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Benefit regulations
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This is a translation. The French version of the regulations prevails in all matters of interpretation.

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A. General provisions

Art. 1 Name and purpose

Name

[1] Under the name of **"Pension Fund Hewlett-Packard Plus"** (referred to as "foundation") a foundation domiciled in Meyrin has been established by means of an authentic deed dated September 4th, 2017, as per Articles 80 ff. of the Swiss Civil Code.

Purpose

[2] The purpose of the foundation is to protect employees of the Hewlett-Packard Companies in Switzerland, as well as those companies that are legally or economically connected or active within the same economic sector, with which the foundation has signed an affiliation agreement, against the financial consequences of old-age, disability and death in accordance with these rules.

Structure

[3] The foundation is divided into a preliminary insurance, which covers the risks of death and disability before the age of 25, and a main insurance, which also covers the risk of old age.

Registration and guarantee according to the LOB

[4] The foundation provides mandatory pension provision and is therefore entered in the register of occupational pension plans in accordance with Art. 48 LOB. It guarantees the minimum benefits determined by the Swiss Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plans (LOB) and fulfills the provisions contained therein.

Security fund

[5] The foundation is affiliated to the security fund according to Art. 57 LOB and finances it by means of an annual contribution determined by the Federal Council. The security fund renders the following services:

- Ensuring the legally required benefits in the case of the Foundation becoming insolvent.
- Payment of subsidies in the case of an unfavorable age structure of the insured persons.

Reinsurance

[6] The foundation may re-insure its services fully or in part with a life insurance company subject to the insurance supervisory authority in Switzerland.

Art. 2 Pension Plan

Pension Plan

[1] The foundation runs a separate pension plan for each affiliated employer and insures the employees of each employer in accordance with the specific pension plan.

Art. 3 Insured persons, entry requirements

Insured group of persons

[1] All employees of the Hewlett-Packard Companies in Switzerland and companies with which the pension fund has signed an affiliation agreement who meet the requirements for admission in accordance with para. 2 and whose annual salary exceeds the entry limit of 6/8 of the maximum OASI old-age pension are required to join the pension fund. For part-time employees and partially disabled persons the entry limit is reduced to correspond to the employment level or the earning capacity respectively.

Group of persons not insured

2 The following employees are not admitted to the pension fund:

a. Employees who are not subject to the AVS
b. Employees who have not yet completed their 17th year of age;
c. Employees who have already reached or exceeded normal retirement age (Art. 5);
d. Employees whose employment contract duration is for a maximum of three months. If employment is, without interruption, extended beyond the period of three months, the employees are insured as from the date the extension was agreed. If the overall duration of several consecutive employment contracts with the same employer exceeds three months and no interruption between the contracts has lasted longer than three months, employees are insured as from the fourth month of employment. However, if it is agreed prior to the commencement of the first contract that the overall employment duration exceeds three months, the employees are insured from the commencement of the first employment contract;
e. Employees who work part-time and who already have mandatory insurance cover for employment in their main profession or who are self-employed in their main profession;
f. Individuals with a degree of disability of at least 70% in accordance with the DI;
g. Employees who are not, or not expected to be, permanently employed in Switzerland and have adequate insurance cover abroad, provided they apply for exemption from joining the foundation.

Entry limit not met

3 If the annual salary falls below the entry limit (see para. 1) and the employee is therefore no longer subject to mandatory insurance, the entitlement to benefits in accordance with these benefit regulations shall cease. The pension fund continues to manage the savings capital on a contribution-free basis for a maximum of two years. If an insured event occurs, the savings capital is paid out. Entitlement is determined with reference to these regulations.

Optional insurance

4 The pension fund does not offer any optional insurance for part-time employees for the part of the salary they receive from other employers. Any exceptions must be determined by the Foundation Board based on objective criteria.

External membership

5 In special cases, the Foundation Board may admit other individuals (external members) according to objective criteria that are defined in the implementing provisions. The basis for external membership is a written agreement which must be approved by the Foundation Board. Provided such agreement does not state otherwise, these regulations are also valid for external members.

Unpaid leave

6 In the case of unpaid leave, insurance continues unchanged during the first six months if all contributions are fully paid by the employee and employer during the period of leave. From the seventh month only risk insurance is continued, whereby the employee pays the additional contributions (both for employee and employer) according to the pension plan as well as possible remedial contributions (both for employee and employer) according to Art. 33 para. 4. If, however, contributions are no longer paid, insurance cover still extends over the first month after the contribution payments have ceased. After this period, the provisions of para. 4 apply.

Art. 4 Medical examination, health reservation

Medical examination

[1] Accepted employees have to submit a health declaration. On the basis of this information the pension fund may request that, at the pension fund's expense, employees undergo a medical examination by the pension fund's appointed medical examiner and that a health certificate is issued for the attention of the pension fund.

Reservation

[2] If the medical examination reveals an increased risk, the Foundation Board may, upon recommendation by the appointed medical examiner, make a health reservation for the risk benefits. However, such a reservation may apply only for a maximum of five years after joining the pension fund. If, within this period of reservation, an insured event occurs, the cause of which is associated with the reservation, the risk benefits to be paid by the pension fund are reduced to the benefits according to the LOB minimum for the rest of the insured person’s life.

Existing reservations

[3] No health reservation is made with regard to accrued insurance benefits acquired with the vested benefits contributed from previous employment, unless such a reservation already existed in the former occupational pension plan. In that case, the period elapsed in the former pension plan must be taken into account.

Existing ailments

[4] If an insured event occurs before the medical examination is completed or within five years after a false health declaration which led to no medical examination, the pension fund is entitled to limit any risk benefits to the benefits according to the LOB minimum, if the event results from ailments or the consequences of accidents from which the employee already suffered before commencing employment or to which he/she is susceptible due to former ailments, or if there are on-going existing ailments.

Pre-existing incapacity for work

[5] If an employee is not fully able to work before or when being admitted to the pension fund, but is not disabled within the meaning of the LOB, and if the cause of this incapacity for work leads to disability or death, he/she is not entitled to risk benefits according to these regulations. If the employee was insured with another occupational pension plan at the beginning of the incapacity for work, that pension plan is responsible for providing the corresponding benefits.

Art. 5 Age, retirement age

Age

[1] Age is determined by the difference between the current calendar year and the year of birth.

Retirement age

[2] Retirement age is reached on the first of the month following completion of the 65th year of age. Early or later retirement is possible.

Art. 6 Beginning and end of insurance

Beginning

[1] Insurance cover starts upon commencement of the employment relationship.

Admission

[2] Admission to the preliminary insurance (see Art. 1 para. 3) occurs on 1 January following completion of the 17th year of age and admission to the principal insurance on 1 January following completion of the 24th year of age.

End

[3] The insurance obligation ends upon termination of the employment relationship or the external membership, insofar as there is no entitlement to insurance benefits.

Extended insurance cover

4 The active insured person remains covered for the risks of death and disability for one month following the termination of the pension plan relationship. If he/she joins a new occupational pension plan within this period, the new pension plan is obliged to pay benefits.

Art. 7 Insured salary

Annual salary

1 The annual salary corresponds to 13 times the monthly salary. Salary elements that occur only occasionally, such as service anniversary gifts, share options, overtime payments, bonus payments and bonus shares, are not included.

For variable salary components (e.g. sales commissions, shift or stand-by allowances) the annual salary equals the target salary.

Coordination offset

2 The coordination offset is defined in the pension plan.

Insured annual salary „old-age“

3 The insured annual salary "old-age" is defined in the pension plan.

Insured annual salary „risk“

4 The insured annual salary "risk" is defined in the pension plan.

Entry during the year

5 The annual salary is determined for the full year. If employment is started during the year, it is annualized.

Salary adjustments

6 In the case of salary adjustments (incl. adjustments due to changes in the employment level), the annual salary will be adjusted to the changed situation during the calendar year. If an insured event occurs, any adjustments made in error are reversed.

For benefit increases Art. 4 may be applied accordingly.

Adjustments to the limits

7 In the case of part-time and disabled employees, the maximum salary, the coordination offset and the minimum salary are adjusted by a corresponding reduction in the level of employment and/or ability to work.

Vested rights

8 In the event of a reduction in insured salary the previous insured annual salary may be retained if the insured salary does not exceed the OASI salary. This is subject to the condition that the corresponding contributions continue to be paid by the insured person, including the employer contributions (acc to art. 8).

Salary adjustment in the event of disability

9 If an active insured person is declared partially disabled within the meaning of Art. 15, benefits are divided into a passive part according to the degree of disability, for which no salary adjustments are made and an active part in line with the degree of earning capacity, for which salary adjustments in compliance with the provisions of this article are possible.

Salary reduction after age 58

10 An active insured person whose annual salary is reduced after age 58 but still amounts to at least 50% of the previous annual salary, may, after a written application to the pension fund, retain the previous insured salary until he/she retires but not beyond normal retirement age. An increase in the voluntarily retained part of the insured salary is not possible; however, a decrease is possible at any time. The employee has to pay all corresponding contributions including the employer contributions (see art. 8).

The insurance of the previous annual salary is not possible, if the insured person already draws an old-age pension of the pension fund (partial retirement).

B. Funding

Art. 8 Contributions

Beginning of obligation to pay contributions

1 For the employer and the employee, the obligation to pay contributions starts upon the day of admission to the pension fund.

End of obligation to pay contributions

2 The obligation to pay contributions ends

a. upon leaving the pension fund,
b. when all old-age benefits become payable,
c. at the end of the month of death,
d. upon termination of the continued payment of full salary or expiry of the daily allowances,

at the latest, however, upon reaching normal retirement age.

Total contributions

3 Total contributions are composed of the following two elements:

a. savings contributions,
b. additional contributions.

Savings contributions

4 The savings contributions are used to accumulate the savings capital.

Additional contributions

5 The additional contributions are used to finance:

a. the risks of death, disability and longevity,
b. contributions to the security fund;
c. administrative and other costs.

The additional contributions are not refunded upon termination of the employment relationship.

Level of contributions

6 The level of the contributions by the employer and the insured person as well as the possible savings contribution scales are set out in the pension plan.

Level of contributions for different group of employees

7 The level of contributions for employer and employee and the available saving contribution schemes are different for employees joining before 1 April 2011 or due to the merger with the pension fund of the EDS-employees and for employees joining from 1 April 2011.

Payroll deductions

8 The employer is liable to the pension fund for the total contributions. The employer deducts the employee's contribution from the payroll. Contributions are paid on a monthly basis. If the employer is in arrears, the pension fund will reclaim appropriate interest on arrears.

Contributions on voluntarily retained parts of the insured salary

9 If an active insured person makes use of Art. 7 para. 10, he/she must pay all contributions which are due on the voluntarily retained part of the insured salary, i.e. the employee’s and the employer’s savings and additional contributions according to Appendix 1, as well as possible remedial contributions (both for employee and employer) according to Art. 33 para. 4.

