

## Pension Fund Regulations

### General provisions

#### **1 Name, supervisory authority and purpose of the Foundation**

- 1.1 A foundation domiciled in Schwyz has been formed in accordance with Art. 80 ff. of the Swiss Civil Code (ZGB) and Art. 331 ff. of the Swiss Code of Obligations (OR) under the name finpension 1e Collective Foundation (hereafter referred to as "the Foundation").
- 1.2 The Foundation is registered in the Swiss Commercial Register and is subject to supervision by the Occupational Benefit and Foundation Supervisory Authority for Central Switzerland (ZBSA).
- 1.3 The purpose of the Foundation is to provide a supplemental pension (non-compulsory occupational pension above one and a half times the upper limit pursuant to Art. 8 para. 1 of the Federal Act on Occupational Old Age, Survivors' and Invalidity Pension Provision, BVG) for employees of affiliated companies as well as for their family members and survivors to protect against the economic consequences of old age, disability and death.
- 1.4 Companies become affiliated with the Foundation by concluding a written affiliation agreement. The Foundation manages a separate pension scheme for each employer.
- 1.5 The pension fund regulations, together with the pension plan, govern the benefits, funding and implementation of the supplemental pension. It is valid for all affiliation agreements.
- 1.6 The Foundation shall conclude reinsurance agreements to cover the risks of death and disability. The Foundation's benefit obligation shall not exceed the benefit obligation under these reinsurance agreements.

#### **2 Admission and benefit limits**

- 2.1 All persons affiliated with the insurance collective as specified in the pension fund plan whose salary exceeds the joining threshold defined in the pension plan (only salary components above one and a half times the upper limit pursuant to Art. 8 para. 1 BVG) shall be admitted to the Foundation.
- 2.2 Affiliated companies register employees with the Foundation once the admission conditions pursuant to the pension plan and these regulations have been met. Employees who are not registered do not receive insurance cover.
- 2.3 Provided that the employee has been registered, provisional insurance cover begins when the employment relationship commences, but no earlier than the start of the affiliation agreement. Provisional cover does not extend to insurance claims based on pre-existing illnesses, ailments or accidents, and such cover is limited to a total of CHF 100,000 in annual disability pension and retirement credits or to CHF 1,500,000 in insured benefits in the event of death. In the event of death, the insured benefits shall be equal to 20 times the spouse's or partner's pension plus a lump-sum death benefit. Without explicit agreement, the duration of the provisional insurance coverage is limited to 12 months. If the beneficiary has not been unconditionally accepted into the Foundation by the end of the provisional insurance coverage, his insurance coverage shall lapse.
- 2.4 The Foundation may require the beneficiary to complete a questionnaire on his/her state of health before being admitted to the insurance scheme. In addition, the Foundation or its reinsurance company may ask the attending physicians for further information or order an examination by a medical examiner. If necessary to assess the admission or to assess a possible breach of the duty of disclosure, the Foundation or its reinsurer may demand that the insured person

releases the attending physicians and their assistants from their duty of confidentiality with effect after death. The Foundation may also make health reservations about benefits and refuse benefits on the basis of these reservations. The reservation periods may not last longer than five years. In the event of a breach of the duty of disclosure on the part of the insured, the Foundation may terminate the risk portion of the pension contract within 6 months of being notified of the breach of duty of disclosure, and may refuse to pay the death and disability benefits (e.g. if the insured does not reveal pre-existing health conditions or if they provide false information during the medical examination in connection with the benefit case), whereby the benefits acquired with the vested benefit brought in are not affected by this. Any contributions that have already been paid shall not be reimbursed in such cases.

