

Retraites Populaires  
Fondation de prévoyance

Pension regulations  
Effective January 1, 2024

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## **I. GENERAL PROVISIONS**

### **1. Basic concepts**

#### **1.1 Definitions and abbreviations**

Occupational benefits institution	Retraites Populaires Fondation de Prévoyance
Member / Insured	Any person in whose benefit contributions are paid
Pensioner	Any current or former member receiving a retirement or disability pension from the pension fund
Beneficiary	Any person receiving benefits
Pension provider	Retraites Populaires, an institution under public law governed by the cantonal act of September 26, 1989
Shadow account	Individual account containing information on statutory minimum claims
Reference age	Reference age for men and women according to AHV/AVS
Council of State	Vaud cantonal government
Regulatory authority	Autorité de Surveillance LPP et des Fondations de Suisse Occidentale
Substitute pension fund	Fondation institution supplétive LPP
BVG/LPP	Occupational Pensions Act – Federal Act of June 25, 1982 on Occupational Retirement, Survivors' and Invalidity Pension Provision
BVV 2/OPP 2	Occupational Pensions Ordinance – Federal Ordinance of April 18, 1984 on Occupational Retirement, Survivors' and Invalidity Pension Provision
FZG/LFLP	Vested Benefits Act – Federal Act of December 17, 1993 on the Vesting of Occupational Retirement, Survivors' and Invalidity Benefits
WEFV/OEPL	Ordinance of October 3, 1994 on the Encouragement of Home Ownership using Occupational Pension Benefits
ATSG/LPGA	Federal Act of October 6, 2000 on General Aspects of Social Security Law
AHV/AVS	Retirement and survivors' insurance
AHVV/RAVS	Ordinance of October 31, 1947 on Retirement and Survivors Insurance
IV/AI	Invalidity (disability) insurance
UVG/LAA	Accident Insurance Act – Federal Act of March 20, 1981 on Accident Insurance
MVG/LAM	Federal Act of June 19, 1992 on Military Insurance
CC	Swiss Civil Code
CO	Swiss Code of Obligations

In the provisions of these regulations and their appendices, the masculine or feminine form designates both male and female persons, unless otherwise specified. This english translation is provided for your convenience.

If a difference in interpretation arises, the french version will be authoritative.

**1.2 Registered partnership**

<sup>1</sup> Throughout its duration, a registered partnership, within the meaning of the Federal Act of June 18, 2004 on the Registered Partnership between Persons of the Same Sex, is treated identically to marriage.

<sup>2</sup> The rights and obligations of registered partners are identical to those of married spouses. A surviving registered partner is treated in the same way as a surviving spouse.

<sup>3</sup> The dissolution of the registered partnership is deemed equivalent to divorce.

**1.3 Applicable age**

<sup>1</sup> Unless special provisions in these regulations or in the pension scheme apply, the applicable age for membership, pension coverage, calculation of retirement credits and contributions is determined by subtracting the year of birth from the calendar year.

<sup>2</sup> In other situations, particularly with regard to benefits, the applicable age is the age reached by the member, expressed in years and months.

**1.4 Proportional sharing of the retirement savings capital**

<sup>1</sup> For mandatory occupational pension provision above the minimum legal amounts, any transaction involving division of the retirement savings capital is carried out based on the ratio of the shadow account's retirement savings capital to the total retirement savings capital.

<sup>2</sup> The retirement savings capital is shared when a member is ruled partially invalid or if partial retirement benefits are paid.

**1.5 Pricing and financial conditions**

<sup>1</sup> For mandatory occupational pension provision above the minimum legal amounts, different pricing and financial conditions may apply to the retirement saving depending on the shadow account and the balance of the retirement savings capital (extra-mandatory), in particular with regard to interest rates and conversion rates.

**2. Organisation, mission and representation**

**2.1 Organisation**

<sup>1</sup> The occupational benefits institution is a pension fund within the meaning of Articles 80 CC, 331 CO and 48(2) BVG/LPP.

<sup>2</sup> The organisation of the occupational benefits institution and the election and powers of its official bodies are governed by the Articles of Association and the internal regulations in force.

**2.2 Mission**

<sup>1</sup> The purpose of the occupational benefits institution is, pursuant to the BVG/LPP framework and the implementing provisions thereof, to protect the employees of affiliated employers, as well as their next of kin and surviving family members, against the economic consequences of old age, disability and death.

<sup>2</sup> The occupational benefits institution may offer pension benefits over and above the minimum legal amounts as set out under the BVG/LPP. It may also offer optional as well as extra-mandatory coverage (non-BVG/LPP).

<sup>3</sup> To fulfil its mission, the occupational benefits institution has signed a collective insurance policy with Retraites Populaires providing full coverage of retirement, disability and death benefits. The occupational benefits institution is the sole holder and beneficiary of this collective policy.

**2.3 Occupational Pension Fund Registry**

<sup>1</sup> The occupational benefits institution has been entered in the Occupational Pension Fund Registry in accordance with Article 48 BVG/LPP.

**2.4 Representation**

<sup>1</sup> The occupational benefits institution is managed and represented by Retraites Populaires, an institution under public law with its head office in Lausanne.

<sup>2</sup> As the administrator, Retraites Populaires is authorised to issue or receive any document and to pay or collect any amount in the name and on behalf of the occupational benefits institution.

**3. Employer's affiliation to the occupational benefits institution**

<sup>1</sup> The occupational benefits institution will examine if, and on what basis, it will affiliate an employer after receiving a duly completed and signed written application from the latter.

<sup>2</sup> The terms and conditions of the employer's affiliation to the occupational benefits institution are specified in the affiliation agreement.

<sup>3</sup> Subject to compliance with the principles applicable to occupational benefits, in particular the principle of collective insurance under a single and same contract, the employer may define different spheres of insurable persons and offer members in each sphere a choice of more than one pension scheme. No more than three plans may be offered.

**4. Types of pension coverage**

<sup>1</sup> The occupational benefits institution offers pension schemes classified under:

- BVG/LPP mandatory occupational benefits;
- mandatory occupational benefits above the minimum legal amounts;
- non-BVG/LPP (i.e. extra-mandatory) occupational benefits

<sup>2</sup> The type of occupational pension adopted by the employer is defined in the pension scheme.

<sup>3</sup> The minimum BVG/LPP mandatory occupational benefits are guaranteed for compulsory occupational pension plans and for plans that exceed the legal minimum.

<sup>4</sup> A non-BVG/LPP (i.e. extra-mandatory) occupational pension plan does not include the minimum benefits provided for by the BVG/LPP.

**5. Pension regulations**

<sup>1</sup> As an appendix to the affiliation agreement, these pension fund regulations, including the appendices thereto, which form an integral part of the regulations, govern relations between the occupational benefits institution, employers, members and the beneficiaries of the latter.

<sup>2</sup> The nature and scope of the benefits provided and the financing thereof are governed by pension schemes specific to each employer. These are an integral part of the pension regulations.

<sup>3</sup> If a discrepancy arises between an individual pension record and the pension regulations or the pension scheme, the latter two are authoritative.

**6. Notification obligations of the employer**

<sup>1</sup> The employer shall immediately inform the occupational benefits institution of any insurable person or any changes affecting membership or wage arrangements.

<sup>2</sup> The employer shall also inform the occupational benefits institution of any event of which it becomes aware that might influence the entitlements, the scope or the financing of benefits allotted by the occupational benefits institution, including but not limited to any change in the terms and conditions of loss-of-earnings insurance arranged by the employer and any cases of incapacity for work exceeding the time limit determined by the occupational benefits institution.

<sup>3</sup> The other obligations under these regulations, the affiliation agreement and the other rules adopted by the occupational benefits institution are unaffected.