Art. 9 Savings capital

Savings capital

1 The savings capital equals the balance of the savings account (para. 2) plus the balance of the savings account for early retirement (para. 3).

Savings account

2 An individual savings account is maintained for each member of the pension fund until retirement. The following items are credited to the individual savings account:

a. the vested benefits transferred in;
b. the annual savings credits;
c. purchases according to Art. 10 para. 3;
d. any potential transfers from the individual savings account for early retirement (para. 3);
e. repayments of withdrawals for home ownership purposes;
f. compensation payments from a former spouse following a divorce;
g. interest.

The following items are debited to the individual savings account as far as they cannot be debited to the individual savings account for early retirement:

a. withdrawals for home ownership purposes;
b. compensation payments to the former spouse following a divorce.

Savings account for early retirement

3 An individual savings account for early retirement is maintained for each member of the pension fund who makes purchases according to Art. 10 para. 4 and 5. The following items are credited to this account:

a. purchases for early retirement according to Art. 10 para. 4;
b. purchases of OASI bridging pensions according to Art. 10 para. 5;
c. interest.

The following items are debited to the individual savings account for early retirement:

a. withdrawals for home ownership purposes;
b. compensation payments to the former spouse due to a divorce.

If the balance of the individual savings account (para. 2) is lower than necessary to achieve the maximum benefits in accordance with Appendix 3, the balance of the individual account for early retirement is transferred to the savings account as far as necessary.

Retirement capital

4 The retirement capital equals the balance of the savings account plus the balance of the savings account for early retirement at the date at which the insured person retires.

Rate of interest

5 The rate of interest is determined at least annually by the Foundation Board, based on the financial situation of the pension fund and the general development of its investments. The rate will be oriented to the LOB minimum interest rate (see supplementary sheet). The Foundation Board may determine a provisional rate of interest for payments during the year (insured events and exits) and determine the definite rate of interest at the end of the year in question.

Interest

6 The interest is calculated based on the balance of the savings accounts at the end of the previous year and credited to the savings accounts at the end of the calendar year.

Pro rata interest

7 If vested benefits are transferred in or a purchase effected, if an insured event occurs or the active insured person leaves the pension fund during the year, interest for the year in question is calculated on a pro rata basis.

Savings credits in the event of disability

8 In the event of total disability, the savings credits continue to be credited to the savings account on the basis of the last insured salary and the “Standard” contribution scale until retirement age is reached. In the event of partial disability, the savings capital is divided into a disability (passive) and an active part according to the degree of disability. The disability part is continued as for a totally disabled person and the active part as for an active insured person.

Art. 10 Vested benefits at entry, purchase of additional benefits, purchase of benefits for early retirement and purchase of OASI bridging pension

Vested benefits at entry

1 Vested benefits of previous personnel welfare funds, including funds from vested benefit accounts or deposits or vested benefit policies, must be paid as vested benefits at entry to the pension fund. The entire amount is credited to the personal savings capital as at the date of the transfer. The pension fund is entitled to request a confirmation by the insured person acknowledging the complete transfer of all vested benefits.

Purchase

2 The vested benefits transferred in are used for the purchase of benefits.

Purchase of additional benefits

3 An active insured person who does not achieve the maximum benefits may purchase additional welfare benefits at any time - subject to para. 8 – be-fore an insured event occurs. The calculation of the possible purchase amount is provided in Appendix 3. Insured persons who continue the insurance after retirement age according to Art. 11 para. 5 may purchase additional welfare benefits up to the maximum benefits at age 65 according to the table in Appendix 3.

Purchase for early retirement

4 If an actively insured person has completely purchased the missing personnel welfare benefits according to para. 3, he/she may additionally purchase the pension reduction in the event of early retirement as per Appendix 4. The payments are made on the account of early retirement. If the retirement benefits at early retirement, taking into account the purchase of early retirement benefits, would be higher than those at retirement age without purchase, the employer and the insured person may no longer pay savings contributions. In addition, the benefits target specified by the pension fund regulations may only be exceeded by a maximum of 5%.

Special savings account purchase of OASI bridging pension

5 An insured person is entitled to pre-finance all or part of an OASI bridging pension in accordance with the table in Appendix 5. If the insured person continues to work beyond the anticipated age of early retirement, the benefits target specified by the pension fund regulations may only be exceeded by a maximum of 5%.

Overall maximum purchase amount

6 The overall maximum possible purchase amount is calculated as follows:

The starting point is the sum of the maximum possible balance of the savings account according to Appendix 3 and the maximum possible balance of the savings account for early retirement according to Appendix 4 and Appendix 5, based on the age, anticipated early retirement age and insured salary of the active insured person and based on the maximum OASI old-age pension valid at the time of the calculation.

From this maximum sum the following amounts are deducted:

a. the balance of the active insured person's savings account (Art. 9 para. 2);

b. the balance of the active insured person's savings account for early retirement (Art. 9 para. 3);

c. any non-repaid withdrawals for home ownership purposes, if the active insured person is at least 62 years old;

d. any vested benefits that the active insured person did not transfer into the pension fund and any Pillar 3a savings assets that the active insured person accrued over time as a self-employed person and that exceed the maximum allowed assets of a person who was insured in the second pillar. The active insured person must make a written declaration to the pension fund that he/she has revealed all the corresponding transferable vested benefit assets and Pillar 3a savings assets.

Disability or death before retirement

7 Purchases for early retirement (para. 4) and OASI bridging pension (para. 5) are credited to the individual savings account for early retirement according to Art. 9 para. 3. In case an active insured person becomes disabled or dies before his/her retirement, the balance of the savings account for early retirement is paid as a lump-sum disability benefit to the insured person or as an additional lump-sum death benefit to the survivors according to Art. 20 para. 2. In case of partial disability, a partial lump-sum disability benefit is paid.

Working beyond the anticipated age of early retirement

8 If the active insured person continues to work beyond the anticipated age of early retirement, he/she may not need all purchases made according to para. 4 to finance the actual pension reduction and/or may not need all purchases made according to para. 5 to pre-finance a full OASI bridging pension. Purchase sums no longer needed for one of the objectives can be used for the other objective, under the following restrictions:

a. The OASI bridging pension must not exceed the maximum OASI old-age pension.

b. The old-age pension resulting at actual retirement (from the balance of the savings account plus the purchases for early retirement according to para. 4) must not exceed 105% of the old-age pension resulting at normal retirement age (from the balance of the savings account alone).

Possible excess funds are forfeited to the pension fund.

Tax deduction

9 The insured person must verify himself/herself with the authorities in charge whether the optional purchase in accordance with para. 3 and 4 may be deducted from taxes.

Restrictions

10 If purchases have been made, the resulting benefits may not be withdrawn as a lump-sum in the following three years.

If anticipated withdrawals were made for home ownership purposes, voluntary purchases may only be made once these sums have been repaid. Insured persons who have made anticipated withdrawals for residential property may only make voluntary purchases from their 62nd year of age, provided these purchases, together with the said prepayments, do not exceed the maximum permissible benefits specified by the pension fund

Maximum amount

11 The maximum amount of purchase sums (purchase of maximum benefits, purchase for early retirement and purchase for OASI bridging pensions) is reduced by any vested benefits that did not have to be brought into the Foundation and any Pillar 3a savings assets that were accrued over time as a self-employed person. The insured person must make a written declaration to the Foundation that he/she has revealed all the corresponding vested benefit assets and Pillar 3a savings assets. The Foundation determines the administrative principles that apply in the case of optional purchases.

Persons from abroad

12 Persons arriving from abroad who have never been affiliated with an occupational pension plan in Switzerland may not exceed the annual purchase amount of 20% of their insured salary during the first five years.

Employer contribution

13 The employer can contribute to a purchase of benefits.

C. Old-age benefits

Art. 11 Old-age pension

Entitlement

1 Upon reaching retirement age, the insured person is entitled to a life-long old-age pension. Early, later and partial retirement is possible.

Amount

2 To calculate the amount of the annual old-age pension, the existing retirement capital according to Art. 9 para. 4 (excl. funds needed to finance a possible OASI bridging pension) is multiplied by the corresponding conversion rate in accordance with Appendix 2.

As of January 1, 2016 the annual old-age pension will be limited to 4 times the maximum OASI old-age pension (see supplementary sheet). Retirement capital (excl. funds needed to finance a possible OASI bridging pension) which exceeds the capitalized value of 4 times the maximum OASI old-age pension will be paid out as a lump-sum. The calculation is made at the time of retirement.

If an insured person defers the pension payment, the pension and the remaining retirement capital will be calculated at the point in time when the pension payments begin.

Early retirement

3 The notification period for early retirement is three months. Early retirement is available from age 58 at the earliest. In the event of operational restructuring the age of earliest retirement is 55 and the notification period is reduced to two months for any affected person.

Deferred pension payments

4 In case of early retirement the active insured person can defer pension payments only until retirement age. During the deferral period the pension fund continues to pay interest on the savings capital. The conversion rate to be applied corresponds to the age at which pension payments start (see Appendix 2). In case all or part of the pension is payable as a lump-sum, that part cannot be deferred and is paid at the time of early retirement.

As of January 1, 2016 the limit of the annual old-age pension according to para. 2 will be implemented as follows. Upon early retirement, the active insured person's savings capital (excl. funds needed to finance a possible OASI bridging pension starting immediately) is converted into a theoretical old-age pension by multiplying it with the conversion rate applicable at normal retirement age (see Appendix 2). If this theoretical old-age pension exceeds 4 times the maximum OASI old-age pension valid at the time of early retirement, the capitalized value of the excess part will be paid out as a lump-sum at the time of early retirement.

The active insured person has to notify the pension fund prior to early retirement that he/she wants to defer pension payments. During the deferral period he/she can request the start of pension payments at three months' notice.

In the event of death during the pension deferral period the survivors' benefits are based on the early old-age pension at the moment of death.

Later retirement

5 If an insured person remains employed beyond the retirement age, the savings and additional contributions according to the pension plan will continue to be paid by the insured person and the employer. The savings capital will be continued in accordance with Art. 9 and, when the employment is terminated, by age 70 at the latest, it will be converted into a pension or withdrawn as a lump sum in accordance with Art. 12. The same conversion rate will be used that would have been relevant in the event of retirement at the retirement age in accordance with Art. 5 Para. 2.

Risk insurance is not continued beyond normal retirement age. In case of incapacity for work, the employment is terminated as specified in the employment contract and old-age benefits become due. In case of death the survivors' benefits are based on the old-age pension at the moment of death. In addition, a lump-sum death benefit according to Art. 21 para. 5 becomes due.

Partial retirement

6 If an active insured person partially retires from employment, he/she may request a corresponding partial retirement, if the annual salary is reduced by at least 30% in relation to the salary earned for full-time employment. Partial retirement is possible in a maximum of three stages.

Disability and retirement

7 If an insured person becomes disabled after early retirement or partial retirement, he/she is not entitled to disability benefits, but retirement benefits are initiated. During the deferral period no disability benefits are due. If the insured person becomes disabled during this period, retirement benefits become due.

