



Pension plan regulations

Vita Invest / Autoinvestment

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

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Pension plan regulations

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1 Introduction

1.1 Which terms and abbreviations are used?

Foundation

Vita Invest Collective Foundation of Zurich Life Insurance company Ltd, Zurich

Zurich

Zurich Life Insurance Company Ltd, Zurich

Follow-up contract

Contract between the foundation and the employer, on the basis of which the employer entrusts the implementation of personal pension provision to the foundation

Employer

Company that has joined the Foundation for the purpose of implementing the occupational pension scheme

Administration Committee

The company affiliated to the foundation forms a board of directors consisting of employee and employer representatives (the advisory committee is an organ of the foundation)

AHV

Swiss Federal Old Age and Survivors' Insurance

ATSG

Swiss Federal Law on General Provisions concerning Legislation on Social Insurances

BVG

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

BV 2

Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans

FZG

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

FZV

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

IV

Swiss Federal Disability Insurance

Performance account (iVFR)

Individual value fluctuation reserve and uncommitted funds of a future-oriented nature

iPA

individual pension account

cVFR

Collective value fluctuation reserve

MVG

Swiss Federal Law on Military Insurance

OR

Swiss Code of Obligations

PartG

Swiss Federal Law on Registered Same-Sex Partnership

Partner

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

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

Registered Partner according to PartG

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

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

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

UVG

Swiss Federal Law on Compulsory Accident Insurance

Employer's pension fund

Independent fund of the affiliated company. Upon retirement, the insured person is transferred to the retirement pension fund at foundation level

Retirement pension fund at foundation level

Recipients of retirement and spouse's pensions as well as retired children and orphans' pensions are managed in a separate pension fund at foundation level

VVG

Swiss Federal Law on Insurance Contracts

ZGB

Swiss Civil Code

1.2 What is the idea of the occupational pension plan according to this pension model?

The purpose of this occupational pension plan is to provide group protection for the insured persons and their surviving dependents against the economic consequences of loss of earnings on retirement, upon death or in the event of disability. The benefits paid out by the Foundation are intended to supplement those provided by the AHV/IV.

²The basic idea of this employee benefit plan is that the insured persons participate to the greatest possible extent in overall economic developments

³The pension plan can only provide for the super mandatory pension. In this case no minimum BVG benefits are paid

1.3 How is the occupational pension plan organized?

¹For administration of the occupational pension plan, the employer becomes affiliated with the Foundation under the terms of the affiliation contract. It is incumbent upon the Foundation Board to manage the Foundation. The Foundation Board represents the Foundation vis-à-vis third parties, decides how the Foundation should be organized and how administrative tasks in connection with the Foundation should be executed.

²Within the Foundation there is a separate fund called the employer's pension fund. It is incumbent upon the Administration Committee to manage the employer's pension fund. The composition and duties of the Administration Committee are set forth in the organizational regulations for Administration Committee.

³To ensure the provision of benefits in the event of death or disability, the Foundation has concluded a group life insurance contract with Zurich, whereby the Foundation itself is both policyholder and beneficiary. The foundation board reserves the right to adjust the reinsurance, to co-insure the longevity risk or to conclude collective life insurance contracts with other life insurance companies.

⁴The profit shares arising under the group life insurance contract between Zurich and the Foundation are credited to the employer's pension fund on a pro rata basis in accordance with the provisions of the regulations. The profit shares are used in accordance with the resolution of the Administration Committee.

1.4 What benefits does the BVG security fund provide?

¹The Foundation is affiliated to the BVG security fund.

²The BVG security fund safeguards mandatory legal benefits in the event of insolvency of the employer's pension fund or the retirement pension fund at foundation level and grants subsidies in the event that an unfavorable age structure exists in the employer's pension fund.

2 On what basis is the occupational pension plan calculated?

2.1 Which age calculations apply to the occupational pension plan?

2.1.1 Age for calculating contributions and benefits

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

2.1.2 Age for calculating the minimum benefit at termination

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

2.1.3 Age that applies for the calculation of retirement credits

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

2.2 When does retirement occur?

2.2.1 Regular retirement age

Regular retirement take place on the first of the month following the completion of the BVG reference age.

2.2.2 Regulation retirement age

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

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

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

¹Employed person continue to be insured as stipulated in the pension regulations after regulation retirement age, until they reach regular retirement age.

²The insured person and the employer will continue to pay contributions.

2.2.4 Early retirement

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

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

2.2.5 Deferred retirement

¹If the insured person continues, with the consent of his or her employer, to work beyond regular retirement age, the due date of the retirement benefits may be deferred until definitive termination of employment, but not after reaching the age of 70. The contributions are set out in the pension plan.

²From reaching the ordinary retirement age, all insured benefits shall expire, with the exception of the retirement pension and related partner or children's pensions.

³If an insured person dies during the deferred retirement period, the following applies:

- a) If the insured person leaves behind an eligible partner, a partner pension falls due. The amount of the partner's pension corresponds to 60% of the retirement pension and additional retirement pension according to art. 6.3.1 and 6.3.3, which the insured person would have received if they had retired on the date of death. Surviving dependents as per art. 6.5.8 are also entitled to the available retirement savings, provided these are not needed to finance a partner's pension or a pension for a divorced spouse. Except for the amount of the partner's pension, the provisions in accordance with

arts 6.5.1, 6.5.2, 6.5.3 and 6.5.9 shall apply mutatis mutandis.

- b) If the insured person does not leave behind any eligible partner, the retirement capital and the performance account (iVFR see art. 5.3 f.) available at the time of death of the insured person will be paid out to the surviving dependents in accordance with art. 6.5.8.
- c) The amount of the orphan's pension corresponds to 20% of the retirement pension that the insured person would have received upon retirement at the time of death.

2.2.6 Partial retirement

¹An insured person may take partial retirement with the employer's consent at the earliest on the first of the month following their 58th Birthday. It is also possible to enter the first phase of partial retirement after the regulation retirement age, provided the criteria in accordance with art. 2.2.3 are met. Full retirement must be taken no later than on reaching the age of 70.

²Partial retirement requires that the degree of occupation be reduced accordingly and that the insured person be fully fit for work. Partially disabled persons may take partial retirement in accordance with their earning capacity.

³Partial retirement shall be in no more than three stages, each consisting of at least 20% of the full working week, whereby the retirement benefit drawn may not exceed the share of the salary reduction.

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

⁵The entitlement to retirement benefits will depend on the degree of retirement. The available retirement capital necessary for the payment of retirement benefits will consist of mandatory and non-mandatory components in the same proportions as for the total retirement capital. The performance account (iVFR see art. 5.3 f.) is converted according to art. 6.3.2 into a retirement benefit according to the degree of retirement.

⁶Retirement benefits may be claimed either in whole or in part as capital for the individual stages of partial retirement. For the rest, art. 6.3.7 shall apply.

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

⁸The insured person is responsible for clarifying the tax treatment of partial retirement.

2.3 Which annual salary applies to the occupational pension plan?

2.3.1 Effective annual salary

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

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

³If an insured person also receives a salary from another company and this company is not affiliated with the foundation, then that salary shall not be taken into consideration.

⁴In the case of insured persons whose degree of employment and/or income varies considerably, the relevant annual salary may be determined on a flat-rate basis according to the average salary of the respective occupational group

2.3.2 Insured annual salary

¹Calculation of pension benefits and contributions is based on the insured annual salary.

²The insured annual salary is stipulated in the pension plan.

³If the annual insured salary is reduced temporarily as a consequence of unemployment, maternity, paternity, adoption leave, childcare, military service or civil defense service, the salary insured up to that date remains in effect to the extent that payment is made in compensation for lost salary.

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

⁵If the pension plan stipulates a salary level for admission to the plan, and if the effective annual salary is reduced for reasons other than illness or accident and remains temporarily below the entry level, the retirement plan shall be continued without payment of contributions. Expected disability benefits and death benefits before retirement shall lapse, except for the lump-sum death benefit in the amount of the available retirement capital.

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

⁷For recipients of a disability pension, the limit amounts such as the coordination deduction and the BVG salary cap are reduced in accordance with the percentage of their partial pension entitlement under the regulations in order to determine the BVG annual salary. This adjustment applies to newly insured persons only if they are entitled to an IV pension.

⁸In the event of unpaid leave, the employer may agree with the insured person that contributions will continue to be paid during the period of unpaid leave. If no contributions are made, the insurance is suspended. The retirement capital continues to earn interest. If an insured event occurs during the non-contributory period, entitlement is limited to the retirement capital existing at the time the event occurs.

2.3.3 Maximum insurable annual salary under the BVG

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

²If the insured person is insured under more than one pension fund and the sum of all of his/her annual salaries subject to AHV deductions exceed the amount stated in para. 1, the Foundation will reduce the insurable salary accordingly.

2.3.4 BVG annual salary

¹The BVG annual salary corresponds to the effective annual salary, limited to the BVG upper salary limit and reduced by the coordination deduction as per BVG. If the minimum salary for admission to the plan set out in the OP is reached, the BVG annual salary shall be at least equal to the minimal coordinated BVG salary. If the decisive annual salary is lower than the minimum salary, the BVG annual salary is zero.