**7. Notification obligations of members, pensioners and other beneficiaries**

<sup>1</sup> Members, pensioners and other beneficiaries must immediately inform the occupational benefits institution of any event that would impact their occupational pension scheme, especially entitlements to and the scope of benefits.

<sup>2</sup> Specifically, the pension fund must be informed of:

- any change in marital status, if a maintenance obligation arises or ceases, or if an active member, pensioner or other beneficiary passes away;
- any change in employment level, salary, earning capacity or degree of disability, or when a child leaves school or finishes an apprenticeship;
- any and all income that needs to be included in benefit calculations and any changes thereto.

<sup>3</sup> The occupational benefits institution can request to have sight of any original document tied to one of the aforementioned events or entitlements. If such documentation cannot be presented, the occupational benefits institution may choose to suspend or cancel the payment of benefits.

<sup>4</sup> The other obligations under these regulations and the other rules adopted by the occupational benefits institution are unaffected.

**8. Information provided to members**

<sup>1</sup> Each member receives a personal pension benefit statement annually. The occupational benefits institution shall also provide information to members on their benefit entitlements, the coordinated salary, the contribution rate and the retirement savings capital, as well as the organisation, financing and the members of the pension fund's supreme governing body.

<sup>2</sup> Each member may also request a copy of the latest annual report or other information as described under Article 86b BVG/LPP.

## **II. MEMBERSHIP**

### **9. Terms of membership**

- <sup>1</sup> The sphere of insurable persons and the terms of membership are set forth in the pension schemes complementing these regulations.
- <sup>2</sup> Persons employed for a limited period that does not exceed three months, and persons who are at least 70% disabled under the IV/AI definition, cannot be included in the sphere of insurable persons. Otherwise, the terms of membership correspond to conditions for the BVG/LPP mandatory insurance, subject to any special provisions in the pension scheme.
- <sup>3</sup> Individuals not gainfully employed in Switzerland or whose work in Switzerland is unlikely to be long term, and who have sufficient pension coverage abroad, may be exempted at their request.
- <sup>4</sup> The pension scheme may provide that the coordination deduction or the minimum and maximum amounts be fixed, for part-time employees, in proportion to their employment level.
- <sup>5</sup> A salary paid by an employer who is not affiliated to the occupational benefits institution is not taken into account and cannot be insured on a voluntary basis.
- <sup>6</sup> Where a member has a choice between different pension schemes, the terms and conditions for switching from one to another are defined under these plans.

### **10. Optional membership**

- <sup>1</sup> For mandatory occupational benefits under the BVG/LPP and those above the minimum legal amounts, unless otherwise stipulated in the pension scheme, employees already insured with the occupational benefits institution may request that income from ancillary gainful employment with other employers that are affiliated to the occupational benefits institution also be taken into consideration. Consent from all the employers concerned is required.
- <sup>2</sup> Employees who work only a small proportion of their time for this employer and who have mandatory coverage through their main occupation may be covered optionally for this secondary activity as well, at their request and with the employer's consent, provided they meet the conditions set forth in the pension scheme.

### **11. Affiliation of self-employed persons**

- <sup>1</sup> Self-employed persons may join together with their employees.
- <sup>2</sup> Self-employed persons who are members of a professional federation that has recognised the occupational benefits institution may join under the terms set out in the pension scheme as concerns their self-employed activity.

### **12. Admission and coverage**

#### **12.1 Admission**

- <sup>1</sup> Admission to the occupational benefits institution in principle takes effect as soon as the membership conditions have been met and provided that the occupational benefits institution has agreed to the admission of the insurable person. Admission cannot take effect before the employment relationship begins.
- <sup>2</sup> Unless stated otherwise under the pension scheme, death and disability risks will be covered at the earliest from 1st January, following the member's 17th birthday; retirement coverage will start at the earliest on 1st January, following the member's 24th birthday.
- <sup>3</sup> Persons who, upon admission to the occupational benefits institution, are incapacitated for work or partially disabled are covered only on the basis of their earned salary in accordance with their employment or earning capacity.
- <sup>4</sup> For persons subject to provisional continuation of their coverage in accordance with Article 26a BVG/LPP, admission to the occupational benefits institution takes place at the earliest three years after the reduction or withdrawal of the IV/AI pension.

## 12.2 Pension coverage

<sup>1</sup> Pension coverage is granted only insofar as this is permitted by the insurable person's state of health. Persons who are partially unable to work or who are disabled at the time of joining the occupational benefits institution are covered only up to their employment capacity or, where applicable, degree of earning capacity.

<sup>2</sup> The consequences of an illness or accident that occurred before joining the occupational benefits institution are not covered and do not grant an entitlement to any benefits.

<sup>3</sup> The insurable person is required to indicate voluntarily whether they are fully capable to work and whether they are receiving benefits from social or private-sector insurers or other pension funds, or whether applications for any such benefits are pending. In addition, they must also indicate any exclusions on health grounds applied to them by previous pension funds and when these exclusions were in force.

<sup>4</sup> If the insurable person refuses to cooperate, or if the health declaration, additional information or the medical examinations required to establish the state of health of the insurable person are not provided or simply not carried out within the allotted time period, benefits will then be limited to the mandatory occupational provision under BVG/LPP. Risk coverage is excluded for extra-mandatory provision.

<sup>5</sup> For mandatory occupational benefits under BVG/LPP and those above the minimum legal amounts, the insurable person is admitted without the need for a health examination and without exclusions, up to the minimum benefits provided for under the BVG/LPP. In addition, provisional coverage limited to the benefits accrued through the vested termination benefit provided is granted. However, any exclusions enforced by a previous occupational benefits institution will be taken into consideration, adjusted for the time that has already elapsed.

<sup>6</sup> For benefits above the minimum legal amounts and extra-mandatory benefits, the occupational benefits institution may require the insurable person to make a sworn statement on their state of health and, if necessary, undergo a medical examination carried out by an approved doctor, paid for by the occupational benefits institution.

<sup>7</sup> The occupational benefits institution may make one or more exclusions on health grounds for a maximum period of five years or even, in the case of extra-mandatory provision, refuse to offer all risk coverage. The occurrence of the risk subject to an exclusion during the applicable period of the latter does not afford any benefits, including contribution waivers in respect of extra-mandatory provision, even after the exclusion period has elapsed.

<sup>8</sup> The occupational benefits institution will inform the insurable person in writing whether they can join, specifying the start date and scope of the coverage.

## 12.3 Increases in coverage

<sup>1</sup> The foregoing provisions will apply in a similar manner if coverage increases, in particular in the event of a change in salary or employment level, even if such an increase stems from an amendment to the pension scheme. These provisions will also apply if there is a change in pension scheme.

## 12.4 End of coverage

<sup>1</sup> Pension coverage ends as soon as the membership conditions are no longer fulfilled, at the end of the employment relationship, at the regulatory retirement age or in the event of death.

<sup>2</sup> However, coverage insuring against death and disability can be extended for one month or until the day on which a new pension scheme relationship begins, if this is earlier.

## 12.5 Concealment

<sup>1</sup> If the member has omitted to respond to or has responded inaccurately to questions, or if it becomes clear that the health declaration or medical certificate submitted to the occupational benefits institution is inaccurate or incomplete, the occupational benefits institution may depart from the pension agreement and withhold the proportion of disability or death benefits corresponding to mandatory occupational benefits above the minimum legal amounts or extra-mandatory benefits.

<sup>2</sup> The occupational benefits institution will inform the member of its decision within six months of receiving proof of concealment.

**13. Inward transfers of vested benefits**

<sup>1</sup> All new members are required to transfer to the occupational benefits institution, on the day they join, the vested benefit from their former pension fund together with other pension assets from previous pension-scheme relationships. Inward transfers of retirement assets accrued outside Switzerland require prior agreement from the occupational benefits institution.