- 2.5 Definitive insurance cover commences only after the employee has been admitted to the Foundation without reservation. Notification of the admission shall be provided in writing or in an appropriate form. Insurance cover shall not be provided for insurance claims based on an excluded cause during the reservation period of no more than five years. The previous insurer's health reservations shall be taken over, taking into account the duration of the reservation. In this context, disability and death shall also be deemed to be insured events in which the incapacity to work, which subsequently led to disability or death, occurred during the five-year retention period.
- 2.6 Increases in insurance benefits may be made contingent upon a new medical examination similar to Art. 2.4 and Art. 2.5, and such benefits may be limited by a reservation period or refused.
- 2.7 In the event of unpaid leave, the employee may continue to receive cover from the pension scheme. During unpaid leave, the insurance cover can be continued for a maximum of 24 months in accordance with the pension plan. The insurance cover applies within the framework of the regulations and statutory provisions. At the request of the insured person, the savings process may also be continued during unpaid leave. A written agreement to this effect must be concluded between the employer and the insured person and forwarded to the Foundation before the start of the unpaid leave. All contributions will be invoiced to the employer. The employment relationship must remain in effect for the duration of the holiday. If the annual salary goes below the joining threshold, the insured person may remain in the Foundation for two years as an external member pursuant to Art. 3 para. 3.
- 2.8 Persons who are partially disabled when they join the Foundation are only insured for the portion corresponding to the degree of their earning capacity. Persons who are at least 70% disabled pursuant to the provisions of Swiss federal disability insurance (IV) or those who are exempted from compulsory occupational pension cover pursuant to the statutory provisions shall not be admitted. This includes, for example, persons who continue to be insured provisionally by another pension scheme pursuant to Art. 26a BVG.
- 2.9 The insurance cover against the risks of death and disability shall end in all cases when the insured person reaches the regulatory retirement age. Upon request, the pension scheme may be continued until the person stops working, but not past the age of 70.

#### **3 Leaving and remaining in the Foundation as an external member**

- 3.1 The insurance cover shall end when the employment relationship is terminated or when the admission conditions are no longer met or upon termination of the affiliation contract.
- 3.2 In the event of vested benefits, the insured person remains insured to the previous extent for the risks of death and

disability after termination of the pension relationship until entry into a new pension relationship, but for no longer than one month.

- 3.3 All claims against the pension fund and the Foundation shall end when the termination benefit pursuant to Art. 14 is paid.
- 3.4 After the end of the employment relationship with an affiliated company, insured persons who are not admitted to a new pension fund may continue the insurance cover and/or remain in the pension scheme for two years as an external member. All contributions and costs shall be borne by the insured person. The insured person must notify the Foundation in writing by the time the employment relationship is terminated if he/she wishes to remain in the Foundation as an external member. The requested insurance cover shall only be valid if the request is confirmed by the Foundation in writing.

#### **4 Calculation basis**

- 4.1 The applicable age used to determine the retirement credits is calculated on the basis of the difference between the current calendar year and the insured's year of birth.
- 4.2 The reported applicable salary is limited to 3,000% of the maximum old age and survivor's insurance (AHV) retirement pension and may be comprised of fixed and variable AHV salary components. In general, the reported applicable salary may not be higher than the AHV salary that is actually drawn. The annual salary generally corresponds to the AHV annual salary for the previous year, taking into account any changes that have already been agreed for the new calendar year. The relevant salary to be reported to the Foundation is defined in the pension plan.
- 4.3 When calculating the insured savings and risk salary, the coordination deduction as defined in the pension plan must be deducted from the reported annual salary. Only salary components in excess of one and a half times the upper limit pursuant to Art. 8 para. 1 BVG may be insured. The actual contributions are calculated on the basis of the insured savings and risk salary as defined in the pension plan.
- 4.4 The adequacy test is carried out in accordance with Art. 1 para. 5 BVV2. The conversion rate defined in the Appendix shall be used to calculate the adequacy in the case of several pension relationships in accordance with Art. 1a. For plans with a pension option, the effective conversion rate is used.

#### **5 BVG security fund**

- 5.1 The Foundation is affiliated with the BVG security fund.
- 5.2 Contributions to the BVG security fund are covered by the administrative expenses invoiced to the pension scheme.