²The BVG annual salary shall apply for the calculation of contributions to the BVG security fund and for the calculation of obligatory adjustment of the current disability and survivors' pensions to the cost of living.

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

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

3.1.1 Admission to the pension plan

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

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

3.1.2 Exceptions to pension plan admission

The following persons are not insured:

- a) employees who have not completed their 17th year of age on January 1;

- b) employees whose effective annual salary does not exceed the minimum salary as per BVG, unless the pension plan contains provisions to the contrary. The minimum salary will be adjusted as foreseen by the law for persons drawing a disability pension;
- c) employees who, at the time they are to be admitted, are disabled to a degree of at least 70% as defined by Swiss Federal Disability Insurance, as well as employees given provisional further insurance coverage in accordance with art. 26a BVG;
- d) employees with whom an employment contract for three months or less has been concluded. If employment is extended beyond three months, admittance to the occupational pension plan will take place at the time of the extension. If several consecutive fixed-term periods of employment with the same employer or periods of service for the same intermediating company exceed three months in total and this period was not interrupted for more than three months, admittance to the occupational pension plan will take place at the start of the fourth month of employment. If, however, an agreement is reached prior to commencement of the work that the period of employment or service is to exceed three months in total, admittance to the occupational pension plan will take place at the beginning of the period of employment.

3.1.3 Restrictions on benefits

¹If a person to be insured was not fully able to work prior to or upon admission to the occupational pension plan, but this inability to work does not fall under the BVG definition of disability, and if the cause of this inability to work leads to disability or death without interruption of the temporal context, there shall be no entitlement to benefits under these pension regulations. If the person to be insured was insured by another pension plan at the beginning of the period of inability to work, then that pension plan is responsible for providing benefits.

²Persons with congenital defects or persons who became disabled as a minor

are subject to art. 18 paras. b and c and art. 23 paras. b and c of the BVG.

3.2 How will the person to be insured be registered?

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

3.3 When does pension plan coverage begin?

¹Employee coverage for mandatory benefits under BVG shall begin on the date on which the employment relationship starts or a claim to wages exists for the first time, but in any case, at the time at which the employee departs for the workplace.

²Pension coverage for non-mandatory benefits is provided on a provisional basis. A medical examination as defined in art. 3.4 is required for the final provision of pension coverage, in particular in the event of backdated admittance to the occupational pension plan or to any continued pension coverage.

³Provisional pension coverage shall be understood to mean the insurance coverage provided for the benefits applied for, from the time a person to be insured is registered with the plan until all registration documents have been conclusively examined. Provisional coverage does not extend to claims which are attributable to prior illnesses, ailments or consequences of accidents. Additionally, benefits in the event of a claim, together with any other benefits from occupational pensions provided by Zurich or one of its joint foundations, will be restricted to CHF 1,000,000 (one-time benefit or present value of all recurring death and disability benefits).

⁴Thereafter, provisional coverage shall be superseded by definitive coverage which shall commence upon receipt of the individual certificate of insurance and shall extend to the benefits described therein.

3.4 When is a health examination required?

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

² If pension benefits exceed BVG minimum benefits, the Foundation may make admittance to extended coverage or increased benefits contingent upon a health certificate or medical examination and a general risk assessment. Based on the findings of the health examination, the Foundation may make appropriate restrictions or charge supplementary contributions. Any health restrictions on insurance shall expire after five years. The time expired since insurance restrictions for substandard health were imposed by an earlier pension plan will be considered.

³ However, if an illness covered by the restriction occurs within five years of the restriction being imposed, exclusion of benefits shall apply permanently to non-mandatory benefits or benefits which have not yet been awarded.

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

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

3.5 What regular entry purchasing amount is to be provided?

¹ On entry into the pension plan, an insured person must transfer the termination benefits from their previous occupational pension plan to the Foundation as a regular entry purchasing amount. The insured person is responsible for arranging the transfer from the previous pension plan.

² If the transferred termination benefit from the previous pension is higher

than required to purchase the full regulatory benefits, the Foundation may limit the acceptance to this amount.

³ Provided that the pension plan contains no provisions to the contrary, the amount transferred will be credited to the retirement capital account as the entry purchasing amount and in the event of death will be used for financing the partner pension.

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

¹ The insured person can purchase benefits exceeding the regular entry purchasing amount, provided that the insured person is fully capable of working. The maximum purchasing amount results from the difference between the available retirement capital and the retirement capital at the lowest age of admission to the pension scheme until the time of purchase.

² The calculation of the maximum amount of the purchasing sum is without compounding.

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

⁴ The maximum purchasing amount is reduced by pillar 3a savings in accordance with art. 60a para. 2 of the BVV 2, by pension assets that remain in the previous pension fund and by the vested benefits savings as per art. 60a para 3 of the BVV 2.

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

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

⁷ In the case of an insured person who is drawing or has drawn a retirement benefit from a pension fund, the maximum amount of the purchase sum is reduced

by the amount of the retirement benefit already drawn.

⁸ Benefits which become due as a result of a purchase may not be withdrawn as a lump sum within the next three years.

⁹ Insured persons who were required to transfer a portion of their termination benefits to the pension plan of their spouse as a result of divorce may repurchase the amount of the transferred benefits. Repurchases in the event of divorce are excluded from all restrictions and may be carried out at any time. Individuals already receiving a retirement or full disability pension are ineligible to make repurchases.

¹⁰ Repurchases made by the insured person are credited to mandatory and non-mandatory retirement capital balances in the same proportion as for withdrawals. If the mandatory retirement capital balance cannot be determined, the balance is determined by applying the statutory provisions.

¹¹ In addition, the employer can make single premium payments.

¹² The effects of single premium payments are the same as for the regular entry purchasing amounts.

¹³ Single premium payments and purchases of benefits are allocated to non-mandatory retirement capital.

¹⁴ The insured person is responsible for clarifying the tax treatment of single premium payments from the employer and purchases.

3.7 How can an insured person finance early retirement?

¹ In addition to purchasing the full regulation benefits, an insured person may purchase additional voluntary contributions to the supplementary savings plan for the voluntary financing of early retirement, provided that the insured person is fully capable of working. These deposits are credited to the insured person individually and bear interest. They are managed separately from the remaining retirement capital.

² The maximum contribution will be a sum that covers the difference between the annuity reduced in the event of early retirement and the full annuity at the regulation retirement age.

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

⁴Those contributions can be made by the insured person at a time only if the permissible purchasing amount as per art. 3.6 had been fully affected.

⁵The maximum contribution is reduced by

- restricted pension plan assets in accordance with art. 60a para. 2 of the BVV 2;
- the vested benefits savings in accordance with art. 60a para. 3 of the BVV 2, provided these amounts have not been taken into account in the calculation of the purchase amount in accordance with art. 3.6;
- any overfinancing of the maximum possible purchase amount in accordance with art. 3.6 and
- the retirement benefit drawn from a pension fund.

⁶The provisions as per art 3.6 para. 6, 8, 9 and 14 will also apply to the financing of early retirement.

⁷In the event of a renouncement of the early retirement (or a later than individually chosen and financed retirement), based on the legal regulations on adequacy, the contributions for the pre-financing of early retirement made by the insured person on own funds will fall the employer's pension scheme, as far as the regular benefit objective on regular retirement is exceeded by more than 5%.

⁸Interest payments on contributions and their conversion into the annuity will be made according to the remaining retirement capital.

⁹The effects of single contributions to finance early retirement are the same as for the regular entry benefit, unless the pension plan provides for a different rule.

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

If the degree of employment of an insured person changes, occupational pension coverage continues based on

the new insured annual salary. Arts. 3.3 and 3.4 shall not be affected by this.

4 How is the retirement capital formed and what is the interest rate?

4.1 Retirement capital

¹The retirement capital is made up of:

- a) the savings contribution according to the pension plan
- b) the contributed entry benefits from previous pension arrangements
- c) the single premium payments from purchases according to art. 3.6
- d) the interest on the retirement capital according to art. 4.2
- e) the re-payment value in connection with promotion of home ownership and divorce
- f) any allocations from uncommitted pension funds
- g) the amount transferred under a divorce settlement
- h) less an advanced withdrawal in connection with the promotion of home ownership or compensation payments due to divorce

² The pension plan may provide that a portion of the retirement capital is to be withdrawn in a full or in part as a capital.

4.2 Interest on retirement capital

¹The interest rate on the retirement capital is determined by the Administration Committee, whereby the Administration Committee sets an interest rate in compliance with the statutory provisions. The Administration Committee sets the maximum possible interest rate, whereby it is based on the minimum interest rate in accordance with the BVG. The interest rate determined by the Administration Committee may be lower than the BVG minimum interest rate, considering the imputation principle. In the absence of any other interest rate decision by the Administration Committee shall be applied.

²The interest rate is calculated on the retirement capital at the beginning of the calendar year and credited to the retirement capital at the end of each calendar year. The interest rate is determined at the beginning of the year for the current year and communicated to the insured persons in an appropriate manner. The fixed interest rate is applied to the entire retirement capital.