Death during partial or deferred retirement

8 In the event of death during partial retirement, unclaimed (partial) old-age pensions are treated as lump-sum death benefit in accordance with Art. 21.

Art. 12 Lump-sum settlement of old-age benefits

Capital withdrawal

1 The insured person, active or disabled, may withdraw all or part of his/her retirement capital as cash instead of drawing a pension. Any withdrawal concerns the retirement capital according to LOB minimum on a pro rata basis. Such a lump-sum withdrawal results in a corresponding reduction in the old-age pension and the co-insured benefits. By withdrawing the retirement capital all the corresponding claims in accordance with these benefit regulations are deemed to have been satisfied. The OASI-bridging pension cannot be taken as a lump-sum.

Written application

2 A corresponding written application must be filed no later than three months before the age of retirement is reached or no later than three months before any early retirement. Such an application can be withdrawn up to three months before retirement.

Spouse's or civil partner's consent

3 If the insured person is married or in a civil partnership, the application is valid only with the written consent of the spouse or the civil partner, which must be certified by a notary or otherwise verified.

Tax impact

4 If the insured person made purchases according to Art. 10 para. 3 - 5 less than three years prior to retirement, he/she is advised to consult the relevant tax authorities before filing an application, to check the tax impact of a cash withdrawal of old-age benefits.

Payment

5 The pension fund can delay its payment of the lump-sum withdrawal by up to three months after actual retirement depending on the liquidity position of the fund. In case of delay the pension fund pays interest on arrears (see supplementary sheet) from the first day after the insured person's retirement date, provided the pension fund is in possession of all necessary payment instructions.

Art. 13 OASI bridging pension

Entitlement
[1] An active insured person retiring early can request an OASI bridging pension.

Beginning / end
[2] The pension is paid from the date of early retirement until the regulatory OASI retirement age (see supplementary sheet) or until earlier death.

Amount
[3] The amount of the OASI bridging pension can be chosen freely but may not exceed the maximum OASI old-age pension at the time of retirement.

Partial retirement
[4] In the event of partial retirement the OASI bridging pension, possibly already reduced in accordance with para. 1 and 3, is reduced proportionally to correspond with the level of retirement.

Financing
[5] The OASI bridging pension can either be financed through additional purchases in accordance with Appendix 5 or by reducing the old-age pension. In the latter case, the retirement capital is reduced by the actuarial value of the OASI bridging pension. The reduced retirement capital results in a lower old-age pension in accordance with Art. 11, Paragraph 2. The co-insured current and prospective benefits are based on the reduced old-age pension.

If the recipient of an OASI bridging pension dies before the regulatory OASI retirement age, the actuarial cash value of the remaining OASI bridging pensions is paid to the survivors according to Art. 21 para. 2.

Adjustment to the OASI old-age pension
[6] An ongoing OASI bridging pension is not increased subsequent to any increase in the OASI old-age pension.

Art. 14 Retired person's children's pension

Entitlement
[1] Recipients of old-age pensions are entitled to a retired person's children's pension for every child who, in the event of their death, would be entitled to an orphan's pension in accordance with Art. 20.

Beginning / end
[2] The retired person's children's pension is paid from the same date as the old-age pension. It expires when the underlying old-age pension ends, however, at the latest when the entitlement according to para. 1 no longer exists.

Amount
[3] The amount of the annual retired person's children's pension is defined in the pension plan.

Eligibility in case of divorce
[4] The entitlement to a pensioner's children's pension that already existed at the time the divorce proceedings were opened remains unaffected by the division of the occupational pension in the event of divorce.

D. Disability benefits

Art. 15 Disability pension

Entitlement

1 Insured persons with a disability degree of at least 40% in accordance with the DI are entitled to a disability pension, provided that they were insured in the pension fund at the onset of the incapacity for work which led to their disability.

Degree of disability

2 If the insured person works full-time for the employer, the degree of disability corresponds to the degree of disability determined by the DI. In the case of part-time employment, the foundation defines the degree of disability and is not bound by the degree of disability specified by the DI for the active part.

Degree of pension

3 If the degree of disability amounts to 70% or more, the full disability pension is paid. If the disability degree is at least 60%, the insured person is entitled to a three-quarter pension, if it is at least 50%, a half pension, and if it is at least 40%, a quarter pension. A degree of disability of less than 40% does not convey an entitlement to disability pension.

Beginning

4 The temporary disability pension is paid from the beginning of the payment of the DI pension but, at the earliest, after the termination of the continued payment of salary or the expiry of any daily allowances from the income compensation insurance.

End

5 The disability pension is paid during the period of earning incapacity, at the longest, however, until retirement age is reached, or until earlier death.

Amount

6 The amount of the annual disability pension in the event of full disability is defined in the pension plan.

Congenital deformities or invalidity incurred as a minor

7 If, at the beginning of insurance with the pension fund, a person is at least 20% but less than 40% incapable of work due to a congenital deformity or a disability that occurred when he/she was a minor, an entitlement to disability pension only exists if the incapability for work which led to disability increased to at least 40% during the period of insurance.

Art. 16 Disabled person's children's pension

Entitlement

1 Recipients of disability pension are entitled to a disabled person's children's pension for every child who, in the event of their death, would be entitled to an orphan's pension in accordance with Art. 20.

Beginning / end

2 The disabled person's children's pension is paid from the same date as the disability pension. It expires when the underlying disability pension ends, however, at the latest when the entitlement according to para. 1 no longer exists.

Amount

3 The amount of the annual full disabled person’s children’s pension is defined in the pension plan.

Eligibility in case of divorce

4 The entitlement to a disabled person's children's pension, which already existed at the time the divorce proceedings were opened, remains unaffected by the division of the occupational pension in the event of divorce.

E. Death benefits

Art. 17 Spouse's pension

Entitlement

1 The spouse of a deceased insured person or recipient of benefits is entitled to a spouse's pension if he/she

a. is either responsible for supporting one or more children, or

b. has attained age 40 and the marriage had lasted for at least three years. The duration of the partnership according to Art. 17 is acknowledged as years of marriage.

Single settlement

2 If the surviving spouse does not fulfill any of these requirements, he/she is entitled to a single settlement in the amount of three times the annual spouse's pension.

Beginning / end

3 The entitlement to a spouse's pension becomes effective in the first month the salary or the pension of the deceased insured person is no longer paid. It expires with the death of the surviving spouse. If the spouse remarries, the spouse's pension expires and an entitlement to a lump-sum settlement in the amount of three times the annual spouse's pension is effected.

Amount

4 Upon the death of an active insured person or a recipient of a disability pension, the amount of the annual spouse's pension is defined in the pension plan.

If an active insured person dies after the normal retirement age (later retirement according to Art. 10 para. 5), the annual spouse's pension amounts to 60% of the old-age pension the active insured person would have received at the moment of death.

In the case of deferred pension payment or deferred retirement, Art. 11 para 4 and 5 will apply.

Upon the death of a recipient of an old-age pension, the annual spouse's pension corresponds to 60% of the current old-age pension.

Spouse's pension in the event of lump-sum withdrawal of old-age pension

5 If part of the old-age pension was withdrawn as a lump sum upon reaching retirement age, a corresponding spouse's pension is due only for the remaining part of the pension.

Reductions of benefits

6 If the surviving spouse is more than ten years younger than the insured person and the marriage lasted less than ten years, the spouse's pension is reduced by 1.5% of the full spouse's pension for every full or partial year exceeding the age difference of ten years.

If marriage takes place after the retirement age, the spouse's pension is reduced as followed:

a. Marriage during the 66st year of age: by 20%

b. Marriage during the 67st year of age: by 40%

c. Marriage during the 68st year of age: by 60%

d. Marriage during the 69st year of age: by 80%

If the marriage takes place after completing the age of 69, no spouse's pension may be claimed.

Minimum benefits

7 Entitlement to a spouse's pension in accordance with the LOB minimum is guaranteed in every case.

Remarriage

8 If the spouse remarries, the spouse's pension expires and an entitlement to a lump-sum settlement in the amount of three annual pensions is effected.

Capitalization of the spouse's pension

9 The spouse's pension may also be received in the form of capital. The capital value corresponds to the actuarial present cash value, at the maximum, however to 15 times the annual spouse's pension. The surviving spouse has to submit the application for capitalization of the old-age pension to the Foundation Board within 6 months after the beginning of the entitlement. Benefits already paid are taken into account in the case of a lump-sum withdrawal. With the withdrawal of capital, all regulatory claims – except for the claim for orphan's benefits – are deemed to have been compensated.

Congenital deformities or invalidity incurred as a minor

10 Upon the death of an insured person who, at the beginning of insurance with the pension fund, was at least 20% but less than 40% incapable of work due to a congenital deformity or a disability that occurred when he/she was a minor, an entitlement to spouse's pension only exists if the incapability for work which led to death increased to at least 40% during the period of insurance.

Art. 18 Partner's pension

Entitlement

1 The designated partner of the insured person (same or opposite sex) is entitled to a survivor's pension in the amount of the spouse's pension or the single settlement, under the same requirements and reduction stipulations as for the spouse's pension (art 17), if he/she meets the cumulative conditions set out below:

a. the insured and the beneficiary are unmarried and meet the conditions for a marriage in accordance with the civil code or the conditions for a registered partnership in accordance with the federal law on registered partnerships,

b. the insured person informed the foundation in writing of the beneficiary partner during their lifetime as part of a mutual support agreement.

d. the beneficiary is not in receipt of any spouse's or partner's pension from any occupational pension plan.

e. the surviving designated partner either

- reached the age of 40 and maintained a joint household with the deceased insured person for at least three years immediately prior to his/her death, or
- is responsible for the support of one or more children of the deceased insured person.

Requirements

2 The insured or entitled person is responsible for submitting the necessary documentation for the approval of the partner's pension.

Burden of proof

3 It is the responsibility of the person making a claim against the Foundation to prove that they meet the conditions for a partner pension. In particular, the following are considered to be evidence:

a. for the conditions according to letter a: civil status documents of both partners;
b. for the cohabitation: certificate of residence or written agreement showing the will for mutual support in accordance with paragraph 5;
c. for the presence of a common child: family book;
d. for the maintenance of the child: certificate from the competent authority

End

[4] The partner's pension ends if the recipient of the pension marries, enters a new partnership or dies.

Notarized support agreement

[5] The foundation requires a mutual support contract signed and notarized during the lifetime of both partners. The surviving life partner does not have to submit the certified support contract until after the death of the insured person.

Single settlement

[6] If a notarized support agreement is submitted and of the requirements listed in para. 1 only clause e. is not fulfilled, the surviving designated partner is entitled to a single settlement in the amount of three times the annual partner's pension.

Art. 19 Pension for divorced spouses

Entitlement

[1] The surviving divorced spouse of a deceased insured person is entitled to a spouse's pension, provided that the marriage lasted at least ten years and a corresponding pension according to Article 124e paragraph 1 or Article 126 paragraph 1 ZGB was awarded in the divorce decree.