### **Funding**

#### **6 Contributions and expenses**

- 6.1 The obligation to pay regular contributions begins when the employee is admitted to the Foundation. It continues until the employee leaves the pension fund or there is an insured event (retirement, death or total or partial inability to work).
- 6.2 The amount of the personal contributions to be paid by the insured persons as well as the employer's contributions are set out in the pension plan. The employer must comply with the obligation pursuant to Art. 331 para. 3 OR to make contributions that are at least equal.
- 6.3 The savings contributions for the retirement credits are credited to the insured person's personal pension capital after receipt of payment by the Foundation (retirement credits).
- 6.4 The amount of the premium for the risk benefits depends on the individually selectable insurance cover per pension fund, which is defined accordingly in the pension plan. Any

premium increases by the reinsurer are passed on to the affiliated pension funds.

- 6.5 The amount and due dates of the contributions and costs are set out in detail in the expense regulations.

#### **7 Entry benefits, voluntary buy-ins and employer contribution reserves**

- 7.1 On joining the Foundation, an insured person must transfer to the Foundation as an entry benefit any termination benefits from previous pension schemes that have arisen from salary components in excess of one and a half times the upper limit pursuant to Art. 8 para. 1 BVG. These termination benefits may only be transferred if they have not been transferred to another employee benefits institution or if they have not been used for a full purchase in another employee benefits institution.
- 7.2 Insured persons can make voluntary purchases in excess of the regular starting contribution up to three years before retirement, provided that no benefits have arisen.
- 7.3 The maximum purchase amount equals the maximum possible pension capital according to the purchasing table of the pension plan, calculated using the annual salary that applied for the purchase, less the pension capital that is actually available. Statutory requirements remain reserved.
- 7.4 If purchases were made as part of the occupational pension provision, the resulting benefits may not be withdrawn as a lump sum within the next three years.
- 7.5 If advance withdrawals have been made to purchase a home, voluntary purchases may not be made again until the advance withdrawals have been repaid. This limit is excluded for repurchases made in the event of a divorce pursuant to Art. 22d of the Swiss Federal Law on Vested Benefits (FZG).
- 7.6 Insured persons who move to Switzerland for the first time and who have never been part of a pension scheme in Switzerland may not purchase more than 20% of their insured savings salary per year for the first five years after joining a Swiss pension scheme. Pension assets that come directly from a foreign occupational pension system may be transferred to the Foundation. There is no restriction on purchase if no tax deduction is claimed for the pension assets that are transferred.
- 7.7 The insured person is responsible for clarifying the tax deductibility of voluntary purchases.

#### **8 Employer contribution reserves**

- 8.1 The employer may voluntarily accumulate employer contribution reserves. These are held in an account for the employer in the name of the Foundation. Any negative interest is deducted from the credit balance and must be borne by the employer. The value of the employer contribution reserves when utilised corresponds to the current market value of the employer contribution reserves.
- 8.2 Employer contribution reserves may not exceed five times the annual employer contributions.
- 8.3 At the written request of the employer, employer contributions may be paid from the employer contribution reserves.
- 8.4 If the employer is in arrears with its regulatory contributions, its contributions shall be debited to the employer contribution reserves.
- 8.5 In the case of voluntary contributions from employer contributions or from the utilisation of employer contribution reserves, the principles of proportionate equal treatment must be observed.

#### **9 Funding early retirement**

- 9.1 The earliest employees can take early retirement is when they reach age 58. If necessary, after the full benefits pursuant to the regulations have been purchased, additional

purchases may be made in a special fund for early retirement for the insured person to fund bridging capital for reductions to retirement pensions and retirement capital in the scope of the occupational pension.