³Interest is calculated pro rata temporis for:

- entry payments or deposits as well as transfers due to divorce in the year in question from the date of receipt of the deposit;
- payments made as a result of divorce or an advance withdrawal from the WEF up to the date of payment;
- Withdrawals from the pension plan due to termination or retirement up to the date of termination.

5 How do the insured persons participate in the net performance of their retirement capital?

5.1 Net performance

¹The net performance corresponds to the investment income or loss resulting from the investment of the pension funds, minus:

- the costs for asset management
- the cost of interest on the retirement capital or the technical interest rate
- if applicable, the expense for the formation of provisions

²In the case of a retirement pension fund at foundation level, the following are also deducted:

- The administrative costs of the retirement pension fund at foundation level
- a safety margin to ensure the long-term fulfilment of pension obligations

³Recipients of a retirement or survivor's pension after retirement who are reinsured with Zurich Life Insurance Company Ltd are not entitled to the net performance.

5.2 Consolidated share of net performance

¹The net performance is calculated individually for each employer's pension fund and for the retirement pension fund at foundation level. For employer pension funds that are invested in several investment strategies, the net performance is consolidated across all investment strategies in which the pension capital of the respective insured persons is invested. The participation of each insured person in the net performance within the meaning of this provision is proportional to their retirement capital at the beginning of the calendar year and shall be credited quarterly to the performance account (iVFR). Entry contributions or deposits, as well as transfers due to divorce, must be contributed by the previous quarter end (31.03. / 30.06. / 30.09. / 31.12.) in order to participate in the net performance in the following quarter.

²The pension capital of insured persons belonging to an employer's pension fund is invested in accordance with three different investment strategies, depending on their individual risk capacity. The pension capital of insured persons belonging to the retirement pension fund at foundation level is invested according to the most conservative investment strategy (see the investment regulations for Autoinvestment).

5.3 Accumulation of the fluctuation reserves and categories

¹The net performance is used to accumulate the fluctuation reserves as described below.

²Two different categories of fluctuation reserves are maintained within the employer pension plans.

³On one side, "collective value fluctuation reserves" (cVFR) are maintained for each insured person. These are collective shares in which the individual insured person participates only within the framework of a partial or total liquidation. In the event of a pension, the insured person's cVFR previously held in the employer's pension fund is transferred pro rata to the fluctuation reserve of the retirement pension fund at foundation level.

⁴On the other side, a so-called performance account with "individual value fluctuation reserve and the uncommitted funds with a future entitlement" are managed for each insured person at the level of the employer's pension fund (Performance account (iVFR)). This is an individual allocation of a portion of the fluctuation reserves to a specific insured person, in which the latter participates to a greater extent (cf. 6.1).

⁵A collective value fluctuation reserve is maintained in the retirement pension fund at foundation level. In addition, an "individual pension account (iPA)" is maintained for retirement and partner pensioners, in which a share of the net performance is credited or debited.

⁶The relation according to which the net performance of the cVFR and the performance account (iVFR) or the iPA and the value fluctuation reserve of the retirement pension fund at foundation level is credited or debited, is shown in the technical appendix (cf. Section 12.6). The credit or debit is made no later than one month after the end of each quarter.

5.4 Performance account (iVFR)

¹The performance account (iVFR) has the character of an account with a fluctuating balance, as it can be credited with a positive performance and debited with a negative performance. The balance of the performance account (iVFR) can never be negative.

²The performance account (iVFR) is managed separately from the retirement capital for each insured person individually.

³If the target fluctuation reserves per employer's pension fund (cf. the Autoinvestment investment regulations) are fully accumulated, uncommitted funds are created. These are also managed proportionately per insured person and within the scope of the performance account (iVFR).

5.5 Retirement and opening of the individual pension account (iPA)

¹When an insured person retires, they are transferred to the retirement pension fund at foundation level, i.e. from now on they are no longer managed in

the employer's pension fund but in the retirement pension fund at foundation level.

²This transfer comprises the transfer of the insured person's retirement capital to the retirement pension fund at foundation level. As a result, their retirement capital is also invested at foundation level in accordance with the investment strategy of the retirement pension fund (see the investment regulations for Autoinvestment). This is accompanied by the transfer of their share of the technical provisions and their share of the cVFR to the technical provisions and fluctuation reserve of the retirement pension fund at foundation level.

³The transfer also opens the "individual pension account" (iPA). If you choose the scheduled payments pursuant to para. 6.3.2 et seq., the balance of the performance account (iVFR) at the time of retirement will be transferred to the iPA of the insured person concerned.

5.6 Participation in net performance after retirement

¹The insured person continues to participate in the net performance of his pension capital after retirement.

²The decisive factor is no longer the retirement capital, but the sum of the cash value of the lifelong retirement pension and, if applicable, the additional retirement pension in accordance with Point 6.3.3 at the end of the previous year and the balance of the iPA at the end of the previous year less the monthly pension benefits paid out and the scheduled payment of the iPA.

³The participation in the net performance can be negative. The iPA is credited or debited under this heading at the latest one month after the end of each quarter. The balance of the iPA cannot become negative.

The iPA consists of:

a) the balance of the iPA at the time of retirement pursuant to Section 6.3.2 or the balance of the iPA as of January 1 of each year;

b) the quarterly allocations from performance participation;

minus the scheduled payments in accordance with section 6.3.4

any distributions of uncommitted funds or other deposits

6 When and to what extent are benefits due?

6.1 Which benefits are provided by the occupational pension plan?

On retirement:

- Retirement pension
- Benefits from iPA
- Retired person's child's pension

In the event of death:

- Partner pension
- Orphan's pension
- Lump-sum death benefit
- Additional lump-sum death benefit (if provided for in the pension plan)

In the event of disability:

- Disability pension
- Disabled person's child's pension
- Exemption from contribution payment

At termination:

- Termination benefits
- Performance account (iVFR)

6.2 Which regulations apply to all benefits?

6.2.1 Adjustment for inflation

¹Current risk pensions (spouse's and orphans' pensions and pensions for disabled persons and disabled persons' children) paid as part of the legal minimum entitlement under BVG for more than three years shall be adjusted for inflation in compliance with federal regulations. If the regulatory benefits exceed the BVG minimum benefit adjusted to the price trend, the statutory inflation adjustment is deemed to be covered by the regulatory benefit.

²Adjustments to spouse's, disability and disabled person's child's pensions shall be made until the person receiving the pension reaches the statutory retirement age. Adjustments to orphan's pensions will be made until the person's entitlement to a child's pension lapses. After this the pension payments will be

adjusted according to the available funds of the retirement pension fund at foundation level. In this case the Administration Committee shall determine the amount of the adjustment.

6.2.2 Assignment and pledging; encouragement of home ownership

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

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

6.2.3 Entitlement to child's pensions

¹Child's pensions are retired persons' children's pensions, disabled persons' children's pensions, and orphans' pensions.

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

³Child's pensions are paid to:

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

age 26, children will receive mandatory benefits under the BVG in any case.

6.2.4 Late payment interest on retirement benefits

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

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

6.2.5 Liability claims

As stipulated by law, the Foundation shall assume any claims of the insured person, his/her survivors and other beneficiaries against any third party liable for the insured event (subrogation) at the time the loss event occurs and up to the amount of the benefits prescribed by law. If the Foundation provides benefits that exceed the amount prescribed by law, it may request that the persons entitled to the benefits assign to it their claims against the liable third party up to the amount of the benefits prescribed by law. On request, the claimants are required to provide the Foundation with a written letter of subrogation. If no assignment is made, the Foundation is entitled to reduce the benefits in the non-obligatory area.

6.3 What retirement benefits are provided?

6.3.1 Retirement pension

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

²The lifelong retirement pension consists of the retirement savings available at the time of retirement plus any contributions for the voluntary financing of early retirement pursuant to Section 3.7 multiplied by the conversion rate.

³The conversion rates are listed in the Technical Appendix or in the pension plan.

6.3.2 Option of using the performance account (iVFR)

¹ Up to one month before retirement, the insured person can choose whether he/she draws the performance account (iVFR) as an additional retirement pension or whether it is transferred to his/her iPA and drawn as a scheduled payment. If no notification is received, the additional old-age pension will be paid automatically. The pension plan may restrict the choice.

² If the option of a supplementary old-age pension is selected, the iPA is zero at the time of retirement.

³ Otherwise, the balance of the performance account (iVFR) is transferred to the iPA at the time of retirement. The balance of the performance account (iVFR) at the end of the quarter preceding retirement is decisive (31.03. / 30.06. / 30.09. / 31.12.).

6.3.3 Supplementary retirement pension

¹ The supplementary life annuity is determined as follows

- 90% of the performance account (iVFR) status of the end of the quarter preceding retirement (31.03. / 30.06. / 30.09. / 31.12.) is converted into an additional old-age pension. The conversion rates according to the technical appendix are applied;
- The 10% of the performance account (iVFR) balance which is not converted into a retirement pension is transferred to the fluctuation reserve of the retirement pension fund at foundation level.