However, the benefits of the foundation are limited to that part of the maintenance contribution that is specified in the divorce decree and that exceeds the benefits of the AHV.

[2] The payment of the pension of a divorced spouse does not affect the rights of the surviving spouse or the surviving partner of the deceased insured person.

Amount

[2] The Foundation's benefit will be reduced by the amount by which it, together with the survivors' benefits from other insurances, in particular the AHV, exceeds the entitlement from the divorce decree. The pension for the divorced spouse is limited to the pension for divorced spouses in accordance with the BVG minimum, unless the deceased insured person had already received a disability or retirement pension at the time of the divorce.

Dissolution of a civil partnership

[3] The dissolution of a civil partnership by a court is equivalent to a divorce. This article applies accordingly to the claims of the former civil partner.

End

[5] The divorced spouse's pension entitlement expires at the end of the month in which the divorced spouse dies or remarries.

Art. 20 Orphan's pension

Entitlement

[1] The children of a deceased insured person are entitled to an orphan's pension; this applies to foster and stepchildren only if the deceased insured person was proven to be responsible for their support.

Beginning / End

[2] The entitlement to an orphan's pension becomes effective in the first month the salary or the pension of the deceased insured person is no longer paid. It expires once the orphan has completed his/her 18th year of age, with the exception of the special cases in accordance with Paragraph 3.

Special cases

3 Orphan's pensions are also paid after completion of the 18th year of age but not beyond completion of the 25th year of age

a. to children who are still in education,

b. to disabled children who remain disabled at completion of their 18th year of age, until earning capacity is reached. The level of disability of the child is taken as a base for calculating the pension entitlement (grading as in Art. 15 para. 3).

Amount

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

Eligibility in the case of divorce

5 If the pension for the child of a disabled or deceased pensioner is not affected by the division of the occupational pension in the event of a divorce, the orphan's pension is calculated on the same basis.

Art. 21 Lump-sum death benefit

Entitlement

1 If an active insured person or a recipient of a disability pension dies before his/her actual retirement, a lump-sum death benefit is payable.

If an insured person dies during the pension deferral period according to Art. 11 para. 4, he/she is regarded as retired and no lump-sum death benefit becomes due.

Order of beneficiaries

2 Survivors are entitled to the lump-sum death benefit in the following order, independent of inheritance law (subject to a written declaration according to para. 3):

a. the spouse; in the absence of whom

b. the children who are entitled to an orphan's pension in accordance with Art. 19; in the absence of whom

c. individuals who were dependents of the insured person at the time of his/her death, or the person meeting the criteria for a partner according to Art 18d; in the absence of whom

d. the children, insofar as they are not included under clause b., the parents and brothers and sisters; in the absence of whom

e. other remaining legal heirs.

Declaration

3 The active insured person or the recipient of a disability pension can specify the beneficiaries of a group and the respective share of the death benefit in a written declaration for the attention of the Foundation.

Non-existence of a declaration

4 If there is no declaration regarding the distribution of the lump-sum death benefit, the order of beneficiaries of para. 2 comes into effect. If there are several beneficiaries, the death benefit is paid in equal parts.

Amount

[5] For beneficiaries of groups a. to d. (para. 2) the amount of the lump-sum death benefit corresponds to the balance of the deceased person's savings account, reduced by the present actuarial value of any benefits according to Art. 17 - 19, subject to a minimum of 200% of the last insured salary.

If an active insured person dies after the normal retirement age (later retirement according to Art. 11 para. 5), the lump-sum death benefit corresponds to the balance of the deceased person's savings account, reduced by the present actuarial value of any benefits according to Art. 17 - 19, and is at minimum zero.

For the person group e the lump-sum death benefit corresponds to the personal savings capital, but at least to 50% of the savings capital. The lump sum death benefit is reduced by the present value of all the pensions and indemnities caused by this death.

Purchases for early retirement

[6] In addition, purchases in the special savings accounts "purchases made by the insured person for early retirement" and "purchases made by the insured person for an OASI bridging pension" are paid as an additional lump-sum death.

F. Termination benefit

Art. 22 Vesting of termination benefit

Vesting

1 1 An insured person whose employment relationship ends before their 58th birthday for any reason other than disability or death is entitled to vested benefits.

2 The insured person whose employment relationship ends before January 1st after their 24th birthday can only claim the vested benefits that were brought in from a previous pension fund.

3 An insured person whose employment relationship ends after their 58th birthday for any reason other than disability or death can demand vested benefits if they are transferred to the pension fund of the new employer or to a vested benefits foundation if they are with the ALV looking for new employment.

4 Likewise, an insured person whose disability pension is reduced or canceled due to the reduction in the degree of disability is entitled to a termination benefit at the end of the temporary maintenance of the insurance in accordance with Art. 26a Paragraphs 1 and 2 BVG.

Interest on arrears

5 Interest is paid on the termination benefit at the LOB minimum interest rate from the first day after leaving the pension fund. If the pension fund does not transfer the termination benefit due within 30 days after receiving the required instructions for the transfer, interest on arrears (see supplementary sheet) must be paid after the end of this period.

Art. 23 Amount of termination benefit

Methods of calculation

1 The termination benefit is calculated in accordance with Art. 15, 17 and 18 FLV. The termination benefit corresponds to the highest amount resulting from the comparison of the three amounts calculated in para. 2, 3 and 4 below.

Savings capital

2 Savings capital in accordance with Art. 15 FLV:

The termination benefit corresponds to the savings capital available as at the date of leaving.

Minimum amount

3 Minimum amount in accordance with Art. 17 FLV: subject to Art. 36 para 4, the termination benefit corresponds to the sum from

a. the vested benefits brought in and voluntary purchases including interest. The interest rate corresponds to the LPP minimum interest rate; as

b. all amounts brought in as a result of compensation in the event of divorce, purchases to compensate for the distribution in the event of divorce, purchases for early retirement; as well as amounts withdrawn in connection with home ownership or after a divorce; as

c. the savings contributions made by the insured person including interest, plus a surcharge of 4% per year of age from the age of 20, but not more than 100%. The interest rate corresponds to the LPP minimum interest rate. The savings contributions on any voluntarily retained part of the insured salary according to Art. 7 Paragraph 8 are excluded.

LOB savings capital

4 Savings capital in accordance with Art. 18 FLV: The termination benefit corresponds to the accrued savings capital as at the date of leaving in accordance with the LOB minimum.

Purchases by employer

5 The portion of any purchase of benefits financed by the employer is deducted from the termination benefit upon departure. The deduction is reduced by a tenth of the amount financed by the employer for every contribution year. The unused portion goes to the employer's contribution reserve.

Art. 24 Treatment of termination benefit

New occupational pension plan

1 The termination benefit is transferred to the occupational pension plan of the new employer.

Vested benefit account / policy

2 Active insured persons who do not join another occupational pension plan must notify the pension fund of the form in which they wish to maintain benefits coverage; either

a. by opening a vested benefit account; or

b. by opening a vested benefit policy.

Duty of notification

3 If there is no notification, the termination benefit, including accrued interest, is transferred to the Substitute Pension Plan no sooner than six months and no later than two years after the termination benefit has become due.

Payment in cash

4 At the request of the departing active insured person, the termination benefit is paid in cash, if

a. he/she leaves Switzerland permanently and has no residence in Liechtenstein;

b. he/she takes up self-employment and is therefore no longer subject to mandatory occupational pension provision;

c. the termination benefit is smaller than his/her annual contribution.

The payment in cash is not permitted if the active insured person leaves Switzerland permanently and goes to live in Liechtenstein.

Active insured persons cannot request a payment in cash in the amount of the existing LOB minimum savings capital if they continue to be subject to compulsory insurance against the risks of old-age, death and disability according to the legal provisions of an EU member state or of Iceland or Norway. The remaining part of the savings capital (after deducting the LOB minimum savings capital) may be fully or partly requested in cash.

Signature of spouse or civil partner

5 If the departing active insured person is married or in civil partnership, the cash payment is valid only with the written consent of the spouse or civil partner. The signature must be certified by a notary or otherwise verified.

G. Divorce and financing of home ownership

Art. 25 Divorce

Compensation

1 In the event of an insured person's divorce, the competent court shall settle the matter by dividing the (hypothetical) termination benefits that were acquired during the duration of the marriage or the retirement pension.

Transfer

2 If the pension capital is settled in the event of a divorce, the amount to be transferred in the ratio of the retirement savings according to Art. 15 LPP must be offset against the remaining retirement savings.

Divorce and retirement

3 If a recipient of an old-age pension is debtor a pension equalization, the Foundation pays the divorced spouse the portion of the old-age pension granted by the court converted into a lifelong pension or pays the pension portion to his/her pension fund.

The insured person's retirement pension is reduced accordingly.

Obligation for information

4 The foundation must be notified of the entitlement to a divorce pension or the obligation to pay such a pension. The divorced spouse must inform the spouse's pension fund by November 15th of any change in the retirement pension or the vested benefits institution. If the divorced spouse does not inform the foundation of this change, it will pay the amount to the substitute institute at least six months after and no later than two years after the due date.

Re-purchase

5 The active insured person can do voluntary purchases in the amount of the transferred termination benefit. The savings capital is increased by the corresponding amount.

Art. 26 Withdrawal or pledging to finance home ownership

Withdrawal or pledging

1 Every five years up to age 62 at the latest, an active insured person may claim an amount (at least CHF 20,000) for residential property for his/her own use (purchase and construction of residential property, co-ownership investments in residential property or repayment of mortgage bonds). "For own use" applies to the use by the active insured person at his/her domicile or usual place of residence. For this purpose, the active insured person may also pledge this amount or his/her entitlement to pension benefits.

Amount

2 The active insured person may withdraw or pledge an amount equal to his/her vested termination benefit, up to his/her 50th year of age. If the active insured person has exceeded the age of 50, the claim may not exceed the amount he/she was entitled to at the age of 50, or half of the vested termination benefit at the time the funds are withdrawn.

Duty of information

3 Upon submission of a written request, the active insured person may apply for information about the amount available for the purchase of residential property and the reduction of benefits related to such a withdrawal. The pension fund advises the active insured person of the possibility to cover the risk of the resulting shortfall in benefits protection, and of the tax liabilities.

Documents

4 If the active insured person makes use of the withdrawal or pledge, he/she must submit all the legally valid documents required confirming the purchase or construction of residential property, the co-ownership investments in residential property or the repayment of mortgage loans. In the case the active insured person is married or in civil partnership, the written consent of the spouse or civil partner is also required and must be certified by a notary or otherwise verified.

Optional repayment

5 Up until the age of 62 the active insured person may repay all or part of the withdrawn amount (minimum amount CHF 20,000).

Duty to repay

6 If the residential property is sold or if rights are granted thereof, which are equivalent to the sale of the property, the withdrawal must be repaid by the insured person. The duty to repay lapses once the insured person is at least 62 years old.