- 9.2 The additional purchases for this fund may be made in the form of ongoing and/or one-off employer and employee contributions.
- 9.3 If the insured person continues to work beyond the chosen retirement age after the special fund has been fully topped up, the regular retirement credits pursuant to the pension plan are suspended until the actual retirement date (up to a maximum of the reference age).
- 9.4 If the employee decides to forgo early retirement, the performance target pursuant to the regulations may be exceeded by no more.

## 10 Pension assets

- 10.1 The pension assets shall be managed for each insured person in accordance with Art. 1e of the Ordinance on Occupational Old Age, Survivors' and Invalidity Pension Provision (BVV2).

## Benefits

### 11 Insured benefits at a glance

- 11.1 The Foundation provides the insured and/or their family members and survivors with the following benefits:
  - Retirement benefits
  - Disability benefits
  - Death benefits
  - Termination benefits
- 11.2 The amount of the insured benefits is specified in the pension plan.
- 11.3 In the case of disability and death benefits, the amount and duration of the benefits shall be determined on the basis of the incapacity for work, the cause of which led to the disability or death. The pension fund regulations and pension plan applicable at that time, the insured salary and the insured benefits shall apply.
- 11.4 In the event of a breach of the obligations specified in the affiliation agreement, the Foundation may assert claims for the resulting damages against the affiliated company.
- 11.5 If a securities investment cannot be liquidated at the time of withdrawal or at the date of leaving the Foundation (e.g. in the event of liquidation of an ETF or a redemption freeze on a fund), the securities investment forms part of the termination benefit. If the new pension fund does not allow this position to be transferred, the illiquid portion of the termination benefit is transferred after the securities investment has been liquidated. No default interest can be claimed from the Foundation on the part of the illiquid investments (any remaining market risk must be borne by the insured).

### 12 Retirement benefits

- 12.1 The retirement benefit corresponds to the market value of the pension capital when the insured retires. The pension plan may provide an annuity option if there is corresponding reinsurance with an insurance company.
- 12.2 The insured becomes entitled to the pension capital when they retire. Insured persons may retire from age 58. The pension scheme may be continued until the insured stops working, but not past the age of 70.
- 12.3 A reduction in the level of employment and an associated reduction in salary of at least 20% entitles you to draw the corresponding retirement benefit, whereby a maximum of three steps are permitted for drawing the retirement benefit. The remaining gainful employment must amount to at least 20%. The insured person has to determine and bear the tax consequences.

### 13 Disability benefits

- 13.1 Entitlement to disability benefits may be asserted if the insured person is disabled pursuant to the provisions of IV and they were insured when the inability to work, the cause of which led to the disability, occurred.
- 13.2 The pension plan may provide for the following risk benefits in the event of disability. The amount of the benefits, waiting periods, retirement age and other provisions are defined in the pension plan.
  - a) Disability pension
  - b) Disability child's pension
  - c) Exemption from contributions
- 13.3 The pension commences after the waiting period defined in the pension plan, but at the earliest when the continued salary payment ends or after no more corresponding replacement benefits are paid.
- 13.4 The Foundation determines whether to recognise the disability as well as the level of disability based on the assessments of the reinsurance company, the provisions of IV and, where applicable, the affiliated company's accident insurer.
- 13.5 An insured person who is at least 70% disabled is considered to be fully disabled.
- 13.6 In the event of partial disability, the insured person is entitled to a partial disability pension as follows:
  - a. In the event of a disability of 50%-69%, the partial pension corresponds to the percentage share according to the level of disability.
  - b. In the event of a partial disability level of 49%, the insured person will be entitled to a partial pension of 47.5%
  - c. in the event of a level of disability of 48%, there is an entitlement to a partial pension in the amount of 45%.
  - d. in the event of level of disability of 47% entitles you to a partial pension of 42.5%.
  - e. in the event of level of disability of 46% entitles you to a partial pension of 40%.
  - f. in the event of level of disability of 45% entitles you to a partial pension of 37.5%.
  - g. in the event of level of invalidity of 44% entitles to a partial pension of 35%
  - h. in the event of level of disability of 43% entitles you to a partial pension of 32.5%.
  - i. in the event of level of invalidity of 42% entitles to a partial pension of 30%.
  - j. in the event of level of disability of 41% entitles you to a partial pension of 27.5%.
  - k. in the event of level of disability of 40% entitles to a partial pension of 25%.

l. If the degree of disability is less than 40%, there is no entitlement to a disability pension.