<sup>2</sup> The inward transfers are used to claim regulatory benefits and credited to the member's retirement savings capital.

<sup>3</sup> The full regulatory benefits correspond to the full amount of retirement savings capital that the member would have accrued had they been insured with the pension institution since the earliest possible admission date, on the basis of the pensionable salary at the time of receipt of the vested benefits, including interest.

<sup>4</sup> If the incoming funds are not fully absorbed after the member has claimed the full regulatory benefits, the balance is then allocated to the personal pre-financing account or, at the member's request, transferred to a vested benefits account or policy.

**14. Voluntary contributions**

**14.1 Voluntary contributions – basic principle**

<sup>1</sup> The member may make voluntary contributions if the available retirement assets, plus all additional pension assets, vested termination benefits and 3rd Pillar A pension saving account assets (to the extent that the latter exceed the allowable legal limits), as well as withdrawals for the purposes of home ownership, are less than what the member would have accrued had they been insured with the occupational benefits institution since the first possible admission date, on the basis of the pensionable salary at the time of the voluntary contribution, taking interest at a rate determined by the pension scheme.

<sup>2</sup> The maximum purchasable amount is the difference between these two amounts.

<sup>3</sup> In the event of continued membership after the regulatory retirement age, the theoretical maximum retirement capital corresponds to the retirement savings capital that would have been accrued when reaching the regulatory retirement age, calculated using the salary in force in that calendar year.

<sup>4</sup> Provisions relating to pension cover will apply in a similar manner if such coverage increases following the purchase of creditable insurance years. Voluntary contributions are excluded for persons unable to work.

<sup>5</sup> Employer contributions to improve the overall level of benefits are also subject to rules applying to voluntary contributions.

<sup>6</sup> The member alone is responsible for their personal taxation. The occupational benefits institution will under no circumstances guarantee that voluntary contributions will be tax deductible.

**14.2 Personal pre-financing account**

<sup>1</sup> When considering early retirement, the member may compensate for reduced retirement benefits ahead of time by paying into a personal pre-financing account.

<sup>2</sup> If early retirement is subsequently not taken, however, the target benefits at the regulatory retirement age may not be exceeded by more than 5%. Any amount exceeding this limit reverts to the occupational benefits institution, with the exception of surplus amounts transferred in from another occupational benefits institution, which are returned to the member.

<sup>3</sup> Amounts paid into the personal pre-financing account earn interest at a rate set by the insurer upon receipt of the contribution.

<sup>4</sup> It is only possible to open a personal pre-financing account if:

- all the amounts from the previous occupational pension scheme have been transferred to the occupational benefits institution;
- the member has explored every other avenue for filling in gaps in coverage;
- the member is fully capable of working.

<sup>5</sup> Payments into the personal pre-financing account can be made at any time, but no later than the day prior to receiving early retirement benefits.

<sup>6</sup> The amount available in the personal pre-financing account can be used to fill in gaps in coverage.

- <sup>7</sup> The personal pre-financing account will be closed:
- when pension benefits are received, according to the conversion rates applied to the retirement savings capital, subject to the limit laid down in point 2. If payment of a lump-sum is requested in accordance with Article 20.4, the available balance of the personal pre-financing account is reduced proportionately;
  - if a full disability benefit is received, through the payment of a supplementary lump-sum at the regulatory retirement age or, at the pensioner's discretion, in the form of an increased retirement benefit, subject to the limit laid down in point 2;
  - in the event of death, through payment of a supplementary lump-sum to the beneficiary, under the terms of Article 18.7;
  - in the event of transfer or payment in cash of the vested benefits.

#### 14.3 Voluntary contribution limits

- <sup>1</sup> Where withdrawals have been granted for the purposes of home ownership, voluntary contributions can only be made once these have been repaid or reimbursement is no longer permissible.
- <sup>2</sup> Benefits corresponding to voluntary contributions may not be paid out as a lump-sum by the occupational benefits institution until a period of three years has elapsed.
- <sup>3</sup> There are no restrictions on voluntary contributions to purchase vested termination benefits transferred out under a divorce settlement.
- <sup>4</sup> Other statutory and tax restrictions are expressly reserved.

#### 14.4 Voluntary contribution financing

- <sup>1</sup> Voluntary contributions must be made through a single payment.
- <sup>2</sup> The pension scheme will set out whether the employer also contributes and to what extent.

### 15. Salary

#### 15.1 Reference salary

- <sup>1</sup> The reference salary is the last recorded or determined annual AHV/AVS salary, less the following occasional items:
- bonuses;
  - overtime;
  - substitution allowances;
  - deferred bonuses, from the first year in employment;
  - gratuities and commissions;
  - severance payments;
  - household and child allowances;
  - service uniforms;
  - employer-financed voluntary contributions.
- <sup>2</sup> Information on the reference salary is provided by the employer at the end of each calendar year for the subsequent calendar year, or at the time of hiring during the current calendar year.
- <sup>3</sup> If the employer is unable to provide salaries for the subsequent insurance year, the occupational benefits institution determines the reference salary on the basis of the last-known annual salary.
- <sup>4</sup> If a member is employed for less than a year by their employer, the reference salary corresponds to the full-year value.
- <sup>5</sup> The reference salary for employees with irregular working conditions and pay may be estimated in accordance with the average annual wage of each occupational category as indicated by official statistics.
- <sup>6</sup> Where applicable, the reference values are stated in the pension scheme.
- <sup>7</sup> The reference salary is limited to ten times the highest amount referred to in Article 8(1) BVG/LPP. If the member has more than one pension relationship and the total salary and other income subject to AHV/AVS exceeds this threshold, they must inform the occupational benefits institution.

15.2 Insured salary

- <sup>1</sup> The insured salary is defined in the pension scheme and is not necessarily the same as the reference salary.
- <sup>2</sup> The pension scheme will specify if a minimum salary is insured

15.3 Changes in salary and employment level

- <sup>1</sup> The employer shall notify the occupational benefits institution, using the specific form, of any change in the reference or insured salary or in the employment level.
- <sup>2</sup> The changes take effect on the date noted by the employer on the specific form but no earlier than the receipt date of this form. Only an amendment to the employment contract may result in a retroactive change in salary.
- <sup>3</sup> Any change announced after a person becomes unable to work, disabled or passes away is not taken into account by the occupational benefits institution when calculating the benefits due.
- <sup>4</sup> If the salary is temporarily reduced as a result of sickness, accident, unemployment, maternity leave, paternity leave, adoption, caring for child with serious health problems or other similar circumstances, the insured salary is maintained for as long as the employer's obligation to pay this salary has not lapsed. The member may however request a reduction in the insured salary.
- <sup>5</sup> Unless the member submits a written request, the occupational benefits institution will not produce a vested benefits statement upon a change in employment level.

15.4 Maintenance of insured salary

- <sup>1</sup> Except in cases of disability or partial retirement, members whose salary is reduced or not paid (unpaid leave) may ask, in agreement with their employer, to maintain their coverage based on their last insured salary.
- <sup>2</sup> If the member is aged 58 or above at the time of this reduction, and their salary is reduced by no more than half, they may maintain their insured salary until reaching the regulatory retirement age. In all other circumstances, maintenance of salary is limited to 24 consecutive months.
- <sup>3</sup> The employer must inform the occupational benefits institution that the insured salary will be maintained, remaining liable for the entirety of the contributions due, without allowing for changes in the ratios provided in the pension scheme. Any further agreement between the employer and the member is not binding on the occupational benefits institution.
- <sup>4</sup> In cases of unpaid leave where the insured salary is not maintained, the obligation to pay contributions is suspended. No voluntary contributions may be made. Pension coverage for death and disability risks is maintained for one month. Beyond this period, no pension benefits will be paid in the event of disability. In the event of death, the retirement savings capital reverts to the beneficiaries in accordance with these regulations, to the exclusion of all other benefits.