Priorities

7 If the pension fund's liquidity is at risk due to withdrawals, the Foundation Board may postpone the processing of applications. In such a case, the pension fund determines an order of priority for dealing with the applications.

Underfunding

8 In case of underfunding, the pension fund may limit the amount and postpone the payment of withdrawals, or refuse them altogether, if the withdrawal is for the purpose of repaying a mortgage bond. The pension fund informs the active insured person of the duration and the extent of the measures adopted.

Fees

9 The pension fund may charge the active insured person a fee for the administrative expenses incurred in processing the application for withdrawal and/or pledging, if these expenses exceed the usual amount. The amount of such costs must be disclosed upon request.

Consequences

10 A withdrawal or a pledge results in a reduction of the savings capital and, possibly, also in a reduction of the risk benefits. At the active insured person's request, the pension fund arranges additional insurance.

Reduction of the savings capital

11 The savings capital as well as the savings capital according to the LOB minimum is reduced proportionally.

Further information and legal provisions

12 A leaflet with further information is provided by the pension fund.

The provisions of Art. 30a ff. LOB and of the Ordinance on the Promotion of Home Ownership by means of Occupational Old-age Benefit Plans (OPHO) are to be complied with.

H. Further provisions on benefits

Art. 27 Coordination of benefits

Reductions in benefits

[1] Survivors’ or disability benefits according to these regulations are reduced, if they exceed, together with other benefits enumerated below, 90% of the last annual salary before the insured event occurred. The benefits according to the LOB minimum are also reduced if they exceed 90% of the presumed annual salary income lost. Benefits from the following institutions are taken into account:

a. OASI/DI;
b. compulsory accident insurance;
c. military insurance;
d. domestic and foreign social security insurances;
e. indemnity insurance (sickness or accident daily allowance), to which the employer, or, in its place, a foundation has paid at least 50% of the premiums;
f. other occupational pension plans;
g. vested benefits institutions (vested benefit policies and accounts).

Not considered as benefits and income:

a. Compensation for helplessness, integrity bonuses, one-time allowances, support contributions and other similar benefits;
b. the additional income earned while performing a new IV rehabilitation measure.

Any income or replacement income which is earned or which can still be reasonably expected to be earned by a disabled person can also be taken into account. Any lump-sum benefits are converted into equivalent pensions on an actuarial basis.

A disabled person’s earnings in accordance with the DI decision on disability are used in determining the income that can reasonably be expected to be earned. An adjustment to the respective amount is made following reviews by the DI.

On reaching the normal retirement age, the benefits of the foundation can only be reduced if they are in competition with benefits from accident insurance, military insurance or a comparable international insurance. The Foundation can reduce its benefits to the extent that, together with the other taxable income, they exceed 90% of the relevant salary that the insured would have earned immediately before normal retirement age.

If the accident insurance or the military insurance reduces its benefits according to Art. 20 para. 2ter and 2quater LAG and Art. 47 para. 1 AMLA upon reaching the BVG retirement age, the Foundation is not obliged to compensate for the reduction.

If the active insured person continues to insure his previous insured salary in accordance with Art. 7 para 10 despite a salary reduction after the age of 58, his/her last annual salary before the insured event occurs corresponds to the annual salary before the salary reduction.

Benefits taken into account

2 Pensions of the surviving spouse, civil or designated partner and pensions for orphans are aggregated. If benefits must be reduced, all pensions are reduced proportionally. Helplessness allowances and integrity compensation and similar benefits are not taken into account.

Coordination with accident and military insurance

3 If the accident insurance or the military insurance refuses or reduces its benefits because the insured event is due to serious negligence on the part of the insured person, the foundation will not compensate for the denial or reduction.

Relevant date

4 The date of entitlement to disability benefits or death, respectively, is relevant for calculating the pension fund benefits. Subsequent pension increases (cost of living adjustments) by social security institutions do not lead to a reduction of an ongoing pension. However, if the pension of a social security institution is reduced or terminated or if the DI modifies the disability degree of a pensioner, the benefits according to these regulations are re-calculated.

Duty of assignment

5 The pension fund may demand that the beneficiaries of disability and survivors' benefits assign the claims from third parties liable to the pension fund, up to the amount of its liability. To this extent the pension fund is entitled to a right of recovery vis-à-vis liable third parties. If the insured person or his/her survivors refuse(s) to assign his/her liability claims to the pension fund, the latter is entitled to reduce the benefits by the amount of the assumed third-party benefits that would be transferred to the fund.

Subrogation

6 According to these regulations, the pension fund assumes, as at the date the insured event occurred, the claims of the insured person, his/her survivors or other beneficiaries up to the amount of the LOB minimum benefits from third parties liable for the insured event. Details are set forth in Art. 27 OOB2.

Additional reductions

7 The pension fund may reduce its benefits accordingly, if the OASI/DI reduces, terminates or declines a benefit due to the fact that the beneficiaries caused the death or disability by gross negligence or if the insured person objects to a rehabilitation measure ordered by the DI. If the accident or military insurance reduce their benefits, the pension fund is also allowed to reduce the part of its benefits that exceed the legal requirements.

Divorce

8 The Foundation can reduce the termination benefit and the retirement pension according to Art. 19g FZG if the insured event occurs after the start of the divorce proceedings and before the divorce decree.

Cases of hardship

9 In cases of hardship or continuous increases in the cost of living the Foundation Board can mitigate or rescind a pension reduction.

Art. 28 Transfer, pledging and offsetting

Transfer / pledging

1 Prior to vesting, the claim to benefits may neither be pledged nor transferred, subject to Art. 26.

Offsetting

2 The claim for benefits may only be offset against claims the employer transferred to the pension fund if these claims refer to regulatory amounts that were not deducted from the insured person's salary.

Art. 29 Adjustment of current pensions to cost-of-living increases

Adjustment of pensions

1 The Foundation Board reviews on an annual basis any adjustment of current pensions to inflation in consideration of the financial situation of the pension fund.

LOB minimum pensions

2 By decree of the Swiss Federal Council, any LOB minimum disability and survivors' pensions whose duration has exceeded three years are adjusted to the cost of living until the LOB retirement age. The Foundation Board regulates adjustments of LOB minimum benefits beyond the LOB retirement age according to the financial resources available. The adjustment to general price increases is considered to have been effected, if and as long as the benefits according to these regulations exceed the LOB minimum benefits.

Annual financial statements

3 In its annual financial statements or in the annual report, the pension fund comments on the decisions regarding para. 1.

Art. 30 Common provisions

Payment of benefits

1 The foundation's benefits are payable:

a. Pensions: monthly, no later than the 10th of the current month;

b. Capital: within 30 days of the due date, but at the earliest when the beneficiaries are known with certainty;

c. Vested benefits: upon leaving.

2 The following provisions apply to the divorce pension:

a. The divorce pension is paid at least once a year by December 15 to the recipient's pension fund or vested benefits foundation. Entitlement to payment during the year due to age, disability or death of the divorced spouse is calculated pro rata temporis from the beginning of the year until the entitlement arises;

b. At the request of the divorced spouse before the first payment of the divorce pension, a one-off lump-sum payment is made;

c. In the case of entitlement to a full disability pension or from the time at which the divorced spouse reaches the statutory minimum age for early retirement, the divorce pension can be paid out in cash upon his application.

d. As soon as the regular BVG retirement age is reached, the divorce pension is paid out in cash to the divorced spouse. The divorced spouse of the obligee can, however, demand the continuation of the payment to his pension fund if he can still make a purchase according to the regulations of this institution;

e. The annually paid divorce pension bears interest at half the interest rate applicable for the year in question.

Default interest

3 A default interest is due:

a. in the case of the payment of pensions, from the day of the lawsuit. The interest rate corresponds to the BVG minimum rate;

b. in the case of the payment of a lump sum, from the due date. The interest rate corresponds to the BVG minimum rate;

c. in case of transfer of vested benefits at the end of 30 days after receipt of all the necessary information, but no earlier than 30 days after leaving; The interest rate corresponds to the BVG minimum rate increased by one percent.

Transfer of vested benefits and disability or death

4 If the foundation is obliged to pay benefits in the event of disability or death after transferring the vested benefits to the new pension fund or vested benefits institution, it will request repayment to the extent necessary to grant disability or survivors benefits; If the refund is not made, the foundation will reduce its benefits accordingly.

Reclaim of wrongly paid benefits

5 The wrongly paid benefits can be the subject of a reimbursement claim. The entitlement to reimbursement expires one year after the qualifying pension fund became aware of it, but no later than five years after the benefit has been paid out. If the entitlement to reimbursement arises from a criminal offense for which criminal law provides for a longer limitation period, this period is decisive.

Obligation for pre-payment

6 If the insured person is or was not a member of the foundation at the time the benefit entitlement arose, the last pension fund with which he was insured is temporarily held to provide the benefits.

Once the pension fund that is obliged to pay the benefits has been determined, it reimburses the pension fund obliged to pay the advances to the extent of the benefits that it would have provided itself. In the event of an obligation to pay out benefits, these are limited to the BVG minimum.

Minimum benefits

7 If the benefits in accordance with the regulations are lower than those in accordance with the BVG minimum, the latter must be granted.

Expiry of entitlement to pension

8 For the month in which the entitlement expires, the pension is paid out in full.

Lump-sum settlement

9 Instead of the pension payment, an equivalent lump-sum settlement (pension capitalization) is paid if the retirement or disability pension is less than 10%, the spouse's pension less than 6% or the child / orphan's pension less than 2% of the minimum AHV retirement pension at the time.

Expiry of claims

10 The claims to the basic pension entitlement do not expire if the insured person has not left the foundation at the time of the insured event. Claims for periodic contributions and benefits expire after five years, others after ten years. Articles 129 - 142 of the Code of Obligations apply.

Reduction of benefits due to serious negligence

11 If the AVS / DI benefits are reduced, withdrawn or refused because the death or disability of the insured is due to serious negligence on the part of the insured, or because the insured person opposes a reintegration measure by the DI, the foundation can reduce their benefits by the same amount.

Place of execution

3 The place of payment for the pension fund benefits is the domicile of the foundation. The benefits are transferred to an address in Switzerland or abroad (communicated by the beneficiary), normally to a bank or a post office giro account. For all payments outside Switzerland the beneficiary assumes costs and responsibility.

I. Organization, information and financial equilibrium

Art. 31 Governing, controlling and advisory bodies of the pension fund

Governing bodies

1 The following persons and governing bodies are responsible for the proper processing of the business transactions of the pension fund:

a. Foundation Board;

b. management of the pension fund;

c. investment committee;

d. asset managers;

e. bank / custodians.

Controlling and advisory bodies

2 The following persons / bodies control and advise the pension fund:

a. auditor;

b. expert pension actuary;

c. independent investment experts.

Organizational and investment regulations

3 The duties, competences and responsibilities of the Foundation Board, the management of the pension fund, the auditor and the expert pension actuary are defined in separate organizational regulations. The duties, competences and responsibilities of the investment committee, the asset managers, bank / custodians and the independent investment experts are defined in separate investment regulations. These separate regulations are provided by the pension fund upon request.