The pension plan may provide for a different arrangement, which must be examined by the supervisory authority and the reinsurer.
- 13.7 The entitlement to a disability pension ends when the insured person dies, if the level of disability falls below 40%, subject to the provisions of Art. 26a BVG, or at the latest when the insured person reaches the reference age pursuant to the Old-Age and Survivors Insurance Act (AHVG).
- 13.8 A relapse is defined as the renewed occurrence of an inability to work with the same cause. If a relapse occurs within six months of the resumption of uninterrupted employment, there shall be no new waiting period. After this, a relapse will be considered a new event.
- 13.9 If provided for in the pension plan, an exemption from savings and risk contributions shall be granted following the waiting period defined in the pension plan based on the level of the inability to work (in the event of an uninterrupted inability to work). If an insured person is unable to work without being entitled to an IV pension or IV daily benefits, the

duration of the exemption from savings contributions is limited to 24 months.

- 13.10. The disabled person's child's pension is payable until the child entitled to a pension reaches the age of 20. Children in education without being predominantly employed are entitled to a pension until the end of their education, but at most until they reach the age of 25. The disabled person's child's pension ends at the latest when the disability pension ends.

## 14 Death benefits

- 14.1 In the event of the death of an insured person, the pension plan may provide that the survivors are entitled to the market value of the pension capital or to the voluntary purchases made to the Foundation at the time of death (restitution of pension assets). A different arrangement is possible in the pension plan, which must be examined by the supervisory authority.

- 14.2 In the event of death, the pension fund may also provide the risk benefits set out hereafter. The amount of the benefits is defined in the pension plan.

- a. Spouse's pension
- b. Partner's pension
- c. Orphan's pension
- d. Additional lump sum death benefit

- 14.3 Spouses of insured persons who die shall be entitled to a spouse's pension after the death of the insured, but not before the end of the continued payment of salary. The pension shall be paid until the death of the surviving spouse.

- 14.4 If the surviving spouse remarries before they turn 45, the entitlement to the spouse's pension shall end and a lump sum payment equal to three times the amount of the annual pension shall be paid. Once this payment is made, all further claims to a pension shall cease.

- 14.5 The spouse's pension shall be reduced by 1% for each full or partial year by which the spouse is more than ten years younger than the deceased insured person.

- 14.6 There shall be no entitlement to a spouse's pension if the insured was already 60 and suffered from a serious illness known to them at the time of the marriage from which they die within three years of the marriage.

- 14.7 Registered partners are entitled to the same benefits that apply for the spouse's pension. Unregistered partners are entitled to a partner's pension, provided that the following additional conditions are cumulatively met:

- a. a written declaration of beneficiary is available or the non-registered partner has been entered in the app by the insured person,
- b. both partners are unmarried, do not live in a registered partnership and are not related to one another in any way,
- c. at the time of the insured person's death, both partners had demonstrably lived in the same household without interruption for at least five years, or the surviving partner is responsible for supporting one or more joint children,
- d. a corresponding request is submitted to the Foundation no later than three months after the death of the insured person,
- e. the beneficiary does not yet draw a spouse's or partner's pension from the occupational pension.

The entitlement to a partner's pension shall expire at the end of the month in which the beneficiary dies, marries, is registered in a new partnership, or enters into a new partnership.

- 14.8 Instead of a spouse's pension, a lump-sum payment can be made. The declaration for the lump-sum payment must be submitted before the first pension payment. The amount of the lump-sum payment corresponds to the inventory-backed reserve according to the reinsurer. The lump-sum payment of the spouse's pension is reduced by 3% for each

partial and full year by which the surviving spouse is younger than 45 years. The amount of the lump-sum payment shall be at least four annual annuities. These provisions apply analogously to partners.