### **III. PLAN BENEFITS**

#### **16. Types of benefit**

- <sup>1</sup> The occupational benefits institution may award the benefits described in this section.
- <sup>2</sup> The nature and scope of the insured benefits are noted in the pension scheme

#### **17. Retirement benefits**

##### **17.1 Retirement savings capital**

<sup>1</sup> A retirement savings capital is accumulated for each member. The capital of members who are partially disabled is divided into active and passive portions, in accordance with the scale applicable to the disability pension.

- <sup>2</sup> The retirement savings capital includes:
- retirement credits;
  - vested benefits transferred into the plan;
  - voluntary contributions and any other payments;
  - interest;

distributions of surplus or non-committed funds (where applicable).

- <sup>3</sup> The following is deducted from the retirement savings capital:
- withdrawals for the purposes of home ownership;
  - withdrawals resulting from a divorce settlement in which the assets are split.

<sup>4</sup> Retirement credits are defined in the pension scheme.

<sup>5</sup> Interest is applied at the rates set by the pension provider to the retirement savings available at the end of the previous year. Voluntary contributions and other payments, or withdrawals, during the year are considered on a prorata temporis.

##### **17.2 Entitlement to benefits**

- <sup>1</sup> Members are entitled to retirement benefits from the first day of the month following that in which they reached the regulatory retirement age.
- <sup>2</sup> The regulatory retirement age is reached on the day on which the member reaches the reference age or the age specified in the pension scheme.

##### **17.3 Retirement pension**

<sup>1</sup> The retirement pension is calculated using the retirement savings capital accrued at the commencement date; it is converted into a pension using the conversion rates applied by the pension provider at the time of conversion.

<sup>2</sup> The retirement pension is lifelong and supersedes any current disability benefits.

##### **17.4 Early retirement benefits**

<sup>1</sup> If a member leaves gainful employment after reaching the age of 58 but before the regulatory retirement age, they are entitled to vested benefits if they continue working in an employed or self-employed capacity, or if they apply for unemployment benefit. Failing that, the member will be granted early retirement benefits.

<sup>2</sup> In cases of corporate restructuring, the member may – in agreement with the employer – claim their entitlement to retirement benefits early, although no sooner than from the first day of the month following their 55th birthday.

<sup>3</sup> Where entitlements are claimed early, the retirement benefits are calculated using the conversion rates applied by the pension provider on the basis of the retirement assets accrued at that point in time.

<sup>4</sup> If death benefits become payable following early retirement, the amount corresponds to the benefits that would be paid following the death of a pensioner, even if death occurs before the regulatory retirement age.

17.5 Partial retirement benefits

- <sup>1</sup> In agreement with the employer, partial retirement is possible provided that the member stops working in the same proportion. Their new employment level must be no lower than 20%.
- <sup>2</sup> The first partial withdrawal must represent at least 20% of the retirement benefit.
- <sup>3</sup> An increase in partial retirement may not be requested more than twice altogether.
- <sup>4</sup> The retirement savings capital is split proportionally.

17.6 Continuation of coverage after the age of 58

- <sup>1</sup> A member who, after reaching the age of 58, sees their employment relationship terminated by their employer may apply to remain a member of the occupational benefits institution on the basis of their final insured salary until the regulatory retirement age.
- <sup>2</sup> A member who wishes to remain in the pension scheme must inform the occupational benefits institution in writing no later than 30 days after expiry of the notice period under the employment contract.
- <sup>3</sup> If coverage continues, the member pays the full monthly contributions due in advance, covering both the employee's and employer's shares, under the terms of the pension scheme to cover risks, inflation and administration costs. They must also cover any recovery contributions payable by members. They can also continue to pay, at their own expense, the full amount of the contributions for building up the savings capital, under the terms of the pension scheme.
- <sup>4</sup> The decision to continue paying contributions to build up the savings capital must be taken by the same deadline as stated under point 2.
- <sup>5</sup> Any member who initially decides to continue paying contributions into their savings capital may later opt to discontinue these payments.
- <sup>6</sup> The continued coverage will end if the member passes away or is assessed as disabled, but by the regulatory retirement age at the latest. If a member then joins a new occupational benefits institution, the coverage will cease if more than two-thirds of the vested benefit is required to claim the full regulatory benefits in the new pension fund. If lower vested benefits are due to be transferred, the occupational benefits institution adjusts the insured salary proportionately.
- <sup>7</sup> Continued coverage will also cease at the member's request from the end of the current month, or if the member does not pay the contributions owed. If contributions are not paid, the occupational benefits institution will address an order to pay the amount owed within a 14-day period. If payment has not been received within this period, coverage will be discontinued. Coverage terminates at the end of the last month for which a contribution was paid.
- <sup>8</sup> If coverage has been maintained for more than two years, only benefits in the form of a pension can be awarded. At the end of this period, the member may no longer obtain a withdrawal for the purposes of home ownership or pledge their pension assets.
- <sup>9</sup> Any member who maintains their pension coverage is obliged to inform the occupational benefits institution immediately of any change in their circumstances, especially if they get a new job, join another occupational benefits institution or become unable to work. If an entitlement to benefits arises but the member has not duly provided this information, the occupational benefits institution may reduce or cancel their benefits accordingly.

#### 17.7 Deferment of retirement benefits

<sup>1</sup> A member who remains gainfully employed beyond the regulatory retirement age may defer their retirement benefits until the actual date of retirement, although for no longer than five years after the reference age.

<sup>2</sup> The accrued retirement savings continue to bear interest, and voluntary contributions to purchase insurance years remain possible. At the request of the insured who informs the employer, the obligation to pay contributions is maintained, with no changes in the ratios provided in the pension scheme. Otherwise, the insured and the employer stop paying contributions.

<sup>3</sup> Disability pensions are not paid once the regulatory retirement age has been reached. If the member becomes totally or partially unable to work, they automatically become entitled to retirement benefits at the end of the qualifying period for contribution waivers under the terms of the pension scheme, although no later than five years after the reference age. If the member passes away and if no survivor's benefit is due, the accrued capital reverts to the beneficiaries in accordance with Article 18.7 of these regulations. If that is not the case, benefits will be determined on the basis of the retirement pension that would have become payable on the first day of the month after the member passes away.

#### 17.8 AHV/AVS bridging pension

<sup>1</sup> Members receiving a retirement pension may request payment of an AHV/AVS bridging pension until the reference age, provided they are not in receipt of AHV/AVS or IV/AI benefits.

<sup>2</sup> This request should be made in writing no later than three months before retirement is taken. The request can be submitted only once and is irrevocable.

<sup>3</sup> The amount of the AHV/AVS bridging pension is freely determined by members. It is invariable and may not exceed the maximum full state retirement pension. The AHV/AVS bridging pension is not indexed to inflation.

<sup>4</sup> Members finance the AHV/AVS bridging pension either via a single payment or an immediate lifetime reduction from their retirement pension. The deduction is determined by the occupational benefits institution, taking into consideration the amount of the AHV/AVS bridging pension, the member's age and the actuarial calculation applied by the pension provider. The occupational benefits institution will refuse the request if the deduction for reimbursement of the AVS/AHV bridging pension is likely to exceed the paid retirement pension or, in the event of partial retirement, would exceed half of the estimated total retirement pension.

<sup>5</sup> If the member passes away before reaching the reference age, payment of the AHV/AVS bridging pension ceases at the end of the month in which the person died. In these cases, death benefits are calculated without taking any deduction from the paid retirement pension into consideration. The grant of AHV/AVS or IV/AI benefits before the reference age does not result in adjustment of the AHV/AVS bridging pension.