² The first payment is made in the second month after retirement.

6.3.4 Scheduled payment from the iPA

¹ In addition to the retirement pension according to Pursuant to Sec. 6.3.1 and, if applicable, Sec. 6.3.3, a portion of the iPA is paid out as a scheduled payment.

² The scheduled payment from the iPA is made quarterly in arrears one month after the income has been allocated to the iPA (in the month following the end of a quarter).

³ For old-age pensioners who do not draw a supplementary old-age pension

in accordance with Section 6.3.3, the quarterly payment is 2.5% of the balance of the iPA.

⁴ For old-age pensioners who have chosen the supplementary old-age pension in accordance with para. 6.3.3 or for which the iPA is zero at the start of the pension in the retirement pension fund, the quarterly payment is 5% of the balance of the iPA.

⁵ If the amount of a quarterly payout is less than CHF 100, the payout is waived, and the amount is left on the iPA.

6.3.5 Retired person's child's pension

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

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

³ Retired person's child's pensions shall not be paid cumulatively with disabled person's child's pensions.

6.3.6 Payment of retirement benefits in the form of an annuity

¹ The pensions are paid monthly in arrears. A partial payment is made for the period between the date of retirement and the next annuity due date.

² Payments from the iPA are made quarterly in arrears, one month after the end of each quarter at the latest.³ The Foundation shall pay a cash settlement in lieu of a pension if the annual retirement pension is less than 10% of the minimum AHV retirement pension. Child's pensions shall be not be taken into account when determining whether a retirement pension is insufficient.

6.3.7 Payment of retirement benefits as a lump sum

¹ At the request of the insured person, the retirement benefits may be drawn as a lump sum if he or she submitted a declaration to this effect to the Foundation prior to the due date of one month before the first annuity. The pension

plan may provide for a different option period for the capital withdrawal.

² The option may apply to the total retirement capital including the performance account (iVFR) or to a part thereof. If the option applies to a part of the retirement capital incl. the performance account (iVFR), this will be comprised of mandatory and non-mandatory components in the same proportions as for the total retirement capital including the performance account (iVFR). The pension entitlement and calculate the scheduled payment from the iPA will be calculated on the basis of the remaining retirement savings. This provision shall be subject to art. 6.3.6 para. 3.

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

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

6.4 Which regulations are valid for death and disability benefits?

6.4.1 Scope of benefits

¹ The benefits specified in the regulations shall be paid if disability or death is not attributable to an accident, including occupational illnesses as defined by UVG, or accident and illness as defined by MVG. This provision shall be subject to art. 6.4.2 below.

² However, the following benefits shall be payable even if the death or disability is attributable to an accident – including occupational illnesses as defined by UVG – or an accident and illness as defined by MVG:
lump-sum death benefits amounting to the retirement capital available;
waiver of contribution in the event of inability to work;

Partner's pension prior to retirement, where the insured person is not the spouse;
death benefits after retirement;
other benefits provided under the pension plan.

6.4.2 Coordination with accident and military insurance

¹ If the benefits of occupational accident or military insurance together with the other qualifying income amount to less than 90% of the projected lost earnings, legal BVG risk benefits shall be paid up to this limit.

² The following are considered qualifying income:

- pensions or the pension value of lump-sum benefits from domestic or foreign social insurances and occupational pension plans except for compensations for destitute persons, indemnifications and comparable benefits;
- Daily allowances from compulsory insurance and from voluntary insurance if at least half of these are financed by the employer
- the combined incomes of the surviving spouse and the orphans;
- any additional employment income or replacement income earned or that may reasonably be expected to be earned by insured persons receiving disability benefits. The full hypothetical disability income as per the disability insurance (IV) decision will be taken into account.

³ Benefits from private insurances which the insured person financed alone are not taken into consideration as part of the qualifying income.

⁴ Persons entitled to benefits are obliged to notify the Foundation of all qualifying income.

⁵ If the accident or military insurer reduces benefits because the insured event is not attributable exclusively to one of these two insurances, the Foundation shall pay on a proportional basis.

⁶ The benefits will, however, not be paid to compensate for claims that have been refused or reduced by the accident insurance or military insurance in accordance with art. 25 para. 2 of BVV 2.

6.4.3 Obligation of prior indemnification

If the Foundation is obliged to provide prior indemnification by mandatory provisions in the law, only the legal BVG risk benefits will be provided.

6.4.4 Overinsurance

¹ Benefits under these pension plan regulations shall be paid in addition to the benefits of other Swiss or foreign occupational or social insurance plans.

When these benefits overlap, however, no unjustified advantage may accrue for the person entitled to benefits.

² An unjustified advantage arises when benefits under these pension plan regulations granted to survivors or disabled persons, together with any other qualifying income (according to art. 6.4.2), exceed 90% of the insured person's projected lost earnings. In this case the Foundation may reduce its benefits to the extent that such benefits, together with the other qualifying income, exceed 90% of the projected lost earnings.

6.5 What death benefits are provided?

6.5.1 Partner pension on death before retirement

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

² The amount of the annual pension is defined in the pension plan.

³ Entitlement to a partner pension will be considered only if the Foundation is informed of the existence of a rightful claimant no later than the date on which the lump-sum death benefit is paid out pursuant to art. 6.5.6 below. Failure to provide this information will result in a loss of entitlement to the benefit. This does not apply to the surviving spouse.

⁴ If the surviving partner is more than 10 years younger than the deceased insured person, the pension shall be reduced by 2% of the full pension amount for each year or part year in excess of this age difference. A pension amounting to the minimum BVG surviving spouse's pension shall be paid in each case.

⁵ If the surviving partner remarries before completion of his/her 45th year of

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

⁶ If remarriage takes place after the spouse completes his/her 45th year or if the rightful claimant enters into a new marriage-like relationship after this time, the pension shall continue to be provided for as long as he/she lives.

⁷ Only one person is eligible to receive a partner pension. Payment of a partner pension to several persons at the same time is not possible. Spouses and registered partners as defined in PARTG have priority over the other partners.

⁸ If a person simultaneously fulfils the eligibility criteria for a partner's pension and a divorced spouse's pension, the higher of the two pensions will be paid out.

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

¹⁰ If, as a result of the 1. BVG revision, a widower's pension becomes payable on the death of a disability pensioner whose disability pension started to run before January 1, 2005, only the statutory benefits will be paid.

6.5.2 Partner pension on death after retirement

¹ If an insured person who is drawing a retirement pension to art. 6.3.1 dies, the surviving partner is entitled to a pension. The amount of the pension is defined in the pension plan.

² If an insured person who draws an additional retirement pension in accordance with para. 6.3.3 dies, the surviving partner is entitled to a pension of 60% of the additional retirement pension

³ If the surviving partner is more than 10 years younger than the deceased insured person, the pension shall be reduced by 2% of the full pension amount for each year or part year in excess of this age difference.

⁴ If the recipient of a retirement pension does not marry until completion of his/her 65th year of age or enters into a marriage-like relationship after this time, the pension – which may be reduced in accordance with para. 2 depending on the situation – shall be reduced as follows:

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

⁵ If the insured person marries after age 69 or enters into a marriage-like relationship after this time, no pension shall be payable.

⁶ If the insured person married or has entered into a marriage-like relationship after age 65 and if at that time he/she was suffering from a serious illness of which he/she must have been aware, no pension shall be payable if he/she dies of this illness within two years of the date of marriage or entry into a new marriage-like relationship.

⁷ If at the time of marriage, a claim to a partner pension would have already existed, no reduction in accordance with para. 4 will occur and para. 5 and para. 6 shall not apply.

⁸ If the surviving partner remarries, art. 6.5.1 shall apply.

⁹ In any event, spouses will receive the benefits payable to pursuant to the BVG regulations.

¹⁰ Only one person is eligible to receive a partner pension. Payment of a partner pension to several persons at the same time is not possible. Spouses and registered partners as defined in PARTG have priority over the other partners.

¹¹ If a person simultaneously fulfils the eligibility criteria for a partner's pension and a divorced spouse's pension, the higher of the two pensions will be paid out.

¹² The surviving partner shall not be entitled to receive a partner pension if he or she is already receiving a survivor's pension from a Swiss or foreign pension fund. This does not apply to the surviving spouse.

¹³ If as a result of the first BVG revision, a widower's pension is due on the death of a retired woman who began drawing a retirement pension before January 1, 2005, only the statutory benefits shall be paid.

¹⁴ Should a person dies who started drawing a retirement pension after December 31, 2004 and before January 1, 2008, the partner pension will be paid out solely to the spouse.

¹⁵ If a plan which commenced before January 1, 2008, provides for a spouse's pension, a partner pension will be provided nonetheless in the case of pensions which commence as from January 1, 2008.

¹⁶ Entitlement to a partner pension will be considered at the earliest as from the point in time where the Foundation was informed of the existence of a rightful claimant. This does not apply to the surviving spouse.

6.5.3 Benefits to survivors from the performance account (iVFR) and iPA

¹ If an insured person or a recipient of a disability pension dies, the balance of the performance account (iVFR) pursuant to para. 5.4 shall be paid out to the beneficiaries as a lump-sum death benefit in accordance with para. 6.5.8 (effective date: end of quarter before the date of death).