Art. 32 Duty of notification and information

Duty of notification

1 The insured persons and their survivors have to notify the pension fund truthfully of changes in their personal situation relevant to their insurance and the determination of benefits, such as:

a. the change in the degree of disability of a person entitled to draw a disability pension;

b. the death of a benefit recipient;

c. the completion of education of a child over age 18 who is drawing a pension;

d. the marriage of a person who is drawing a spouse's/partner's pension;

e. the change in the marital status of an insured person.

Return of benefits

2 The Foundation Board has the right to reclaim benefits unduly received, including interest, if an insured person or a survivor has not met the duty of notification or if the information was not truthful.

Duty of information

[3] The pension fund informs the insured persons annually about their entitlement to benefits, their insured salary, contributions and balance of individual savings accounts, the organization and financing of the pension fund and the members of the Foundation Board.

In the event of a divorce, the Foundation will provide the insured person or the judge on request with the information in accordance with Article 24 FZG in accordance with Article 19k FZV.

Information upon request

[4] Upon request, the pension fund provides its members with the annual financial statements and the annual report, as well as with information on asset return, actuarial risk development, administrative costs, calculation of the technical reserves, creation of reserves and funding ratio. The members have the right to submit recommendations, suggestions and requests regarding the pension fund in oral or written form to the Foundation Board at any time.

Art. 33 Financial equilibrium, measures in case of underfunding

Actuarial balance sheet

[1] If the actuarial balance sheet discloses an underfunding situation in the sense of Art. 44 OOB2, which is not expected to improve in the immediate future, the financial equilibrium of the pension fund must be restored via appropriate measures (see para. 4).

Underfunding

[2] Temporary underfunding is permitted if the pension fund takes measures to remedy this situation within an appropriate period.

Information

[3] In the event of underfunding the pension fund must notify the supervisory authority, the active insured persons, the recipients of benefits and the employer and inform them of the degree and the causes of the underfunding as well as of the measures being taken.

Measures

[4] The pension fund has to eliminate the underfunding on its own, whereby the measures should be chosen in consideration of the degree of the underfunding and the risk profile of the pension fund. To the extent permitted by law, the following measures may, in principle, be taken:

a. Remedial contributions from employees and employer. In this case, the employer's contribution must equal at least the total contributions of the employees;
b. Remedial contributions from pensioners;
c. Application of a lower interest rate than the LOB minimum interest rate;
d. Remedial deposits from the employer.

The remedial contributions of employees are not taken into account for the calculation of the minimum amount in accordance with Art. 22 para. 3. During the period of underfunding the interest rate for calculating the termination benefit in accordance with Art. 22 para. 3 (minimum amount) may be reduced to the interest rate that was actually applied on the savings capital.

J. Transitional and final provisions

Art. 34 Transitional provisions plan change July 1st, 2018

Ongoing pensions as per 30 June 2018

1 Ongoing pensions as per 30 June 2018 will continue to be paid at the same amount, subject to Article 34 of the present regulations. The amount of future benefits, the relevant requirements for entitlement and the provisions for reductions due to over insurance or for other reasons are, however, governed by the present regulations. If a disability pension is replaced by an old-age pension, the amount of the old-age pension and the co-insured future benefits are calculated in accordance with the present regulations.

Insured events prior to entry into force

2 For insured events that occurred prior to the entry into force of these regulations, the current pensions will continue to be paid unchanged. An insured event is considered as such in the event of death or the beginning of incapacity for work, the cause of which leads to disability or death. For all new insured events, including new events with existing recipients of benefits - in particular the replacement of the disability pension by the retirement pension - the present regulations apply. The regulations valid until 30 June 2018 still govern the entitlement and amount of the old-age pension of those active insured persons who retire at 30 June 2018and of those recipients of a disability pension who reach normal retirement age (as defined in the regulations valid until 30 June 2018) at 1 July 2018.

Existing incapacity for work and partial disability

3 The level of benefits received by those persons who were insured as at 30 June 2018, and whose cause of incapacity for work that led to disability or death occurred prior to 1 July 2018 is governed by the regulations valid as at 30 June 2018. If the level of disability increased after 1 July 2018, the new benefits that result will be governed by the present regulations.

Increases in benefits

4 For increases in benefits that may result on the basis of the former regulations to be taken into account, the provisions of any medical examination and any restriction of benefits upon joining the Foundation apply accordingly.

Acquired rights before January 1, 2007

5 For the members of Swiss management and persons in comparable positions who were already insured in the pension fund as per December 31, 2006, the annual salary as calculated as per December 31, 2006 will be retained insofar as the annual salary in accordance with Art. 6 para. 1 is lower.

Grandfathering of 2012 conversion rates on accumulated savings capital as at December 31, 2012

6 In order to grandfather the 2012 conversion rate on the accumulated savings capital as at December 31, 2012, for

1. all active insured persons and recipients of a disability pension born in November 1967 or earlier, who were members of the Foundation on December 31, 2012 and still are (not retired) members on 1 July 2018, except for the groups of persons mentioned in para. 2 - 4; and
2. all active insured persons and recipients of a disability pension born in November 1967 or earlier, who were members of the Foundation for the employees of the former EDS-Group on December 31, 2012 and became members (not yet retired) of this Foundation on January 1, 2013,

an additional old-age pension, called "Pension II" is calculated in the following way:

1. Starting point is the member's accumulated savings capital as at December 31, 2012. If the member made purchases in 2012 exceeding CHF 50,000, the excess part is excluded.
2. The difference between the conversion rate valid for the member as at December 31, 2012 and the conversion rate applicable as at January 1, 2013 is calculated for every age from 58 to 65. The highest possible

difference is taken and multiplied by the amount calculated according to figure 1. For members born in 1962 or earlier, the result is recorded as such; for members born between 1963 and 1967 the result is linearly reduced by $1^2/_3$% per month, to reach zero for members born in December 1967 or later.

3. In case the member’s savings capital is reduced in the future, e.g. due to a transfer after a divorce (article 26), a withdrawal or executed pledging to finance home ownership (article 27), etc., the recorded value according to figure 2 is reduced by the same proportion.

At effective retirement the recorded value according to figure 2 and 3 is paid as an additional old-age pension. It is paid in addition to the old-age pension according to article 11, even if the latter already attains the limit (4 times the maximum OASI old-age pension) applicable as of January 1, 2016.

If all or part of the retirement capital is paid out as a lump-sum, the additional old-age pension is reduced proportionally.

For administrative ease, additional old-age pensions are only paid out if they amount to at least CHF 600 per year.

The Foundation may reduce entitlements to future additional old-age pensions only in the event that it introduces remedial contributions for all active insured persons. Any reduction induces a regulatory amendment and has to be announced to the persons concerned at least three months before entering into force.

The entitlement to a future additional old-age pension must be considered if the member wants to make purchases according to article 10 para. 3 – 5. The overall maximum possible purchase amount according to article 10 para. 6 is reduced by the capitalized value of the recorded additional old-age pension.

Persons deferring their old-age pension payments as at December 31, 2012

7 Insured persons, who, as at December 31, 2012, were deferring their old-age pension payments and, as at January 1, 2013, still are deferring their old-age pension payments according to article 11 para. 4, are entitled to an additional old-age pension according to para. 12. Their old-age pension after the deferral period will be calculated based on the conversion rates of the present regulations (Appendix 2).
Their old-age pension is not limited, i.e. the limit introduced as of January 1, 2016 (see article 11 para. 2) will not apply.

Grandfathering of 2015 conversion rates on accumulated savings capital as at December 31, 2014

8 In order to grandfather the 2015 conversion rate on the accumulated savings capital as at December 31, 2014, for

- all active insured persons and recipients of a disability pension that joined from 1 April 2011,
- that were born in March 1970 or earlier,
- who were members of the Foundation on December 31, 2014 and still are (not retired) members on 1 July 2018

an additional old-age pension, called "Pension II” is calculated in the following way:

1. Starting point is the member’s accumulated savings capital as at December 31, 2014.
2. The difference between the conversion rate valid for the member as at December 31, 2014 and the conversion rate applicable as at May 1, 2015 is calculated for every age from 58 to 65. The highest possible

difference is taken and multiplied by the amount calculated according to figure 1. For members born in 1964 or earlier, the result is recorded as such; for members born between 1965 and 1969 the result is linearly reduced by $1^2/_3$% per month, to reach zero for members born in December 1969 or later.

3. In case the member's savings capital is reduced in the future, e.g. due to a transfer after a divorce (Article 26), a withdrawal or executed pledging to finance home ownership (article 27), etc., the recorded value according to figure 2 is reduced by the same proportion.

At effective retirement the recorded value according to figure 2 and 3 is paid as an additional old-age pension. It is paid in addition to the old-age pension according to article 11, even if the latter already attains the limit (4 times the maximum OASI old-age pension) applicable as of January 1, 2016.

If all or part of the retirement capital is paid out as a lump-sum, the additional old-age pension is reduced proportionally.

For administrative ease, additional old-age pensions are only paid out if they amount to at least CHF 300 per year.

The Foundation may reduce entitlements to future additional old-age pensions only in the event that it introduces remedial contributions for all active insured persons. Any reduction induces a regulatory amendment and has to be announced to the persons concerned at least three months before entering into force.

The entitlement to a future additional old-age pension must be considered if the member wants to make purchases according to article 10 para. 3 – 5. The overall maximum possible purchase amount according to article 10 para. 6 is reduced by the capitalized value of the recorded additional old-age pension.

OASI bridging pension for active insured persons born in 1955 or earlier who were members of the Foundation for the employees of the former EDS-Group on December 31, 2012

9 Active insured persons born in 1955 or earlier, who were members of the Foundation and for the employees of the former EDS-Group on December 31, 2012, are, upon full early retirement (i.e. a complete cessation of employment), entitled to an OASI bridging pension in addition to the old-age benefits according to these regulations.
The claim for an OASI bridging pension starts at age 60 at the earliest and expires at regulatory OASI retirement age (see supplementary sheet) or in the event of earlier death.

The claim must be asserted prior to taking early retirement. For active insured persons who were born in 1953, 1954 or 1955 to 25% of the OASI old-age pension that would result based on their average annual salary of the last three years prior to retirement.

Active insured persons concerned by this paragraph cannot pre-finance a full OASI bridging pension according to Article 10 para. 5, but only the remaining part. For them the values in Appendix 5 are not a percentage of the maximum OASI old-age pension but a percentage of the difference between the maximum OASI old-age pension and the OASI bridging pension according to this paragraph.