<sup>6</sup> In addition to the AHV/AVS bridging pension under this current provision, an AHV/AVS bridging pension may be provided for under the terms of the pension scheme.

#### 17.9 Pensioner's child pension

<sup>1</sup> Each child of a retired member receives a child's pension.

<sup>2</sup> The amount of the pension is determined by the pension scheme.

<sup>3</sup> Payment of the pensioner's child pension begins at the same time and to the same degree as the retirement pension and ceases upon the death of the pensioner or the child, or as soon as the child has reached the age set out in the pension scheme.

<sup>4</sup> The pension remains payable up to the age of 25 in the following cases:

- if the child is undertaking an apprenticeship or pursuing further education;
- if the child is at least 70% disabled under the IV/AI definition and is unable to engage in gainful employment.

#### 17.10 Supplementary savings plan

- <sup>1</sup> If the pension scheme provides for payment of a supplementary savings contribution, these payments are recorded in a separate supplementary savings account from the member's retirement savings.
- <sup>2</sup> The amount available in the supplementary savings account as at 31st December of the previous year bears interest at the rate determined by the pension provider. Voluntary contributions and withdrawals during the year are considered on a prorata basis.
- <sup>3</sup> The supplementary savings account is reduced in the event of a withdrawal for the purposes of home ownership or a transfer in case of divorce.
- <sup>4</sup> Upon retiring, the member may use the supplementary savings account as follows:
  - withdraw part or all of the sum as a one-time allowance subject to the restrictions laid down in the specific statutory and regulatory provisions;
  - add part or all of the sum to extra-mandatory retirement assets to receive a lifetime retirement pension under the conditions laid down in these regulations;
  - allocate part or all of the sum, in the event of early retirement, to finance an AHV/AVS bridging pension under the conditions laid down in these regulations.
- <sup>5</sup> If a member takes partial retirement, the supplementary savings account will be divided proportionally.
- <sup>6</sup> If a member passes away, the amount available in the supplementary savings account is paid out as a single lump-sum in accordance with the specific regulations.
- <sup>7</sup> If a member becomes partially or fully exempt from having to pay contributions, the supplementary savings account may no longer be credited. Regulatory provisions on contribution waivers do not apply to the supplementary savings account.
- <sup>8</sup> If a member becomes partially or completely disabled, the supplementary savings account is maintained unchanged, credited only with interest from that point onwards.
- <sup>9</sup> If a member switches to a pension scheme without a supplementary savings scheme, the available assets are added to the extra-mandatory retirement assets. If a member leaves the occupational benefits institution before benefits become payable, the amount available in the supplementary savings account is added to the vested benefits.
- <sup>10</sup> A member who wishes to join the supplementary savings scheme must notify the employer using the relevant form. The employer will then send the transfer form to the occupational benefits institution before 30th November of the current year. Membership takes effect on 1st January of the following year and is valid for the entire calendar year. These contributions cannot be suspended during the year unless the employment relationship is terminated or if membership requirements are no longer met.

### **18. Death benefits**

#### 18.1 Entitlement to benefits

- <sup>1</sup> The occupational benefits institution provides death benefits if the deceased was a member or pensioner at the time of their death or when the incapacity for work the cause of which led to their death arose.
- <sup>2</sup> For mandatory occupational benefits under BVG/LPP and those above the minimum legal amounts, the occupational benefits institution also awards death benefits, up to the minimum benefits provided for under the BVG/LPP, if the deceased acquired a disability before reaching adulthood or as a result of a congenital disease and
  - had an incapacity for work of at least 20% but no more than 40% when beginning gainful employment, and
  - was insured on the date when the incapacity for work the cause of which led to their death increased to at least 40%.
- <sup>3</sup> The entitlement to benefits starts when the member or pensioner passes away.
- <sup>4</sup> Benefits are paid from the first day of the following month after the death occurred. However, payment deferred for the time during which the employer continues paying the full salary.

## 18.2 Surviving spouse's pension

<sup>1</sup> The surviving spouse is entitled to a pension, the amount of which is determined in the pension scheme if, at the time when the member or pensioner passes away, they meet one of the following conditions: :

- they have one or more child dependants;
- they are aged 45 or above and the marriage lasted for at least five years.

<sup>2</sup> If the surviving spouse does not meet any of the above conditions, they are entitled to a one-time allowance equal to three annual pensions.

<sup>3</sup> Entitlement to a surviving spouse's pension lapses if the person remarries or passes away.

<sup>4</sup> If the pension scheme grants a surviving spouse's pension under a broader range of conditions, the pension is paid even if the conditions noted under point 1 are not fulfilled. In addition, if the pension ceases because the surviving spouse has remarried before the age of 45, a one-time allowance equal to three times the annual pension is paid.

## 18.3 Divorced-surviving spouse's pension

<sup>1</sup> For mandatory occupational benefits under the BVG/LPP and those above the minimum legal amounts, divorced-surviving spouse is treated in the same way as an ordinary surviving spouse if their former spouse passes away, provided that the marriage lasted at least ten years and provided that this person was awarded fair compensation (Art. 124e(1) CC) or maintenance (Art. 126(1) CC) in the form of a pension in connection with the divorce. This equivalent treatment is valid only for the surviving spouse's pension.

<sup>2</sup> The divorced-surviving spouse's pension cannot exceed the minimum benefits provided for under the BVG/LPP and will be curtailed to the extent that, when added to other insurance benefits, in particular AHV/AVS, it exceeds the amount allocated under the divorce decree.

<sup>3</sup> Entitlement to a divorced-surviving spouse's pension remains valid as long as the fair compensation or maintenance should have been paid. The entitlement ceases if the divorced-surviving spouse remarries.

## 18.4 Surviving cohabiting partner's pension

<sup>1</sup> If the member or pensioner passes away, their partner as defined in these regulations is entitled to a pension, the amount of which is determined in the pension scheme.

<sup>2</sup> Entitlement to a surviving partner's pension lapses if they marry or pass away. If the pension ceases because the surviving partner has married before the age of 45, a one-time allowance equal to three times the annual pension is paid.

## 18.5 Reductions

<sup>1</sup> If the surviving spouse is more than ten years' younger than the deceased member, the surviving spouse's pension is reduced by 1% of this amount per year, or fraction of a year, exceeding ten years.

<sup>2</sup> If the marriage occurred after joining the occupational benefits institution and after the member reached the reference age, the surviving spouse's or divorced-surviving spouse's pensions are reduced according to the following percentages of the full pension:

- 80% in case of marriage in the first year after the reference age, 60% in case of marriage in the second year after the reference age, 40% in case of marriage in the third year after the reference age and 20% in case of marriage in the fourth year after the reference age;
- these rates are, where applicable, multiplied by the rate of the reduced pension under point 1.

<sup>3</sup> There is no entitlement to a pension if marriage took place more than four years after the reference age.

<sup>4</sup> Where a marriage has taken place after the reference age, if a member is suffering from a serious illness of which they should be aware, and which causes their death within two years of the marriage, no survivor's pension will be due.

<sup>5</sup> The provision applies in a similar manner to partners.