² If a recipient of a retirement pension dies, the surviving partner is entitled to the scheduled payments from the iPA pursuant to para. 6.3.4.

³ The provisions set out in section 6.3.4 shall apply mutatis mutandis. The reference value for the allocation of income is the cash value of the survivor benefit (instead of the cash value of the retirement benefit).

⁴ If the present value of the survivor benefit exceeds the present value of the retirement benefit, the difference is charged to iPA.

⁵ If no partner pension is payable according to section 6.5.2 in the event of the death of a member of the Board of Directors or the Management Board of the Company, the iPA available at the time of death will be paid out in capital form to the beneficiaries pursuant to Section 6.5.8 (effective date: end of quarter prior to the time of death).

6.5.4 Divorced spouse's entitlement

¹ As long as the statutory conditions are met, the divorced spouse of a deceased insured person receives a pension in the amount of the minimum benefit according to BVG.

² The survivors' benefit is reduced by the amount by which the sum of that benefit, together with the survivors' benefits under AHV, exceeds the entitlement per the divorce decree. AHV survivors' pensions are only counted up to the amount to which they exceed the individual's own claim to an IV disability pension or an AHV retirement pension. Pension entitlement shall cease upon remarriage.

6.5.5 Orphan's pension

¹ If an insured person dies, eligible children shall receive a pension.

² The amount of the annual orphan's pension is defined in the pension plan.

³ If an insured person who is drawing a supplementary retirement pension in accordance with para. 6.3.3 dies, the orphans are entitled to a pension of 20% of the supplementary retirement pension.

⁴ It shall cease on the death of the child or when entitlement to the pension expires.

6.5.6 Lump-sum death benefit

¹ If an insured person dies before retiring, the surviving dependents shall be entitled to the lump-sum death benefit. The lump-sum death benefit is made up of:

- a) the available retirement capital to the extent that this is not required to finance a partner pension or a pension to the divorced spouse
- b) Unless the pension plan provides otherwise, any contributions made

for the voluntary financing of early retirement pursuant to para. 3.7.

- c) the balance of the performance account (iVFR) at the end of the quarter preceding the date of death

6.5.7 Additional lump-sum death benefit (if provided for in the pension plan)

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

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

6.5.8 Rightful claimants entitled to the lump-sum death benefits

¹ Regardless of the law of succession, the following persons shall be entitled to the lump-sum death benefit:

- a) the surviving spouse, if living, otherwise
- b) eligible children, if living, otherwise
- c) other natural persons who were largely supported by the deceased insured person, or the person who had lived continually with the insured in the same household for the five years prior to his/her death in a marriage-like relationship or who in his/her absence is largely responsible for supporting one or more of their common children, otherwise
- d) the remaining children, in his/her absence, otherwise
- e) the parents, in his/her absence, otherwise
- f) the siblings, in his/her absence, otherwise
- g) other legal successors (excluding the public domain), entitled to half of the lump-sum death benefit, but not more than 50% of the available retirement capital.

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

³ In justified cases, and if better suited to the purpose of providing a pension, the insured person may also notify the Foundation in writing of which persons

within a group are to be beneficiaries and to what extent, stating reasons. In the absence of such notification and in the event that there are several beneficiaries within one group, the Foundation shall distribute the available death benefits in equal amounts.

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

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

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

6.5.9 Payment of death benefits

¹ In the event of death before retirement, pensions are paid quarterly in advance. A partial payment is made for the period between the date of death and the next annuity due date.

² At the request of the eligible dependents of an insured person in the event of death before retirement, the pension is paid monthly in advance. The corresponding declaration must be submitted before the first annuity payment becomes due.

³ On death after retirement, pensions are paid monthly in arrears.

⁴ Payments from the iPA are made quarterly in arrears, one month after the end of each quarter at the latest.

⁵ Lump-sum death benefits are paid out in one amount.

⁶ Death benefits are due to the rightful survivors of an insured person even if they refuse their inheritance.

⁷ Death benefits that for whatever reason cannot be paid to the intended recipients remain in the retirement pension fund at foundation level and will be

used in accordance with the objectives of the foundation.

⁸ The Foundation shall make a lump-sum payment in lieu of a pension if the partner pension amounts to less than 6% and the orphan's pension to less than 2% of the minimum retirement pension under AHV.

⁹ Furthermore, at the request of the eligible person, the partner's pension will be paid in form of capital.

¹⁰ This lump sum shall correspond to the capital value of the partner pension if the surviving partner had completed his/her 45th year of age when the insured person died. The lump sum shall be reduced by 3% for every partial or whole year that the partner is younger than 45. The minimum payment, however, shall consist of four annual pensions. Payment as a lump sum is to be requested before the first pension payment is drawn.

¹¹ No lump-sum payment option exists for the divorced spouse.

¹² Benefits may be reduced or denied to the corresponding extent if the AHV can reduce or deny a benefit because the person entitled to benefits caused the death of the insured person. Any lump-sum death benefit released as a result shall accrue to the next beneficiaries in accordance with para. 6.5.8.

6.6 What are the disability benefits?

6.6.1 Disability

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

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

³ An insured person is entitled to full regulation benefits if the degree of disa-

bility is at least 70%. Seventy-five percent of the pension will be paid out if the degree of disability is between 60% and 69%. If the degree of disability is less than 60%, benefits will be paid in accordance with the degree of disability. A degree of disability of less than 25% shall not entitle the insured person to claim benefits.

⁴ Entitlement to insured benefits shall exist after the insured person has been fully or partially disabled for a duration longer than the waiting period stipulated in art. 6.6.2. If the insured person is alternately able and unable to work and if the periods when the insured is fully able to work do not last longer than one year, the disability periods arising from the same cause shall be added together and shall count towards the waiting period. If the ability to fully work lasts longer than a year, the waiting period shall start anew.

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

⁶ If disability is due to attempted suicide or willful self-mutilation, there shall only be entitlement to disability benefits in the amount of the BVG minimal benefits.

⁷ The benefits may be reduced correspondingly if the Swiss Federal Disability Insurance reduces, withdraws or refuses benefits because the beneficiary has caused the disability or refuses to cooperate with Swiss Federal Disability Insurance rehabilitation measures.

⁸ Ongoing disability claims shall continue to be subject to the pension regulations valid at the time of the inability to work on which the disability claim is based.

6.6.2 Disability pension

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

² The amount of the annual disability pension is defined in the pension plan, and amounts to a maximum of CHF 250,000, unless the pension plan provides otherwise.

³ The pension begins after 12 months of inability to work. Entitlement to benefits will be deferred as long as the insured person has a right to continued payment of salary or as long as there is other compensation. Daily sickness benefits or – if payments were made according to sub-section 6.4.2 – daily allowances for accident or military insurance are in particular regarded as compensation.

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

⁵ The calculation bases for retirement pensions are the conversion rates as of the date of regular retirement listed in the technical appendix or the pension plan (see art. 4.3.1.). The retirement pension corresponds at least to the compulsory BVG disability pension taking into consideration the maximum reduction as a consequence of a divorce pension settlement pursuant to art. 19 BVV 2.

⁶ If the insured person draws a full disability pension, any credit balance in the Supplementary Savings Plan is paid out as a lump-sum disability benefit for the voluntary contributions made to voluntarily finance early retirement.⁷ If the insured person is married, then the lump-sum disability benefits may only be distributed with written spousal consent. The Foundation is entitled to request attestation of the signatures. The insured person shall bear the costs for the attestation.

6.6.3 Disabled person's child's pension

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

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

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

6.6.4 Waiver of contribution

If an insured person is unable to work for more than the waiting period specified in the pension plan, then no further contributions are to be paid depending on the insured person's degree of disability. In the event of partial disability, cost contributions are still due. The waiver of contribution payments lasts as long as the disability exists, at the longest, however, until regulation retirement age or the death of the insured person.

6.6.5 Continuation of the performance account (iVFR)

The performance account (iVFR) will continue to be extended until you leave the Foundation or until you reach the regulatory retirement age.

6.6.6 Payment of disability benefits

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

² At the request of the insured person, the pension is paid monthly in advance. The corresponding declaration must be submitted before the first annuity payment becomes due.

³ A partial payment is made for the period between the date of pension entitlement and the next annuity due date.

6.6.7 Case Management

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

6.7 What benefits are paid at the termination from the occupational pension plan?

6.7.1 Entitlement and amount of the termination benefit

¹ If an insured person or his or her employer terminates employment before

retirement and there is no entitlement to pension benefits, the insured person shall withdraw from the occupational pension plan. He or she is entitled to termination benefits in accordance with art. 15 of the FZG.

²This corresponds to the available retirement capital plus any credit balances Credit balances from deposits for voluntary financing of the early retirement in accordance with para. 3.7 at the time of termination of the pension relationship.

³The termination benefit corresponds to at least the amount of the entry benefits, purchasing amounts and contributions to finance early retirement including interest plus the sum of the insured person's interest-bearing contributions to the pension scheme with an age-related supplement. The loading amounts to 4% per year of age starting from the 20th year of age but goes not beyond 100%. Interest is calculated at the BVG interest rate.