- 14.9 The children eligible for a pension shall be determined in accordance with the applicable AHV provisions. If an insured person dies, each child eligible for a pension shall be entitled to an orphan's pension, provided this is specified in the pension plan.

- 14.10 The orphan's pension shall be payable until the child entitled to a pension reaches age 20. Children who are receiving an education or training who are not yet primarily employed shall be entitled to a pension until they complete their education or training, but not past the age of 25.

- 14.11 The following persons shall be entitled to assert a claim for the restitution of the pension assets and any additional lump sum death benefit, irrespective of inheritance law, in the following order of succession:

- a. the surviving spouse or registered partner pursuant to the Partnership Act (PartG);
- b. the children entitled to a pension, who are entitled to an orphan's pension under the BVG;
- c. the surviving, unregistered partner, provided the conditions pursuant to Art. 14.7 b) to e) are observed;
- d. other natural persons whom the insured supported to a considerable extent, provided the Foundation was informed of this support in writing with specific reference to the order of beneficiaries;
- e. the other children;
- f. the parents;
- g. the siblings;
- h. the other statutory heirs (to the exclusion of communities of heirs) in the amount of half the lump sum death benefit, but not more than 50% of the available pension capital.

Within a group of people, the benefits owed shall be divided on a per capita basis. The entitlement pursuant to points d to h comprise, at most, the available pension capital and any available pension assets from the special fund.

- 14.12 The insured may submit a written request to the Foundation to distribute the assets equally among entitled beneficiaries within the individual categories. They may also modify the order of the groups pursuant to Art. 14.11 points e to g.

- 14.13 Insured persons may apply in writing to the Foundation for the pensionable children to take precedence over the surviving spouse or registered partner in the order of beneficiaries. If approved by the Foundation, the proposed order of beneficiaries shall come into force retroactively to the date of application.

- 14.14 If children entitled to a pension are entitled to claim and if those entitled to a pension are missing in Group 1 in accordance with Art. 20a para. 1 lit. a BVG, insured persons who also have children without a claim to an orphan's pension have the option of equating them with the children entitled to a pension by submitting a written application to the Foundation.

- 14.15 If the death of the insured person was caused intentionally by a beneficiary and the Foundation becomes aware of this before payment, this beneficiary will be excluded from the benefit. The benefit that has become free shall accrue to the next beneficiaries.

## 15 Termination benefit and cash payment

- 15.1 If an insured person leaves the Foundation and there is no pension claim, the insured person shall be entitled to a termination benefit equal to the market value of the pension capital.

- 15.2 If the Foundation does not receive any instructions from the insured person as to the form in which the insured person wishes to maintain the pension protection, the Foundation

may transfer the termination benefit to the BVG Contingency Fund Foundation after six months at the earliest. After two years at the latest, the Foundation shall transfer the termination benefit to the BVG Contingency Fund Foundation.

- 15.3 The termination benefit may, at the request of the insured person and with the consent of the spouse or registered partner, be paid out in cash, subject to the provisions of Art. 25f FZG
- if the insured person leaves Switzerland permanently and does not take up residence in the Principality of Liechtenstein,
  - if the insured person becomes self-employed and is no longer subject to compulsory occupational pension insurance,
  - if the vested benefits are less than the insured person's total annual contributions.

## 16 Promotion of home ownership

- 16.1 Insured persons may use their pension assets to purchase a property for their own use or pledge their claims to the pension assets in full or in part. An early withdrawal, pledge or redemption is possible before the insured person becomes entitled to the retirement benefits.
- 16.2 An early withdrawal or pledge may not exceed the amount of pension capital accumulated by age 50. Older insured persons may withdraw or pledge up to half of their pension capital or the amount to which they would have been entitled at age 50.
- 16.3 If the insured person is married or in a registered partnership, the written consent of the spouse or partner is required to make an early withdrawal or a pledge.
- 16.4 The statutory provisions on the promotion of home ownership (the Ordinance on the Promotion of Home Ownership, WEF and the Ordinance on the Promotion of the Use of Vested Pension Accruals for Home Ownership, WEFV) apply in all other respects.