<sup>6</sup> Minimum pensions under the terms of the BVG/LPP in any case remain guaranteed

#### 18.6 Orphan's pension

- <sup>1</sup> An orphan's pension is paid to each child if a member or pensioner passes away.
- <sup>2</sup> The amount of this allowance is determined by the pension scheme.
- <sup>3</sup> If provided for in the pension scheme, an extended orphan's pension is paid to children in the following cases:
  - upon the death of a member or pensioner whose marriage has already been dissolved through divorce or the death of the spouse. In this case, the children are entitled to a double orphan's pension;
  - upon the death of the spouse when occurring after the member or pensioner has passed away, the current orphan's pension is doubled.
- <sup>4</sup> The orphan's pension is not doubled if the person passing away was in receipt of a retirement pension.
- <sup>5</sup> The orphan's pension becomes payable in the month after the member passes away, but at the earliest when the entitlement to full pay lapses, and ceases upon the death of the pensioner or the child, or as soon as the child has reached the age laid down in the pension scheme.
- <sup>6</sup> The allowance remains payable up to the age of 25 in the following cases:
  - if the child is following an apprenticeship or further education;
  - if the child is at least 70% disabled under the IV/AI definition and is unable to engage in gainful employment.

#### 18.7 Lump-sum death benefit

- <sup>1</sup> If a member passes away before retirement benefits are paid, the available retirement savings capital reverts as follows:
  - if one or more surviving spouse's, divorced-surviving spouse's or partner's pensions are being paid, only the part of the lump-sum exceeding the present value of the existing above-mentioned regulatory death benefits reverts to the beneficiaries;
  - if a one-time allowance is paid, only the part of the lump-sum exceeding the value of the one-time allowance reverts to the beneficiaries;
  - the payment of one or more orphan's pensions has no bearing on the retirement savings capital;
  - if no death benefit or one-time allowance is payable, the available retirement savings capital reverts in full to the beneficiaries.
- <sup>2</sup> If provided for by the pension scheme, voluntary contributions by the member are returned as lump-sums to the beneficiaries. The amount paid is deducted from the available retirement savings capital.
- <sup>3</sup> If provided for by the pension scheme in accordance with the conditions laid down therein, an additional death benefit will be paid to the beneficiaries.
- <sup>4</sup> The beneficiaries are, in the following order, the surviving spouse or surviving cohabiting partner as defined by these regulations; otherwise the children entitled to a pension; otherwise other maintained persons substantially dependent on the deceased.
- <sup>5</sup> If no beneficiary as defined in point 4 exists, the beneficiaries are the children not entitled to an orphan's pension; otherwise the parents; otherwise any siblings.
- <sup>6</sup> If no beneficiary as defined by points 4 and 5 exists, only half of the available retirement savings will be paid to the other legal heirs, excluding public authorities. If there are no intestate heirs, the available retirement savings capital will accrue to the occupational benefits institution.
- <sup>7</sup> Amounts are divided up equally between beneficiaries based on how they are ranked. By providing written notice to the occupational benefits institution, the member may change the order of the beneficiaries mentioned under the same point, specify the share of each beneficiary, or both, although the order of priority between points 4 to 6 cannot be reversed.
- <sup>8</sup> If the member passes away while retirement benefits have been deferred, the right exists for the reimbursement of the retirement savings capital and any or all voluntary contributions by the member as well as payment of any supplementary death benefit under the terms set out in Article 17.7, point 3 of these regulations.

## **19. Disability benefits**

### **19.1 Entitlement to benefits**

<sup>1</sup> Members are entitled to benefits if they become at least 40% disabled under the IV/AI definition, provided that they were insured at the onset of their incapacity for work, the cause of which led to their disability.

<sup>2</sup> For mandatory occupational benefits under BVG/LPP and those above the minimum legal amounts, members who became incapacitated under the IV/AI definition as a result of a congenital disease or before adulthood are entitled to the minimum disability benefits under the BVG/LPP if:

- the incapacity for work was at least 20% but no more than 40% when they joined the pension scheme, and
- they were insured on the date when incapacity for work the cause of which led to their disability increased to at least 40%.

### **19.2 Disability pension**

<sup>1</sup> The disability pension is calculated, depending on the pension scheme, either as a proportion of the insured salary or by converting the reference retirement savings into a pension using the current conversion rates applied by the pension provider at the regulatory retirement age.

<sup>2</sup> The insured salary at the outset of the incapacity for work, the cause of which led to the disability, is decisive for calculating disability benefits.

<sup>3</sup> The retirement savings capital used as reference for the calculation comprises the retirement savings capital accruing at the time of entitlement to disability benefits, plus the sum of the retirement credits under the pension scheme for future years up to the regulatory retirement age, excluding interest.

<sup>4</sup> The degree of disability and the start of entitlement are based on the IV/AI decision, except in cases where the IV/AI decision is clearly untenable or the occupational benefits institution has not been notified.

### **19.3 Disabled member's child pension**

<sup>1</sup> A disabled member's child pension is paid to each of the member's children.

<sup>2</sup> The amount of the pension is determined by the pension scheme.

<sup>3</sup> Payment of the disabled member's child pension begins at the same time and to the same degree as the disability pension and ceases upon the death of the child, or as soon as the child has reached the age set out in the pension scheme.

<sup>4</sup> The pension remains payable up to the age of 25 in the following cases:

- if the child is following an apprenticeship or further education;
- if the child is at least 70% disabled under the IV/AI definition and is unable to engage in gainful employment.

### **19.4 Contribution waivers**

<sup>1</sup> In the event of total or partial incapacity for work owing to a physical or mental impairment, established on the basis of objective medical criteria, or if the insured is deemed to be disabled under the IV/AI definition, the employer and the member are released from paying contributions after expiry of the qualifying period established in the pension scheme.

<sup>2</sup> Contribution waivers are granted in line with the IV/AI decision, except in cases where the decision is clearly untenable or has not been notified to the occupational benefits institution. If the qualifying period established in the pension scheme expires before the IV/AI decision, the contribution waiver is granted temporarily on the basis of the medical certificates and examinations required by the occupational benefits institution.

<sup>3</sup> If a contribution waiver is granted, the occupational benefit institution continues to pay the amount of the retirement credit covered by the waiver into the insured person's retirement savings capital, in accordance with the pension scheme.

#### 19.5 Rules common to disability benefits

<sup>1</sup> Disability benefits, including contribution waivers, are paid in proportion to the degree of disability (IV/AI-assessed degree of disability), using the following scale:

- if degree of disability is 70 % or higher, a full disability pension is paid;
- if degree of disability is 50-69 %, the pension rate corresponds to the assessed degree of disability;
- if degree of disability is below 50%, the pension rate is calculated as follows:

Degree of disability	Pension rate
40 %	25 %
41 %	27.5 %
42 %	30 %
43 %	32.5 %
44 %	35 %
45 %	37.5 %
46 %	40 %
47 %	42.5 %
48 %	45 %
49 %	47.5 %

A degree of disability below 40% does not give entitlement to benefits

A disability pension that has already been determined will be increased, reduced or withdrawn if the degree of disability changes to the extent defined in Article 17(1) ATSG/LPGA. The transitional provisions under the amended law of June 19, 2020 (IV/AI modernisation) stated under the BVG/LPP apply by analogy.

<sup>2</sup> Payment of disability benefits begins after the qualifying period laid down in the pension scheme but no earlier than when the entitlement to an IV/AI pension arises.

<sup>3</sup> A new qualifying period begins if the member regains full earning capacity for an unbroken period of one year or more.

<sup>4</sup> The payment of disability benefits is deferred for as long as the member receives their salary or daily allowances in replacement thereof either fully or partly, when at least half-funded by the employer.

<sup>5</sup> The entitlement to disability benefits will be reviewed if the degree of incapacity for work or the disability change, the IV/AI authorities issue a new decision, the member's financial circumstances change, or any other factor arises.

<sup>6</sup> Entitlement to disability benefits ceases if:

- the disability ends;
- the degree of disability falls below 40%;
- the member passes away;
- the member reaches the regulatory retirement age.

<sup>7</sup> If the coverage and entitlements are maintained provisionally under the terms of Article 26a BVG/LPP, the occupational benefits institution will continue to pay the assigned benefits, adjusted to fit the applicable legal and regulatory provisions.