⁴Contributions to invalidity and death benefits paid prior to joining the pension scheme are not considered.

⁵Provided that the contributions of the insured person are divided into savings and risk cost contributions, the employee contributions to the old-age provision are subject to interest at the BVG interest rate. The remaining employee contributions are not considered when determining the termination benefit.

⁶In each case the termination benefit shall include BVG retirement capital.

⁷If early withdrawals are made in accordance with the provisions for the encouragement of homeownership using assets from the occupational pension plan or compensation is paid as per art. 22ff of the FZG (divorce), these funds will be deducted from the termination benefit.

⁸If the employer has paid the insured person's entry purchasing amount in full or in part, then the corresponding amount shall be deducted from the termination benefit. The deduction shall be reduced by 1/10th of the amount paid by the employer for each year a contribution was made.

⁹For determining the termination benefit, at least 1/3 of the total contributions

are considered as the contribution made by the insured person.

¹⁰The portion of the termination benefit financed by the employer may be taken into consideration for long-term employment in the calculation of the severance payment in accordance with art. 339b ff of the Swiss Code of Obligations or the collective labor agreement.

¹¹Reorganization contributions and contributions to finance the compensation of pension conversion losses will not be taken into account in the calculation of termination benefits.

6.7.2 Payment of the performance account (iVFR)

¹Upon termination, the balance of the performance account (iVFR) is due in addition to the termination benefit.

²The performance corresponds to the balance of the performance account (iVFR) at the previous end of the quarter. Major changes are taken into account. A net performance of +/- 10% in the course of the year as of the date of departure is considered significant.

³No interest is paid on the benefit until it is paid out.

6.7.3 Due date and application

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

²So that coverage is maintained, the termination benefit and the balance of the performance account (iVFR) shall as a rule be transferred to the pension plan of the new employer.

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

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

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

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

⁶Paragraphs 1 to 4 shall apply mutatis mutandis to the service under art. 6.7.2.

6.7.4 Cash payment

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

- a) he/she has permanently left Switzerland; subject to the conditions under art. 25f of the FZG, or
- b) he or she is taking up a self-employed activity and is no longer required to join a mandatory occupational pension plan; or
- c) the termination benefit amounts to less than his or her annual contribution.

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

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

6.8.1 Extended coverage

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

6.8.2 Residual liability

¹If the insured person is partially disabled at the time of termination of employment or upon expiration of the period of extended coverage, his or her entitlement to disability benefits shall be upheld for 360 days from the onset of the disability. The Foundation will

only provide disability benefits, however, if the disability as defined by these pension regulations is attributable to the same cause that gave rise to the inability to work.

² If the degree of disability increases within a further 90 days for the same reason, or if the degree of disability of a person who is already disabled when terminating employment or after the subsequent coverage expires increases within 90 days due to the same cause, disability benefits shall also be paid for this increase as long as the benefits do not exceed mandatory BVG benefits.

³ If disability begins or the increase in the degree of disability occurs following expiration of the aforementioned periods, the entitlement to disability benefits or their increase shall depend solely on the provisions of BVG

⁴ If the insured person dies at a point at which he or she would have been entitled to disability benefits according to para. 3, and if death occurred for the same reason that brought about the disability, the surviving dependents shall be entitled to death benefits as per plan regulations.

6.8.3 Repayment obligation

¹ If the Foundation is liable to pay benefits under arts. 6.8.1 and 6.8.2, then any termination benefits which have already been paid including interest are to be reimbursed to the Foundation.

² Survivors' or disability benefits may be reduced to the extent that reimbursement is not made.

7 How much are the contributions to the occupational pension plan?

¹ The amount of the personal contributions to be made by the insured persons and the contributions to be made by the employer are defined in the pension plan. For enveloping plans, the sum of the employer's contributions must be at least equal to the sum of the employee contributions.

² The Foundation may levy contributions from insured persons and from the employer to finance the compensation of pension conversion losses. The amount

is published on www.vita.ch/contribution.

³ The employer shall deduct contributions from the salary of the insured person in installments and transfer the installments to the Foundation.

⁴ Contributions shall be deducted until retirement or until the insured person withdraws from the occupational pension plan. In the event of unemployment, maternity, paternity, adoption leave, childcare, military or civil defense service, the full contributions shall continue to be paid as long as the insured salary is not reduced.

⁵ If the insured person avails himself/herself of the right to draw an advance under the conditions stipulated by the BVG, he or she may increase the contribution to the occupational pension plan.

⁶ The Foundation or the employer's pension fund may request reorganization contributions from the insured persons and the employer if the circumstances and the employer pension fund's financial situation make this necessary. These contributions shall be paid by the employee and by the employer 50% each, provided that nothing to the contrary is specified in the occupational pension plan.

8 How are the assets invested?

8.1 How are the pension fund assets invested?

¹ The pension assets of employer pension funds are invested according to three different investment strategies. The allocation of the pension assets of the individual insured persons to the various investment strategies is based on their individual risk capacity (Autoinvestment; see the Autoinvestment investment regulations). As a rule, the pension assets of an employer's pension fund are not invested uniformly according to the same investment strategy, but rather optimized according to three different investment strategies.

² The pension assets of the retirement pension fund at foundation level are in-

vested in accordance with the most defensive investment strategy (see the investment regulations for Autoinvestment).

³ The Board of Management has the option of choosing a more defensive investment strategy for its employer pension fund. Assets are invested in accordance with the Autoinvestment investment regulations and within the framework of the investment regulations of Art. 49 ff. BVV 2.

9 What rights and obligations does the insured person have?

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

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

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

² Rightful claimants must provide all documents required to enforce the

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

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

9.2 What information does the insured person receive?

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

²Upon request the insured person will receive the employer pension fund's annual financial statements and annual report from the Administration Committee. Both contain at least the information prescribed by law.

³If the employer is in arrears in financing the pension plan, the Foundation will inform the members of the Administration Committee, or the insured persons. Furthermore, it will inform the supervisory authorities as per art. 58a para. 1 BVV 2.

9.3 How is data protection in occupational pension plans guaranteed?

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

10 What else should insured persons be aware of?

10.1 How are benefits divided in case of divorce?

¹If, pursuant to a ruling by a Swiss court, a portion of a vested benefit or pension is left to the spouse in a divorce, the same proportion of the total vested benefit and the pension from the mandatory and non-mandatory parts applies to that amount.

²When an insured person accrues such benefits, this amount shall be credited to mandatory and non-mandatory retirement capital balances in the same percentage as for withdrawals. If the mandatory retirement capital balance cannot be determined, the balance is determined by applying the statutory provisions.

³If during divorce proceedings retirement occurs or if during divorce proceedings a disability pension recipient reaches regular retirement age, the retirement pension and the transferable portion of vested benefits per art. 19g FZV shall be reduced.

⁴If a lifetime pension is transferred to a spouse's pension entitlements in a pension settlement, the entitled spouse and the Foundation may agree to a lump-sum distribution as settlement in lieu of pension.

10.2 What conditions apply to the continued insurance of insured persons whose employment has been terminated after the age of 58?

¹An insured person who leaves the mandatory insurance after reaching the age of 58 because the employment relationship was terminated by the employer can continue the insurance to the previous extent.

²The insured person can choose to continue the insurance with the savings and risk insurance or the risk insurance alone. The corresponding declaration must be submitted to the Foundation in writing within three months of the termination of the employment relationship, together with a copy of the employer's letter of termination. The insurance and the obligation to pay contributions shall commence on the day after

the termination of the employment relationship. The termination benefit remains in the Foundation, even if the savings insurance is not insured.

³The total savings contributions (if the savings insurance is insured), the risk cost contributions as well as the contributions to the LOB Guarantee Fund and to the adjustment of the statutory survivors' and disability pensions to inflation are financed by the insured person. The Foundation may demand any restructuring contributions from the insured person.

⁴The insurance ends without subsequent cover

- by termination by the insured person;
- upon joining a new pension fund, if more than two thirds of the termination benefit is required to purchase the full regulatory benefits;
- upon death of the insured person;
- in the event of outstanding contributions by termination;
- at the latest, however, when the regular retirement age is reached.

⁵The services of the risk insurance are provided to the same extent as before. If the savings insurance is insured, the retirement credits will continue to be saved. Throughout the entire period of continued insurance coverage, the insured annual salary will be the same as at the end of the employment relationship. The interest on savings capital and the conversion rates are subject to the regulatory provisions.

⁶The insured person can cancel the savings insurance at the end of a quarter. In this case, the risk insurance continues to run. The corresponding declaration must be received by the Foundation in writing at least one month before the end of the quarter.

⁷The insured person can cancel the entire continued insurance at the end of a month. The corresponding declaration must be received by the Foundation in writing by the end of the previous month at the latest.

⁸If less than two thirds of the vested benefits can be contributed when joining the new pension fund, the remaining part of the vested benefits remains

in the Foundation. The previously insured annual salary is decreased at the same ratio.