Transitional provisions related to the change of conversion rates as of 1 July 2018

10 Starting 1 July 2018, the conversion rates will be reduced according to the table in appendix 2.
In order to mitigate the impact of the reduction for all active and disabled members born in November 1967 or before, present in the Foundation at 30 June 2018 and who have not retired before 1 July 2018, an additional capital, called “Pension III Capital” is calculated as follows:

1. The determinant capital is the savings capital accrued as of 31 December 2017, under deduction of the portion of the purchases made in 2017 exceeding CHF 50'000. The purchases made by insured members having been laid off following restructuring in 2017 by means of their severance pay are not subject to this limitation.
2. For active members having joined the Foundation between 1 January 2018 and 30 June 2018, the determinant capital is calculated based on their savings capital at 30 June 2018 back-forwarded at 31 December 2017 based on the effective salary and on the interest credited during this period.
3. The determinant capital is multiplied by the difference between the conversion rate at age 65 before and after reduction, that is 0.8%, weighed by age with the following factors:

Age	Age Factor	Age	Age Factor
44	0%	55	96%
45	10%	56	96%
46	20%	57	96%
47	30%	58	97%
48	40%	59	97%
49	50%	60	97%
50	60%	61	98%
51	75%	62	98%
52	85%	63	99%
53	90%	64	100%
54	95%	65	100%

4. The additional capital, called "Pension III Capital", is obtained by dividing the amount obtained at point 2 above by 5%.
5. Upon retirement, the "Pension III Capital" is added to the accrued savings capital and converted into annuity through the conversion rate applicable at retirement date, subject to para 11.
6. If part or all the savings capital is paid in form of lump-sum, the "Pension III Capital" is reduced proportionally, subject to para 11.
7. If the savings capital of a member is reduced, for example through the pension settlement after a divorce (Article 25) or an advance to finance home ownership (Article 26), the "Pension III capital" is reduced proportionally to the portion of the advance withdrawal.
8. Disability, death and termination before retirement age do not entitle to any portion of the "Pension III Capital".

Pension III capital and limitation to 4x AVS pension payment

11 Notwithstanding paragraph 10, the "Pension III capital" can be paid out in whole or in part in the form of capital if the upper limit specified in Article 11 paragraph 2 is applied before and/or after the rate has been reduced. The "Pension III capital" must not exceed the projected capital prior to the reduction in the exchange rate resulting from the limitation in accordance with Article 11 paragraph 2.

Examples

12 Examples for the calculation of "Pension III Capital" are given in Appendix 6.

Art. 35 Loopholes in the regulations, litigations

Version

[1] The French version of the regulations prevails in all matters of interpretation.

Loopholes

[2] Any individual cases not specifically handled in the present rules will be regulated by the Foundation Board, who will decide in accordance with the purpose of the deeds of the foundation, the pension plan rules and with law.

Litigations, place of jurisdiction

[3] Legal disputes arising from the interpretation and application of these regulations are settled by the court with jurisdiction over the matter. The place of jurisdiction is the Swiss domicile or the residence of the defendant or the location of the company which employed the insured person.

Art. 36 Entry into force, amendments

Entry into force

[1] These regulations enter into force as of 1 July 2018. They were approved by the Foundation Board at its meeting on 27 September 2018. They replace the pension plan rules valid as of 1 May 2015 in its 2017 version, as well as any preceding rules. They are remitted to the insured members and to the Supervisory Authority.
The provisions related to the divorce are applicable according to the new divorce legislation as of 1 January 2017.

Amendments

[2] The Foundation Board may amend the regulations at any time, within the legal provisions and the purpose of the Foundation. Entitlements earned by the insured persons and pensioners are guaranteed in every case.

The Foundation Board
Meyrin, 20 June 2018

K. Abbreviations and terminology

Accident	Accident is defined as an unexpected and involuntary injury to the human body resulting from an extraordinary external cause which is harmful to physical, mental and psychological health or which leads to death (Art. 4 ATSG).
Age	Age corresponds to the difference between the current calendar year and the year of birth.
Annual salary	The annual salary corresponds to 13 times the monthly salary. Salary elements that occur only occasionally, such as service anniversary gifts, share options, overtime payments, bonus payments and bonus shares, are not included. For variable salary components (e.g. sales commissions, shift or stand-by allowances) the annual salary equals the target salary.
ATSG	Swiss Federal Law on the General Part of the Social Insurance Law dated October 6, 2000.
Civil partnership	According to the Swiss Federal Law on the civil partnership for same-sex partners, the civil partner has the same legal status as the spouse.
Coordination offset	The coordination offset corresponds to 20% of the annual salary, at most 7/8 of the maximum OASI old-age pension (see supplementary sheet).
DI	Swiss Federal Disability Insurance
Disability	Disability is defined as full or partial earning incapacity that is likely to be permanent or to persist in the longer term (Art. 8 para. 1 ATSG).
Earning incapacity	Earning incapacity is defined as continuing full or partial loss of ability to take up employment in the relevant job market due to impaired physical, mental or psychological health in spite of reasonable treatment and rehabilitation (Art. 7 ATSG).
Employee	Employees who have an employment contract with the founding firm or with one of the affiliated companies.
Employer	The founding firm and its financially or economically closely-related companies, with which the foundation has signed an affiliation contract.
FLV	Swiss Federal Law on Vesting in Occupational Old-age, Survivors' and Disability Benefit Plans dated December 17, 1993 (Federal Law on Vesting in Pension Plans).
Foundation Board	The Foundation Board directs the pension fund as its highest organ. It consists of at least eight members, with one half being employer representatives and the other half being employee representatives.
Incapacity for work	Incapacity for work is defined as the full or partial inability to perform reasonable work in the previous profession or field of duties due to impaired physical, mental or psychological health. If this incapacity for work persists for a longer time, a reasonable activity in another profession or field of duties will also be considered (Art. 6 ATSG).
Insured salary	The insured salary corresponds to that part of the annual salary that exceeds the coordination offset.

Insured persons	Insured persons are all active insured persons and all recipients of a disability or old-age pension (incl. persons deferring their old-age pension payments). Active insured persons are all employees who have been admitted to the pension fund and whose employment relationship or external membership has not ended; insofar as they are not disabled, retired or deferring their old-age pension payments.
Interest rate on arrears	Interest rate according to Art. 7 OV (see supplementary sheet).
LAI	Swiss Federal Accident Insurance Law dated March 20, 1981, including implementing provisions.
LMI	Swiss Federal Law Relating to Military Insurance dated September 20, 1949, including implementing provisions.
LOB	Swiss Federal Law on the Occupational Old-age, Survivors' and Disability Benefit Plans dated June 25, 1982, including implementing provisions.
LOB minimum interest rate	Minimum interest rate for interest payments on the LOB savings capital (see supplementary sheet).
Management of the pension fund	The management of the pension fund carries out current business under the supervision of the Foundation Board. It comprises the pension fund manager, technical administration and commercial accounting.
OASI	Swiss Federal Law on Old-age and Survivors' Insurance dated December 20, 1946, including implementation provisions.
OASI salary	The OASI salary corresponds to 13 times the monthly salary including salary elements that occur only occasionally, such as service anniversary gifts, share options and profit shares.
OPHO	Ordinance on the Promotion of Home Ownership by means of Occupational Old-age Benefit Plans dated October 3, 1994.
OOB2	Ordinance on the Occupational Old-age, Survivors' and Disability Benefit Plans dated April 18, 1984.
OV	Ordinance on Vesting in Occupational Old-age, Survivors' and Disability Benefit Plans dated October 3, 1994.
Projected interest rate	Interest rate used for estimating the savings capital until normal retirement age. The projected interest rate is not guaranteed (see supplementary sheet).
Retirement age	Retirement age is reached on the first of the month following completion of the 65th year of age.
Retirement capital	The amount of the savings capital at the moment at which the insured person retires.
Savings capital	The savings capital equals the balance of the savings account plus the balance of the savings account for early retirement. The latter contains any purchases to compensate the pension reduction at early retirement and any purchases to pre-finance an OASI bridging pension.
Sickness	Sickness is defined as any impairment to physical or mental or psychological health which is not due to an accident and which requires medical examination or treatment or which results in incapacity for work. Congenital deformities are defined as diseases that exist from birth (Art. 3 ATSG).

Technical interest rate

The technical interest rate has a long-term orientation and is relevant for actuarial calculations such as the calculation of the conversion rate and the present value of pensions (discount rate for future pension payments) (see supplementary sheet).

Underfunding

The pension fund is underfunded in the sense of Art. 44 OOB2 if, as at the balance sheet date, the available pension assets (assets at market values less commercial liabilities) are insufficient to cover the required pension liabilities (savings capital and technical reserves) calculated by the expert pension actuary according to generally accepted principles.

L. Appendices to the benefit regulations

Appendix 1 Level of Contributions and Savings Credits

I. Contributions for employees joining before 1 April 2011 or due to merger with the EDS-pension fund

Level of savings and additional contributions, as a % of insured salary (Art. 7 para. 6 and 8):

Age	Employee Contribution							Employer Contribution		
	Savings			Additional	**Total**			Savings	Additional	**Total**
	Minimum	*Standard*	*Maximum*		*Minimum*	*Standard*	*Maximum*			
25-34	3.0%	5.5%	8.0%	1.0%	**4.0%**	**6.5%**	**9.0%**	8.0%	2.0%	**10.0%**
35-44	3.5%	6.5%	9.5%	1.0%	**4.5%**	**7.5%**	**10.5%**	9.5%	2.0%	**11.5%**
45-54	5.0%	8.0%	11.0%	1.0%	**6.0%**	**9.0%**	**12.0%**	11.0%	2.0%	**13.0%**
55-65	6.5%	9.5%	12.5%	1.0%	**7.5%**	**10.5%**	**13.5%**	12.5%	2.0%	**14.5%**
66-70	0.0%	0.0%	0.0%	0.0%	**0.0%**	**0.0%**	**0.0%**	0.0%	0.0%	**0.0%**

The employer's contributions may be reduced (not below those of the employees) or increased depending on the financial situation of the pension fund.

Savings credits, in % of insured salary (depending on employee's choice of savings contribution scale):

Age	**Savings Credits**		
	Minimum	*Standard*	*Maximum*
25-34	**11.0%**	**13.5%**	**16.0%**
35-44	**13.0%**	**16.0%**	**19.0%**
45-54	**16.0%**	**19.0%**	**22.0%**
55-65	**19.0%**	**22.0%**	**25.0%**
66-70	**0.0%**	**0.0%**	**0.0%**

Appendix 2 Conversion rates

Conversion rates for calculating the old-age pension (Art. 10 para. 2) according to age at retirement *:

Age at retirement	Conversion rate (men and women) as of July 1, 2018
55	4.00%
56	4.09%
57	4.17%
58	4.26%
59	4.36%
60	4.45%
61	4.55%
62	4.66%
63	4.76%
64	4.88%
65	5.00%
66	5.13%
67	5.27%
68	5.42%
69	5.58%
70	5.75%

Valid until June 30, 2018
and for Deferred Pensioners
at June 30, 2018

Age at retirement	Conversion rate (men and women)
55	4.62%
56	4.71%
57	4.79%
58	4.89%
59	5.00%
60	5.11%
61	5.23%
62	5.36%
63	5.50%
64	5.64%
65	5.80%
66	5.96%
67	6.14%
68	6.33%
69	6.53%
70	6.75%

Interim values are interpolated on a straight-line basis.