#### 19.6 Duty to cooperate

<sup>1</sup> Members have a duty to cooperate and provide all necessary information to the occupational benefits institution. The occupational benefits institution may require members to submit a request to the IV/AI authorities or participate in any kind of measure to further professional, medical and social reintegration, even if such measures are implemented within another insurance relationship or by a partner of the occupational benefits institution.

<sup>2</sup> If a member refuses to cooperate or if the IV/AI authorities provisionally suspend payment of a disability pension in accordance with Article 52a ATSG/LPGA, the Pension fund may suspend or even cancel the contribution waiver and/or the payment of the pension.

## **20. Basic provisions governing benefits**

### 20.1 Supporting documentation and review of benefit entitlements

- <sup>1</sup> Benefits will only be paid once the beneficiary has produced all the documents required by the occupational benefits institution to prove their entitlement to such benefits. The occupational benefits institution may require the legal authentication of signatures, at the beneficiary's expense.
- <sup>2</sup> Active members, pensioners and other beneficiaries are required to inform the occupational benefits institution immediately of any factor or event that may affect their entitlement to benefits.
- <sup>3</sup> The occupational benefits institution may at any time review the entitlement to benefits and link the payment of benefits to production of a proof-of-life certificate.

### 20.2 Definition of cohabiting partner

- <sup>1</sup> Death benefits in favour of a cohabiting partner are only paid if all the following conditions are met:
  - the deceased member or pensioner had been living in the same household with this partner continuously for at least five years immediately preceding death, or the partner is obliged to provide for the maintenance of one or more common children;
  - there is no kinship between them to a degree that prohibits marriage;
  - the member or the pensioner and the cohabiting partner were not married on the day of the former's death;
  - the cohabiting partner is not receiving a survivor's benefit, either as a spouse or as a surviving partner;
  - the member or pensioner has notified the occupational benefits institution of the cohabitation before their death, using the specific form.

### 20.3 Definition of child

- <sup>1</sup> The children of members who are entitled to a pensioner's, disabled person's or orphan's pension are:
  - children as defined under Article 252 CC;
  - children taken in by members as defined under Article 49 AHVV/RAVS.

### 20.4 Form of benefits

- <sup>1</sup> Retirement, survivors' and disability benefits are ordinarily granted in the form of a pension.
- <sup>2</sup> The occupational benefits institution grants a lump-sum benefit instead of a pension if the pension is lower than the percentages specified in Article 37(3) BVG/LPP.
- <sup>3</sup> Subject to Article 17.6(8), a member who wishes to receive all or part of the lump-sum benefit instead of a retirement pension (minimum of one-quarter) must make this choice in writing at least before the pension entitlement arises. Once this deadline has expired, the decision is irrevocable. In the case of partial retirement, a lump-sum payment may be requested only twice. For members who are married, the written consent of the spouse is required.
- <sup>4</sup> The payment of a lump-sum extinguishes the entitlement to other benefits to the same degree, in particular the pensioner's child pension and any future death benefits.
- <sup>5</sup> Subject to point 2, a retirement benefit granted after a current disability benefit (pension and/or contribution waiver) may not be paid out as a lump-sum.
- <sup>6</sup> The surviving spouse, the divorced-surviving spouse and the surviving cohabiting partner may apply in writing, before the first instalment of the pension is paid, for payment of the full lump-sum instead of a pension.
- <sup>7</sup> The conversion of a pension into a lump-sum uses the actuarial calculations applied by the pension provider.

#### 20.5 Over-compensation

<sup>1</sup> The occupational benefits institution may reduce disability and survivors' benefits under mandatory BVG/LPP occupational provision and those above the minimum legal amounts where, together with other income to be considered in accordance with Article 24 BVV 2/OPP 2, these benefits exceed 90% of the annual income of which the person concerned is estimated to be deprived.

<sup>2</sup> For non-BVG/LPP disability and survivors' benefits, the occupational benefits institution may reduce the benefits paid if, when added to other income to be considered in accordance with Article 24 BVV 2/OPP 2, these benefits exceed 90% of the reference salary at the start of the incapacity for work or at the time of death.

<sup>3</sup> Members, pensioners and beneficiaries must report voluntarily to the occupational benefits institution all income and benefits that should be taken into consideration, as well as any changes in their family and financial circumstances.

<sup>4</sup> The occupational benefits institution may at any time reconsider the conditions and scope for any reduction and adapt the benefits that it pays out if the situation changes significantly.

#### 20.6 Coordination with accident insurance and federal military insurance

<sup>1</sup> Accident coverage is only provided if the pension scheme specifically provides for this. If the pension scheme does not provide accident coverage, the following benefits are nonetheless guaranteed:

- For mandatory occupational benefits under the BVG/LPP and those above the minimum legal amounts, the scope of benefits, including the amount of the extended surviving spouse's pension or the cohabiting partner's pension if provided for under the applicable pension scheme, is restricted to the minimum benefits under the BVG/LPP. The occupational benefits institution also grants, wherever appropriate, a contribution waiver, the reimbursement of the accrued retirement assets not used to finance other death benefits and the supplementary lumpsum death benefit in the event of an accident.
- For extra-mandatory provision (outside the scope of the Occupational Benefits Act), no benefits are paid in the event of an accident, except for reimbursement of the retirement savings capital accrued up to the date of death.

<sup>2</sup> The benefits paid will be reduced in accordance with the rules applicable to cases of over-compensation when claims are made against accident insurance or military insurance for the same insured event.

<sup>3</sup> The occupational benefits institution will not compensate for the refusal or reduction of benefits from accident or military insurance in cases where these insurance providers have reduced or refused benefits under the provisions of Articles 21 ATSG/LPGA, 20(2c and 2d), 37 and 39 UVG/LAA, 47, 65 and 66 MVG/LAM and other legislation.

#### 20.7 Curtailments for gross negligence

<sup>1</sup> If AHV/AVS or IV/AI authorities reduce, withdraw or deny benefits on the grounds that the death or disability of a member was caused through the gross negligence of the beneficiary, or if the member refused rehabilitation measures required by the IV/AI authority, the occupational benefits institution may reduce its benefits accordingly.

#### 20.8 Subrogation to and assignment of rights

<sup>1</sup> As soon as an insured event occurs, the occupational benefits institution is subrogated to the rights of the member, pensioner and the other beneficiaries in respect of any third party responsible for the disability or death up to the amount of the regulatory benefits.

<sup>2</sup> The occupational benefits institution may require the member, pensioner or other beneficiaries to submit a written declaration statement of assignment for benefits above the minimum legal amounts and for non-BVG/LPP.

<sup>3</sup> Where this assignment of rights does not take place, the occupational benefits institution is entitled to suspend benefits.

<sup>4</sup> If, through the fault of the member, pensioner or other beneficiaries, it proves impossible to assert claims against the liable third party, the occupational benefits institution may deny or reduce benefits.

20.9 Assignment, pledging, offsetting

- 1 Entitlements to benefits may not be assigned or pledged as long as they are not due for payment. This has no effect on home ownership provisions.
- 2 Entitlements to benefits may only be set off against claims assigned by the employer to the occupational benefits institution if these claims relate to contributions that are not deducted from salaries.

20.10 Pension payments

- 1 Pensions are paid monthly in arrears, in accordance with the terms and conditions agreed between the beneficiaries and the occupational benefits institution.
- 2 Except for disability pensions, the pension is paid in full for the month in which entitlement is extinguished.
- 3 Payment of the disability pension ceases concurrently with the pension entitlement.
- 4 Interest on arrears is payable at the fixed rate set by the pension provider, but not until 24 months have elapsed from the date on which the beneficiary asserted their claim, and provided they have fully complied with their duty to cooperate.