⁹If more than two thirds of the vested termination benefit can be contributed upon entry into the new pension fund, the remaining part of the termination benefit remains in the Foundation and the retirement benefits become due.

¹⁰If the continuation of the insurance has lasted more than two years, the retirement benefits must be drawn in the form of an annuity and the vested termination benefit can no longer be drawn in advance or pledged for residential property for own use. The retirement pension, which replaces any disability pension, cannot be drawn in lump-sum form if the continuation of the insurance has lasted for more than two years.

¹¹Retirement will take place at the latest when the regular retirement age is reached. Partial or deferred retirement is not possible.

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

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

²The Administration Committee may change the pension plan (particularly in relation to benefits, financing, etc.) in accordance with the provisions of the law and the Foundation. For example, these provisions may include decisions made by the Foundation Board about the charging of reorganization contributions.

³Changes to the regulatory provisions and tariff changes only apply to insured persons. They do not apply to benefit recipients or persons who are unable to work, except for the expected entitlement of benefit recipients to retirement benefits.

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

10.4 What are the requirements for a partial liquidation of an employer pension fund or the foundation, and how is it executed?

The requirements for a partial liquidation and its execution are set out in a separate set of Regulations. The current partial liquidation regulations can be viewed on www.vita.ch.

10.5 What steps are taken in the event of insufficient coverage?

¹In the case of an insufficient coverage steps are required to be taken to remedy any instances of insufficient coverage. These measures must be appropriate to the degree of underfunding and be part of a balanced overall concept. They must also be capable of remedying the plan deficit within a reasonable period of time.

²The Foundation has issued restructuring regulations which regulate the measures to be taken at Foundation level to remedy the underfunding of the affiliated employer pension funds and the pensioner pension fund.

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

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

10.7 Where does the Foundation fulfill its obligations?

¹The Foundation fulfills its obligations at the domicile of the beneficiaries in Switzerland or in an EU/EFTA country, in the

absence of such, at the domicile of the Foundation.

²All benefits shall be paid exclusively by remittance to an account with a bank or post office branch in Swiss francs, held in name of the beneficiary. The transaction costs shall be borne by the entitled person.

10.8 When do these pension plan regulations take effect?

¹These pension plan regulations version proprietary investment strategy take effect on January 1, 2025 and replace all previous addenda.

²It can be amended by the Foundation Board at any time.

³If these regulations are translated into other languages, the German original of this translation is binding.

⁴The current pension plan regulations and earlier versions are available on www.vita.ch.

⁵The pension plan is not available on the Internet. All insured persons will obtain a copy of the plan from their employers.

⁶The following are components of these pension regulations:

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

The German original of this translation is binding.

Zurich, November 2024

Vita Invest Collective Foundation of Zurich Life Insurance Company

The Foundation Board

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

11.1 Which funds can be used to acquire residential property?

Up to three years before regulation retirement age, an insured person can use funds from the mandatory occupational pension plan from the non-mandatory and voluntary occupational pension plan from vested benefits policies and vested benefits accounts to purchase residential property, provided that no insured event (disability, retirement) has already occurred.

11.2 In what form can these funds be used?

The funds can be used in the form of an advance on termination benefits, or a pledge of the termination benefits and/or pension benefits.

The performance account (iVFR) cannot be used as an advance withdrawal or pledge.

11.3 What can fund from the occupational pension plan be used for?

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

- The acquisition and construction of residential property (sole ownership, co-ownership such as condominiums, joint ownership with a spouse, independent and permanent ground lease).
- Amortization of mortgages on a contractual and voluntary basis. Payment of mortgage loan interest is not permitted.
- The acquisition of shares in a cooperative housing association or shares in a tenants' joint stock company. The regulations of the cooperative housing association must provide that the pension funds paid to acquire the

shares will be transferred when terminating from the cooperative either to another house building cooperative or to another organization responsible for housing construction, where a residence is used by the insured person himself/herself, or to an occupational pension institution. Shares and similar documents are to be deposited with the pension plan until repayment or until occurrence of the insured event or cash payment of the termination benefits.

² Permitted properties are apartments and single-family homes.

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

11.4 What does 'for your own use' mean?

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

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

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

11.5 What conditions apply to drawing an advance?

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

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

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

³ Until the age of 50, the insured person may draw an advance in the maximum

amount of his/her current termination benefits.

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

⁵ The performance account (iVFR) cannot be withdrawn in advanced.

⁶ If the insured person files for early withdrawal, the withdrawal shall consist of mandatory and non-mandatory components in the same percentage as for the total vested benefit.

11.5.2 When and to whom does the Foundation have to pay the advance?

¹ The Foundation pays the advance at the latest six months after the insured person has submitted all documents to assert his/her claim and has paid the costs specified in art. 11.9. During the time the plan is underfunded, the Foundation may reduce the amount of or restrict the duration of or even completely refuse to accept pledges and early withdrawals for the repayment of mortgage loans.

² During the period of a shortfall, the employer's pension fund may, in consultation with the foundation, restrict or completely refuse the pledging and advance withdrawal for the repayment of mortgage loans in terms of time and amount.

³ Payment is made directly to the seller, builder, lender, house building cooperative, etc., with the agreement of the insured person. The advance cannot be paid to the insured person.

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

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

sold. The Foundation notifies the Land Registry when the advance is paid out.

11.5.4 What consequences does an advance have for pension benefits?

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

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

³The costs of any such insurance are borne by the insured person.

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

¹The insured person may voluntarily repay the advance at any time before regulation retirement age, until the occurrence of an insured event or until cash payment of the termination benefits.

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

³For legal reasons, the advance must be repaid by the insured person or his/her heirs if the residential property is sold; rights to this residential property are conceded which are equivalent to a sale from an economic perspective; no pension benefits are due upon the death of the insured person.

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

⁵Any repayments of early withdrawals by an insured person are credited back to the mandatory and non-mandatory retirement capitals balances in the same respective percentages as for the withdrawals. If the mandatory retirement capitals balance cannot be determined, the balance is determined by applying the statutory provisions.

11.5.6 How are taxes paid on the advance?

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

11.5.7 How much tax will be reimbursed when repaying the advance?

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

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

11.5.8 What conditions apply to early withdrawals in the context of additional purchases?

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

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

11.6 What conditions apply to pledging?

11.6.1 What are the consequences of pledging?

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

11.6.2 What is the maximum amount that can be pledged?

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

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

11.6.3 What should be observed by the pledgee?

¹Agreement is required from the insured person's pledgee

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

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

11.6.4 What are the consequences of realizing a pledge?

¹There is a difference between realization of a pledge of termination benefits and realization of a pledge of pension benefits.

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

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

11.7 What information must be given?

If requested in writing, the Foundation provides information to the insured person about the pension capital at his/her disposal for the acquisition of residential property the reduction in benefits associated with an advance or realization of a pledge.

11.8 How is the advance or pledge established?

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

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

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

³If necessary, the Foundation may request additional documents for further clarification.

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

11.9 What costs arise?

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

²For the expenses of an advance withdrawal or a pledge, the following costs are currently charged to the insured person in accordance with the foundation's management cost regulations.

³Requests will be carried out after receipt of the appropriate payment.

11.10 What are the legal bases?

In all cases, the provisions of the BVG on the encouragement of home ownership, as well as the associated ordinance, shall apply.

The German original of this translation is binding.

12 Technical Appendix

12.1 Conversion rates for retirement savings

(as of January 1, 2025)

¹The following conversion rates are applied for the conversion of retirement capitals into a retirement pension, depending on the time of retirement:

Conversion rates for retirements in 2025

Age	Conversion rates for 2025 men
58	3.54%
59	3.64%
60	3.73%
61	3.84%
62	3.94%
63	4.05%
64	4.17%
65	4.30%
66	4.43%
67	4.58%
68	4.73%
69	4.90%
70	5.08%

Alter	Conversion rates for 2025 women
58	3.62%
59	3.71%
60	3.81%
61	3.92%
62	4.02%
63	4.14%
64	4.27%
64.25	4.30%
65	4.40%
66	4.54%
67	4.69%
68	4.86%
69	5.04%
70	5.22%

²The conversion rates of the previous year apply to insured persons whose pension begins on January 1, 2025.

³The conversion rate at age 65 applies to the normal retirement age in accordance with section 12.5.

⁴The following benefits are included in the conversion rates: an expected partner's pension of 60% of the annuity and

retired person's children's pension of 20% of the annuity.

⁵The pension plan may provide for other conversion rates. Any difference between the conversion rate in accordance with the figure 12.1 and the conversion rate according to the Pension Plan or the BVG minimum benefits is financed by the employer's pension fund. The provision required for this is formed within the employer's pension fund. The calculation of the provision is regulated in the "Provisions and Reserves" regulations.

⁶This remains subject to changes in legislation.

12.2 Conversion rates for disability pensions

(as of January 1, 2025)

¹The conversion rates correspond to those of the retirement pension pursuant to Section 12.1. ²The pension plan may provide for other conversion rates.

³This remains subject to changes in legislation.