## Additional provisions

### 17 Third-party benefits and benefit reductions

- 17.1 The Foundation shall reduce the disability and survivor benefits if, combined with other eligible income, these exceed 90% of the final AHV salary reported before the commencement of the inability to work. For the calculation of survivors' benefits, lump-sum benefits (including additional lump-sum death benefits and retirement assets) are recognised as eligible income at their pension conversion value. Subsequent voluntary purchases are not taken into account for the reductions and are paid out additionally.
- 17.2 Benefits of the same type and purpose can be offset, such as:
- AHV/IV benefits, with the exception of the helplessness allowance
  - benefits from foreign social insurance schemes
  - benefits from military insurance, accident insurance and occupational pension insurance
  - liability claims against the company or third parties
  - Income or substitute income that is or could reasonably still be earned by a disabled insured person
- 17.3 The Foundation may reduce its benefits accordingly if the person entitled to the benefits contributes to their death or disability in a negligent or intentional manner or objects to reintegration measures. This provision shall also apply if the disability or death is caused by the active participation of the insured person in a war or warlike actions if Switzerland itself did not conduct the war or become involved in the warlike actions. Refusals of benefits or reductions in benefits due to UVG or MVG are not compensated.

- 17.4 In the event of a war involving Switzerland or its participation in a war, the provisions of FINMA that apply for all life insurance companies that operate in Switzerland shall be applicable. Statutory and administrative measures issued in connection with a war as well as changes with the consent of the Swiss supervisory authorities remain expressly reserved.

### 18 Claims against liable third parties

- 18.1 Persons entitled to death or disability benefits must assign their claims against third parties to the Foundation up to the amount of the latter's benefit obligation.

### 19 Duty to provide information, duty to notify and duty of care

- 19.1 The employer, pension fund commission, insured persons and their survivors are obliged to provide the Foundation immediately and in writing with all information necessary for the correct implementation of the pension fund. The Foundation may request all documents necessary to prove the claims. The Foundation accepts no liability for the consequences of required information that is missing or imprecise.
- 19.2 Mandatory reports include besides others new admissions, departures, retirements, cases of disability, changes in the level of disability, cases of death, changes of address or marital status (including beneficiary changes), changes in family relationships and in the activities of children to whom an orphan's or child's pension is paid.
- 19.3 Recipients of disability and survivor benefits must provide information about any eligible income that can be offset (e.g. Swiss and foreign social benefits, benefits from other pension schemes and other earned income).
- 19.4 Insured persons and eligible persons have a duty to cooperate with the Foundation and its reinsurers. In particular, if they are entitled to premium waiver or other Foundation benefits, they must actively participate in the determination and reduction of any entitlement. This includes, for example, that the insured or entitled person:
- to grant the Foundation access to the files of the social and private insurers involved (e.g. private daily sickness benefit insurers and accident insurers, insurers of the liable third party),
  - to undergo any medical or other examinations, if this is deemed necessary by the advisory physician of the Foundation or its insurer,
  - release of the attending physicians and their assistants from their duty of confidentiality with effect after death,
  - must actively participate in all reintegration measures.
- In the event of a refusal, the Foundation may limit the benefits or, if it is impossible to determine the claim, refuse them. Insured persons may limit the inspection of files to events which could be in connection with the current event. This applies in particular to damage to health or impairments to health that have occurred or existed in the past.
- 19.5 The Foundation may delegate the procurement and use of the necessary information to its insurer for the purpose of checking admission to the Foundation, for the administration of the insurance contract and determining any entitlement to benefits. The insurer may process the data within this framework and may forward the information to its reinsurer for processing if necessary. Compliance with data protection regulations is guaranteed at any times.
- 19.6 Benefits that are refused or suspended cannot subsequently be requested if prior notice of the refusal or suspension was provided in writing with an adequate deadline for providing a response and the breach cannot be viewed as innocent given the circumstances.

