer contribution reserves with waiver of utilisation" account and transfer funds from the ordinary employer contribution reserve to this account. These deposits may not exceed the amount of the underfunding and do not earn interest. Once the shortfall has been fully remedied, the employer contribution reserve with waiver of utilisation must be dissolved and transferred to the ordinary employer contribution reserve. Premature partial cancellation is not possible.

These contributions are possible or can be made if only a single investment model is underfunded without the Foundation itself being underfunded.

4 If the measures taken prove insufficient, the Board of Trustees may decide to pay interest below the OPA minimum interest rate for the duration of the underfunding, but for a maximum of five years. The shortfall may not exceed 0.5 percentage points.

5 The Board of Trustees will inform the supervisory authority, employers, insured persons and the pension recipients of the extent and causes of the underfunding and of the measures taken. The notification to the supervisory authority must be submitted no later than when the underfunding is recognised in the annual financial statements.

Art. 62 Partial liquidation

The provisions governing the conditions and procedure for partial liquidation are set out in the partial liquidation regulations.

VIII Final provisions

Art. 63 Place of jurisdiction

The place of jurisdiction is the Swiss registered office or domicile of the defendant or the place of the employer where the insured person was employed. In the absence of either of these, the place of jurisdiction is the registered office of the Foundation.

Art. 64 Assignment and pledging

The entitlement to benefits from the Foundation cannot be assigned or pledged before they fall due. This does not apply to the encouragement of home ownership or the transfer of part of the retirement assets to the spouse in the event of divorce.

Art. 65 Limitation period

1 The entitlement to benefits will not expire provided insured persons have not left the Foundation at the time of the insured event.

2 Claims for periodic contributions and benefits expire after five years, others after 10 years. The corresponding articles of the Swiss Code of Obligations are applicable.

Art. 66 Transitional provision for IV pensions in payment on 31.12.2021

For disability pension recipients, the degree of disability according to the provisions of the Foundation valid until 31 December 2021 will remain in place until the degree of disability in the occupational benefit scheme changes by at least five percentage points following an IV revision.

Art. 67 Gaps in the regulations

1 Cases not expressly governed by these regulations will be decided by applying the latter mutatis mutandis in compliance with statutory provisions.

2 In the event of a dispute, recourse may be taken before the competent court in accordance with art. 73 OPA.

Art. 68 Entry into force and amendments to the regulations

1 These regulations come into force on 1 January 2024 and replace the regulations dated 1 January 2022.

2 The regulations may be amended by the Board of Trustees at any time within the framework of statutory provisions and the purpose of the Foundation. Amendments must be submitted to the supervisory authority.

Wädenswil, December 2023 The Board of Trustees

Appendix I to the pension fund regulations

Conversion rate for the retirement pension

The retirement pension is calculated based on the existing retirement assets at the time of retirement, multiplied by the conversion rate corresponding to the effective reference age in accordance with the following table:

Age	Year 2018	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	**from 2024**
58	5.35%	5.30%	5.25%	5.20%	5.15%	5.10%	**5.05%**
59	5.50%	5.45%	5.40%	5.35%	5.30%	5.25%	**5.20%**
60	5.65%	5.60%	5.55%	5.50%	5.45%	5.40%	**5.35%**
61	5.80%	5.75%	5.70%	5.65%	5.60%	5.55%	**5.50%**
62	5.95%	5.90%	5.85%	5.80%	5.75%	5.70%	**5.65%**
63	6.10%	6.05%	6.00%	5.95%	5.90%	5.85%	**5.80%**
64	6.25%	6.20%	6.15%	6.10%	6.05%	6.00%	**5.95%**
65	**6.40%**	**6.35%**	**6.30%**	**6.25%**	**6.20%**	**6.15%**	**6.10%**
66	6.55%	6.50%	6.45%	6.40%	6.35%	6.30%	**6.25%**
67	6.70%	6.65%	6.60%	6.55%	6.50%	6.45%	**6.40%**
68	6.85%	6.80%	6.75%	6.70%	6.65%	6.60%	**6.55%**
69	7.00%	6.95%	6.90%	6.85%	6.80%	6.75%	**6.70%**
70	7.15%	7.10%	7.05%	7.00%	6.95%	6.90%	**6.85%**

The intermediate values are interpolated linearly.

Wädenswil, 11 September 2017 The Board of Trustees