12.3 Interest rates

(as of January 1, 2025)

¹The interest rate on the retirement capital is determined by the Board of Trustees within the guidelines of the Foundation and recorded in the pension plan.

²The legal BVG interest rate is 1.25%.

³The interest rate for late payment according to the FZG is equal to the BVG interest rate plus one percent.

⁴We reserve the right to make legal changes as well as resolutions of the Foundation or the Board of Trustees regarding interest on retirement capital.

12.4 Wage limits and coordination deductions

(as of January 1, 2025)

¹Salary level for admission to the plan as per BVG
CHF 22,680

²Coordination deduction as per BVG:
CHF 26,460

³BVG upper salary limit:
CHF 90,720

⁴BVG minimum salary:
CHF 3,780

⁵Maximum insurable annual salary under the BVG:
CHF 907,200

⁶UVG upper salary limit:
CHF 148,200

⁷This remains subject to changes in legislation.

⁸The salary level for admission to the plan, the coordination deduction, the upper salary limit and the BVG minimum salary are as a rule adjusted to the development of the maximum retirement pension or the maximum pensionable income under the AHV.

12.5 Retirement age

(as of January 1, 2025)

¹Regular retirement age:

Men: 65

64 years 3 months (born in 1961)

64 years 6 months (born in 1962)

64 years 9 months (born in 1963)

65 years (born 1964 and younger)

²The normal retirement age corresponds to the reference age pursuant to Art. 13 para. 1 BVG.

³The regulatory retirement age is specified in the pension plan.

⁴Transition provision to the first BVG revision: For disabled women whose inability to work is based on a disability that occurred before the first BVG revision as of January 1, 2005, the retirement age will remain at 62. Otherwise, when replacing the disability pension with the retirement pension, the provisions of the regulations applicable at the time of retirement apply.

⁵Transitional provisions for the stabilisation of the AHV (AHV 21): For disabled women whose inability to work is based on a disability occurred after the first BVG revision but before the stabilisation of the AHV (AHV 21) as of 1 January 2024, the retirement age will remain at 64. Otherwise, when replacing the disability pension with the retirement pension, the provisions of the regulations applicable at the time of retirement apply.

⁶This remains subject to changes in legislation.

12.6 Allocation of the net performance to the cVFR (or the fluctuation reserve of the retirement pension fund at foundation level), the performance account (iVFR) and the iPA

The target value of the cVFR for all investment strategies is 10% of the retirement capital and reserves.

Investment strategy 1 / retirement pension fund at foundation level:

Existing collective VFRs as a percentage of their target value in the previous quarter		Allocation to cVFR	Allocation to the performance account (iVFR) / uncommitted fund- or the iPA	
from	to			
< 0%	0%	100%	0%	
0%	25%	75%	25%	
25%	50%	66.7%	33.3%	
50%	75%	50%	50%	
75%	100%	33.3%	66.7%	
100%		0%	100%	

Investment strategy 2:

Existing collective VFRs as a percentage of their target value in the previous quarter		Allocation to cVFR	Allocation to the performance account (iVFR) / uncommitted fund- or the iPA	
from	to			
< 0%	0%	100%	0%	
0%	25%	75%	25%	
25%	50%	60%	40%	
50%	75%	50%	50%	
75%	100%	25%	75%	
100%		0%	100%	

Investment strategy 3:

Existing collective VFR as a percentage of their target value in the previous quarter		Allocation to cVFR	Allocation to the performance account (iVFR) / uncommitted fund- or the iPA	
from	to			
< 0%	0%	100%	0%	
0%	33%	66.7%	33.3%	
33%	50%	50%	50%	
50%	66%	33.3%	66.7%	
66%	100%	20%	80%	
100%		0%	100%	

12.7 Allocation of insured persons in the investment strategies

The allocation of the investment strategy is based on the ratio of the extra-mandatory retirement capital to the total retirement capital at the time of the insured person's ordinary retirement.

- Investment strategy 1: The ratio is less than 37%
- Investment strategy 2: The ratio is between 37% and 67%
- Investment strategy 3: The ratio is over 67%

Organizational regulations for the Administration Committee

Vita Invest Collective Foundation

1 Administration Committee

¹The management of the employer's pension fund is the responsibility of the Administration.

²The Administration Committee constitutes itself and consists for a term of office of an equal number of members as follows:

- employer's representatives¹, appointed by the employer/self-employed person², and
- the same number of employees' representatives selected from among the insured persons and taking into consideration the various categories of employee.

³The term of office lasts three years. New elections must take place in good time before the expiry of the current term of office. Re-election is permitted.

⁴The Administration Committee elects the president annually from among the employer and employee representatives at the first regular Administration Committee meeting of the calendar year.

⁵When the employment relationship is terminated; the member must leave the Administration Committee. A successor will be elected for any remaining term of office.

2 Election procedure

¹The employees' representatives on the Administration Committee are elected by open or secret ballot. Election shall be by a simple majority of the votes cast (relative majority).

²The persons who gain the most votes during the first ballot shall be elected. If more candidates stand for election than there are places available, the places will be given to those candidates with the largest share of votes. The candidates with no place allocated will be dropped from the elections.

³The results of the election and future changes in the composition of the Administration Committee are to be notified to the Foundation in writing without delay.

⁴If it is not possible to form an Administration Committee after being requested to do so by the Foundation Board, e.g. as a result of unwillingness by employees, incapacity to act, lack of language ability, etc., the Foundation Board may represent the interests of the employees until an Administration Committee has been formed.

⁵In the case of micro-affiliations in which all insured persons can be classified as employer representatives, the employee representative can also be elected from among the insured persons.

3 Adoption of resolutions

¹The Administration Committee shall meet as often as required to deal with matters arising, but at least once a year. Meetings will be called by the Chairman, or if half of the members of the Administration Committee request that a meeting be called.

²Invitations and notice of items on the agenda must be sent out in good time before the date of the meeting.

³As a general rule, the Administration Committee is quorate when more than half of the committee members – including the Chairman – are present. All resolutions shall be passed on the basis of a relative majority. If there is no majority, the Chairman has the casting vote.

⁴Resolutions may also be passed by way of circular letter. The relative majority applies to circular resolutions.

⁵Minutes shall be kept of all resolutions passed by the Administration Committee, to be signed by the Chairman and by the minute-taker representing the other half of the Committee.

⁶The Foundation will check the resolutions of the Administration Committee which are submitted to it to ensure that they comply with the law and the regulations. The protocol must be submitted to the Foundation.

⁷The Administration Committee subscribes in two.

4 Duties, rights and obligations of the Administration Committee

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

- a) It shall approve the pension plan which in particular specifies the type and scope of the pension benefits provided, the contributions to be made by the insured persons, and any other pension-specific provisions. Making and issuing changes to the

¹ If the employer is a legal entity, then those persons who hold management functions (members of the Board of Directors, directors, and associate directors) shall generally be deemed to be employer's representatives.

² If the employer is a natural person, he/she shall be deemed self-employed if he/she is a self-employed person within the meaning of the AHV law.

- pension plan is only possible in accordance with the conditions laid down by the Foundation.
- b) It maintains contact with the foundation.
 - c) It decides on the degree of autonomy of the employer's pension fund within the framework of the foundation's guidelines and the recommendations of the occupational pension expert.
 - d) It decides on the amount of the provisions and reserves if the employer's pension fund bears all or individual technical provisions itself. It follows the recommendations of the occupational benefits expert.
 - e) It decides on the use of the uncommitted funds of the employer's pension fund based on the last approved annual accounts. In case of missing or insufficient necessary reserves, the allocation of funds is made after consultation and in agreement with the Foundation.
 - f) It determines the additional interest for the interest on the retirement capital, considering the specifications of the Board of Trustees Duties of the employer.
 - g) In the event of deviations from the Autoinvestment, it issues investment instructions in accordance with the Autoinvestment regulations.
 - h) It causes the employer to transfer the contributions owed to the Foundation. It informs the Foundation of any irregularities.
 - i) It informs the insured persons about the current status of their pension provision. Upon request, they shall provide information on the organization, activities and financial situation of the employer's pension fund within the framework of statutory provisions.
 - j) After consultation with the Foundation, it decides on any remedial measures.

- k) It follows the principles and objectives according to the regulations in force within the framework of the legal provisions.

5 Tasks of the employer

¹The employer deals with the Foundation and provides the information required for the provision of occupational pension coverage, including:

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

² On terminating an employment relationship, the employer must inform the insured person without delay about the various options in relation to obtaining pension coverage and vesting and shall request the insured person to provide information to the Foundation as regards the preferred use of the termination benefits entitlement within 30 days.

6 Relationship between Administration Committee and employer

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

7 Disputes

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

8 Unregulated matter

In cases for which these regulations contain no or incomplete provisions, the Administration Committee, in consultation with the Foundation, shall make regulations in accordance with the purpose of the Foundation and the statutory provisions.

9 Amendments

¹These regulations take effect on January 1, 2024 and replace all previous addenda.

²It can be changed by the Foundation Board at any time.

The German original of this translation is binding

Zurich, November 2023

Vita Invest Collective Foundation of Zurich Life Insurance Company

The Foundation Board