## **Organisation and management**

### **20 Foundation board and pension fund commissions**

- 20.1 The organisational regulations govern the composition, term of office, organisation, quorum, representation and signing rules as well as the duties and powers of the foundation board.
- 20.2 In consideration of Art. 89a para. 3 ZGB, affiliated companies are responsible for ensuring that a pension fund commission is formed that represents the interests of their pension scheme and determines the pension plans. The Foundation controls whether the pension commission has been formed.

### **21 Provision of information to insured persons**

- 21.1 Each year, the insured persons receive an insurance certificate. This document provides comprehensive information about the insured benefits, the coordinated salary, the savings contribution rate, the financing, the available pension capital and the performance of the previous year. In addition, the insured persons are informed annually in writing or in an appropriate form about the organisation and the members of the Foundation board.
- 21.2 Additional data and information related to the insured persons is provided to the latter upon request (in accordance with the transparency provisions of Art. 65a BVG).

## **Final provisions**

### **22 Partial liquidation**

- 22.1 The conditions and procedure for partial liquidation are set out in separate regulations.

### **23 Liability**

- 23.1 The Foundation accepts no liability for the consequences that arise from a breach of obligations by affiliated pensions, the insured persons and any authorised agents. It reserves the right to assert claims for damages and to reclaim benefits that have been obtained wrongfully.
- 23.2 The Foundation accepts no liability for the tax consequences incurred by the insured persons.
- 23.3 There is no solidarity between the pension funds. The Foundation is not liable for the obligations of a pension fund.

### **24 Jurisdiction**

- 24.1 In the event of disputes, the competent ordinary court shall issue rulings. The place of jurisdiction is the Swiss domicile or residence of the defendant or the location of the company where the insured person was employed. For insured persons whose residence is outside of Switzerland, the head office of the Foundation shall be the place of jurisdiction.

### **25 Gaps in the pension regulations**

- 25.1 In cases in which these regulations do not contain an express provision, the Foundation board shall draft a provision which corresponds to the purpose of the pension.

### **26 Governing language**

- 26.1 If there are deviations between different language versions of these regulations, the German version shall take precedence.

### **27 Transitional regulations**

- 27.1 The decisive factor is the insured salary within the meaning of Art. 4.2 and the regulatory basis at the onset of the incapacity for work, the cause of which led to disability or death. In the event of the death of a disabled person, regardless of the cause of death, the insured benefits and the insured salary at the start of the incapacity for work are taken into account in the context of disability.

- 27.2 If the pension plan provides for additional transitional provisions, it must be examined by the supervisory authority and the reinsurer.

### **28 Amendments and entry into force**

- 28.1 The foundation board may amend these regulations within the framework of the statutory provisions and the purpose of the Foundation at any time.
- 28.2 These pension regulations come into force on 1 January 2025 and replaces all previous versions.

Schwyz, 28.11.2024

Foundation board of finpension 1e Collective Foundation

## Annex

The conversion rate used to calculate adequacy in the case of several pension relationships in accordance with Art. 1a BVV2 is based on the average<sup>1</sup> of the available offers for life annuities from selected Swiss banks and insurance companies (as of December 2018):

Average conversion rate of life annuities (male, 65 years old) = 3.39%

The conversion rate is reviewed every three years and can be adjusted to the average value of available offers for life annuities from selected Swiss banks and insurance companies.

<sup>1</sup>Raiffeisen (3.44%), Basler Versicherung (3.48%), Helvetia (3.42%), Zürich (3.44%), AXA Winterthur (3.18%)