* Age in years and full months, without counting the days of the month of birth.

Appendix 3 Purchase of additional benefits

The maximum possible purchase corresponds to the amount by age* (as a % of the insured salary) contained in the following table, reduced by the balance of the individual savings account.

Age at purchase	Maximum possible balance of savings account (as a % of insured salary) men and women	Age at purchase	Maximum possible balance of savings account (as a % of insured salary) men and women
25	16%	45	428%
26	32%	46	456%
27	49%	47	485%
28	65%	48	514%
29	82%	49	543%
30	100%	50	573%
31	117%	51	603%
32	135%	52	634%
33	153%	53	665%
34	171%	54	697%
35	192%	55	732%
36	214%	56	768%
37	236%	57	804%
38	259%	58	841%
39	281%	59	878%
40	304%	60	916%
41	328%	61	954%
42	352%	62	993%
43	376%	63	1032%
44	400%	64	1072%
		65	1113%

Interim values are interpolated on a straight-line basis.

* Age in years and full months, without counting the days of the month of birth.

Example:

Age	52
Insured salary	CHF 100,000
Balance of savings account	CHF 400,000
Maximum possible balance (634% of CHF 100,000)	CHF 634,000
Possible purchase (CHF 634,000 - 400,000)	CHF 234,000

The active insured person must personally verify with the relevant authorities whether the purchase may be tax-deductible.

Appendix 4 Purchase for early retirement

The maximum possible purchase to compensate the pension reduction corresponds, according to age*, to the amount in the following table (as a % of the insured salary), less the funds (purchases and interest) on the individual savings account for early retirement which are already designated to compensate the pension reduction.

Age at purchase	**Necessary purchase to compensate for pension reduction in % of insured salary** Early retirement age (men and women) 64	63	62	61	60	59	58
25	34%	67%	102%	137%	174%	211%	250%
26	34%	68%	104%	139%	178%	215%	255%
27	35%	70%	106%	142%	181%	220%	260%
28	36%	71%	108%	145%	185%	224%	265%
29	36%	72%	111%	148%	189%	229%	271%
30	37%	74%	113%	151%	192%	233%	276%
31	38%	75%	115%	154%	196%	238%	282%
32	39%	77%	117%	157%	200%	243%	287%
33	39%	78%	120%	160%	204%	247%	293%
34	40%	80%	122%	163%	208%	252%	299%
35	41%	81%	125%	167%	212%	257%	305%
36	42%	83%	127%	170%	217%	263%	311%
37	43%	85%	130%	173%	221%	268%	317%
38	43%	86%	132%	177%	225%	273%	323%
39	44%	88%	135%	180%	230%	279%	330%
40	45%	90%	138%	184%	234%	284%	336%
41	46%	92%	140%	188%	239%	290%	343%
42	47%	94%	143%	191%	244%	296%	350%
43	48%	95%	146%	195%	249%	302%	357%
44	49%	97%	149%	199%	254%	308%	364%
45	50%	99%	152%	203%	259%	314%	371%
46	51%	101%	155%	207%	264%	320%	379%
47	52%	103%	158%	211%	269%	326%	387%
48	53%	105%	161%	215%	275%	333%	394%
49	54%	107%	164%	220%	280%	340%	402%
50	55%	110%	168%	224%	286%	346%	410%
51	56%	112%	171%	229%	291%	353%	418%
52	57%	114%	174%	233%	297%	360%	427%
53	58%	116%	178%	238%	303%	368%	435%
54	60%	119%	182%	243%	309%	375%	444%
55	61%	121%	185%	247%	315%	382%	453%
56	62%	123%	189%	252%	322%	390%	462%
57	63%	126%	193%	257%	328%	398%	471%
58	65%	128%	196%	263%	335%	406%	**481%**
59	66%	131%	200%	268%	342%	**414%**	
60	67%	134%	204%	273%	**348%**		
61	69%	136%	209%	**279%**			
62	70%	139%	**213%**				
63	71%	**142%**					
64	**73%**						
65							

Interim values are interpolated on a straight-line basis.

* Age in years and full months, without counting the days of the month of birth.

Example:

Age	53
Anticipated early retirement age	62
Insured salary	CHF 100,000
Funds already designated to compensate pension reduction	CHF 50,000
Maximum amount (167% of CHF 100,000)	CHF 167,000
Possible purchase (CHF 167,000 - 50,000)	CHF 117,000

The active insured person must personally verify with the relevant authorities whether the purchase may be tax-deductible.

Appendix 5 Purchase of OASI bridging pension

The maximum possible purchase of OASI bridging pension corresponds, according to age*, to the amount in the following table (as a % of the maximum OASI old-age pension), less the funds (purchases and interest) on the individual savings account for early retirement which are already designated for an OASI bridging pension.

Age at purchase		Purchase for OASI bridging pension as a % of the maximum OASI old-age pension						
		Early retirement age						
Men	Women	64/63	63/62	62/61	61/60	60/59	59/58	58/-
25		46%	92%	140%	189%	238%	289%	340%
26	25	47%	94%	143%	192%	243%	295%	347%
27	26	48%	96%	146%	196%	248%	300%	354%
28	27	49%	98%	149%	200%	253%	306%	361%
29	28	50%	100%	152%	204%	258%	313%	368%
30	29	51%	102%	155%	208%	263%	319%	376%
31	30	52%	104%	158%	212%	268%	325%	383%
32	31	53%	106%	161%	217%	274%	332%	391%
33	32	54%	108%	164%	221%	279%	338%	399%
34	33	55%	111%	167%	225%	285%	345%	407%
35	34	56%	113%	171%	230%	290%	352%	415%
36	35	57%	115%	174%	235%	296%	359%	423%
37	36	58%	117%	178%	239%	302%	366%	432%
38	37	59%	120%	181%	244%	308%	374%	440%
39	38	60%	122%	185%	249%	314%	381%	449%
40	39	62%	124%	189%	254%	321%	389%	458%
41	40	63%	127%	192%	259%	327%	396%	467%
42	41	64%	129%	196%	264%	334%	404%	477%
43	42	65%	132%	200%	269%	340%	412%	486%
44	43	67%	135%	204%	275%	347%	421%	496%
45	44	68%	137%	208%	280%	354%	429%	506%
46	45	69%	140%	212%	286%	361%	438%	516%
47	46	71%	143%	217%	292%	368%	446%	526%
48	47	72%	146%	221%	298%	376%	455%	537%
49	48	74%	149%	225%	303%	383%	464%	547%
50	49	75%	152%	230%	310%	391%	474%	558%
51	50	77%	155%	234%	316%	399%	483%	570%
52	51	78%	158%	239%	322%	407%	493%	581%
53	52	80%	161%	244%	329%	415%	503%	593%
54	53	81%	164%	249%	335%	423%	513%	604%
55	54	83%	168%	254%	342%	432%	523%	616%
56	55	85%	171%	259%	349%	440%	534%	629%
57	56	86%	174%	264%	356%	449%	544%	641%
58	57	88%	178%	269%	363%	458%	555%	**654%**
59	58	90%	181%	275%	370%	467%	**566%**	
60	59	92%	185%	280%	377%	**476%**		
61	60	93%	189%	286%	**385%**			
62	61	95%	192%	**292%**				
63	62	97%	**196%**					
64	63	**99%**						
65	64							

Interim values are interpolated on a straight-line basis.

* Age in years and full months, without counting the days of the month of birth.

Example (for a man):

Age	53
Anticipated early retirement age	62
Maximum OASI old-age pension	CHF 28,080
Funds already designated for OASI bridging pension	CHF 20,000
Maximum amount (226% of CHF 28,080)	CHF 63,461
Possible purchase (CHF 63,461 - 20,000)	CHF 43,461

The active insured person must personally verify with the relevant authorities whether the purchase may be tax-deductible

Appendix 6 Examples of calculation of the benefits resulting from the transitional provisions according to article 35 para 11

Example 1

Insured member retiring at age 59
Resulting age factor: 97%
Accrued savings account: CHF 2'400'000
Projected savings account at retirement age CHF 2'477'831

Amounts before 30 June 2018
Theoretical retirement pension:
5.00% * CHF 2'400'000 = CHF 127'750

Benefits due in application of article 11 para 2:
Annuity = 4 * CHF 28'440[1] = CHF 113'760
Lump-sum = CHF 2'400'000 – CHF 113'760 / 5.00% = CHF 202'631

Amounts after 1 July 2018
Theoretical retirement pension:
4.36% * CHF 2'400'000 = CHF 108'033

Pension III Capital:
0.8% * CHF 2'400'000 / 5.0% = 372'480

Cost of reaching the pension before 30 June 2018:
113'760 *(1/4.36% – 1/5.00%) = CHF 333'974
Adjusted by age factor = 97% * 333'974 = 323'955

Theoretical retirement pension:
4.36% * (CHF 2'477'831 + CHF 323'955) = CHF 122'158

Benefits due in application of article 11 para 2:
Annuity = 4 * CHF 28'440 = CHF 113'760
Lump-sum = (CHF 122'158 – CHF 113'760) / 4.36% = CHF 192'612

[1] Amount valid as of 01.01.2019

Example 2

Savings capital at 1.1.2018, base for the standard pension III capital calculation	CHF	2’400’000
Employee and Employer contribution, closed plan, for 2018	CHF	53’831
Interest for the year 2018, 1%	CHF	24’000
Savings Capital available at 31.12.2018	CHF	2’477’831

Birthdate 31.12.1959
Retirement per 01.01.2019
Age 59, 0 months: age factor per table, article 61, para 11 97%

Standard calculation for pension III capital: 2’400’000*0.8%*97%/5%	CHF	372’480
Conversion rate, age 59, table applicable till June 30, 2018		5.00%
Conversion rate, age 59, table applicable as from July 1, 2018		4.36%
Maximum single AVS a/o 1.1.2019	CHF	28’440
Maximum pension = 4 * AVS = 4 * 28'440	CHF	113’760
Under conversion factor valid until June 30, 2018 Capital required at time of retirement to finance 4 * AVS: = CHF 113’760/5.00% CF	CHF	2’275’200
Under conversion factor valid after June 30, 2018: Capital required at time of retirement to finance 4 * AVS: = CHF 113’760/4.36% CF	CHF	2’609’174
Capital under new conversion needed in addition to reach 4 * AVS annuity	CHF	333’974
Applying the age factor (age penalty)		97%
Maximum pension III capital granted = 333’974 * 97%	CHF	323’955

Capital lump sum to be taken:

Savings Capital at 31.12.2018	CHF	2’477’831
Pension III grandfathering credit	CHF	323’955
Required capital to finance 4 times AVS, CHF 113’760	CHF	(2’609’174)
To be paid as lump sum at time of retirement	CHF	192’612