20.11 Reimbursement of improperly received benefits

- 1 Benefits that are improperly received must be repaid. Reimbursement might not be requested where the beneficiary was acting in good faith and would face a financial predicament.
- 2 The right to claim reimbursement expires three years after the occupational benefits institution becomes aware of the fact, but no later than five years after the benefit was paid. If the claim for reimbursement derives from a punishable act which is subject to a longer limitation period under criminal law, the latter period applies.
- 3 The occupational benefits institution is entitled to request that the claim for reimbursement be directly offset against AHV/AVS and IV/AI benefits due.

20.12 Pension indexing

- 1 For mandatory occupational benefits under the BVG/LPP and those above the minimum legal amounts, disability and survivors' pensions that have been in payment for more than three years are adjusted to the cost of living in accordance with the Federal Council's directives, up to the reference age of the pensioner or beneficiary. Subject to special rules in the pension scheme, if the pension paid exceeds the minimum benefits under the BVG/LPP, only the portion of the pension corresponding to these minimum benefits is indexed.
- 2 Other pensions not subject to this principle as well as retirement pensions are adjusted to the cost of living in accordance with the finances of the occupational benefits institution.
- 3 Further indexing is possible if it can be financed.
- 4 In lieu of indexing, the occupational benefits institution may decide to pay a one-time allowance.

20.13 Place of performance

- 1 The place of performance for the payment of benefits by the occupational benefits institution is the pensioner or beneficiary's place of residence in Switzerland or that of their legal representative.
- 2 The pensioner or beneficiary or their legal representative may request that other arrangements be made, provided that the costs and risks are borne by the pensioner or beneficiary or their legal representative.

20.14 Statute of limitations

- 1 Entitlement to benefits does not lapse provided that the member has not exited the pension fund at the time of the insured event.
- 2 Debts linked to contributions or periodic benefits become statute-barred after five years; those involving other claims after ten years. Articles 129 to 142 CO are applicable to the surplus.

#### 20.15 Divorce

- <sup>1</sup> In the event of divorce, the court will decide on the division of the occupational benefit accrued during the marriage. On request, the occupational benefit institution shall provide the member or the divorce court with the information required by law.
- <sup>2</sup> The member may repurchase the portion of the vested benefit transferred to the creditor spouse. This is no longer possible in the event of incapacity for work or after exiting the occupational benefits institution.
- <sup>3</sup> If the accrued retirement savings are included in the calculation of retirement, the transfer of an amount to the creditor spouse results in a corresponding reduction in the insured benefits.
- <sup>4</sup> If a retirement pension becomes included in divorce proceedings, the transfer of any sum to the creditor spouse results in a corresponding reduction in the pension paid. The reduction is calculated using the same variables as when the pension is granted. The portion of the retirement pension paid during the divorce proceedings that exceeds the reduced retirement pension is divided equally between the two spouses and results in a further reduction in the pension paid or the amount transferred to the creditor spouse.
- <sup>5</sup> Pensioners' or disabled persons' child pensions in payment when the divorce proceedings are filed, and any orphan's pensions that may result from them, are not affected by the division of the occupational pension benefit as defined under Articles 124 and 124a CC. The benefits that arise after a division of the occupational pension benefit are determined on the basis of the new benefits covered and/or paid.
- <sup>6</sup> When a retirement pension is divided, the pension share allocated to the creditor spouse may be transferred in a lump-sum to the creditor spouse's occupational benefits institution or to a vested benefits institution. The occupational benefits institution determines the lump-sum using its own actuarial calculations. Where a lump-sum is not transferred, the pension share is converted into a divorced spouse's lifetime pension. The divorced spouse's lifetime pension does not entitle the beneficiary to child or survivors' benefits. It is paid in accordance with the applicable legal provisions.
- <sup>7</sup> For mandatory occupational benefits under BVG/LPP and those above the minimum legal amounts, if the retirement savings capital and/or the retirement pension are divided, the BVG/LPP minimum benefits are recalculated.

## **IV. VESTED BENEFITS**

### **21. Entitlement to vested benefits**

- <sup>1</sup> If a member leaves the occupational benefits institution before benefits become payable, they are entitled to vested benefits.
- <sup>2</sup> The vested benefits are determined in accordance with Articles 15 and 17 FZG/LFLP. The vested benefits are equal to the higher of the two calculations. In the event of underfunding, the interest rate provided for in Article 17 FZG/LFLP is equal to the rate of interest on the accrued retirement savings capital. For mandatory occupational benefits under the BVG/LPP and those above the minimum legal amounts, the retirement savings capital defined in Article 15 BVG/LPP is guaranteed in all cases.
- <sup>3</sup> The occupational benefits institution reserves the right to apply Article 7 FZG/LFLP with the employer's consent.
- <sup>4</sup> The occupational benefits institution provides the departing member with a detailed statement of their vested benefits.
- <sup>5</sup> The vested benefits earn interest in accordance with the applicable legal provisions.

### **22. Transferring the vested benefits**

- <sup>1</sup> If the former member joins a new pension scheme, the vested benefits are transferred to this institution.
- <sup>2</sup> If the former member does not join a new pension scheme, they must inform the occupational benefits institution of the legal options they intend to use to maintain their pension assets.
- <sup>3</sup> If they fail to do so, the occupational benefits institution transfers the vested benefits to the substitute pension scheme no earlier than six months but no later than two years after the vested benefit becomes available.
- <sup>4</sup> If the occupational benefits institution must pay survivors' or disability benefits after transferring the vested benefits to the new pension scheme, the vested benefits must be reimbursed to the extent necessary to cover the benefits. If no reimbursement is made, the benefits are reduced accordingly.

### **23. Cash payment of vested benefits**

- <sup>1</sup> If requested by the departing member, the occupational benefits institution will pay the vested benefits in cash subject to the restrictions laid down in Article 5 FZG/LFLP, which applies to the following cases:
  - if they leave Switzerland permanently, subject to the restrictions laid down in the free-movement agreements with the European Union, the European Free Trade Association and Liechtenstein;
  - if they become self-employed and are no longer subject to mandatory pension cover;
  - if the vested benefits amount is less than the member's annual contribution.
- <sup>2</sup> In the case of married members, the cash payment may only be made with the spouse's written consent.
- <sup>3</sup> If this consent cannot be obtained or if the spouse withholds it without legitimate reason, the former member may seek a civil court injunction.

## **V. ENCOURAGING HOME OWNERSHIP**

### **24. Encouraging home ownership**

- <sup>1</sup> The member may apply to withdraw all or part of their accumulated retirement savings capital or pledge their entitlement to benefits to finance the purchase of their own home, in accordance with the law.
- <sup>2</sup> The rules governing withdrawals and pledges are detailed in the appendix.

## **VI. FUNDING**

### **25. Sources of funds**

<sup>3</sup> The funds of the occupational benefits institution are made up of the initial capital, contributions and transfers from employers and members, other inbound payments, gifts and bequests, benefits and profit-sharing from the institution's insurance policies as well as the income earned on invested assets.

<sup>4</sup> Any non-committed funds are accounted for separately each to show those attributable to occupational benefits institution and each employer.

### **26. Contributions**

<sup>1</sup> The occupational benefits institution may collect the following contributions:

- basic contributions to finance the savings capital, risk and cost coverage, administration fees and other contributions allowed under the BVG/LPP;
- contributions to finance conversion into a pension;
- catch-up contributions, required whenever the basic contributions and the retirement savings capital under the pension regulations are not sufficient to finance the statutory minimum benefits.

<sup>2</sup> The pension scheme defines the contributions payable, the calculation method and the apportionment of contributions. The employer covers at least half of the total funding.

<sup>3</sup> The contributions to finance risk coverage and administration costs are determined by the pension provider, which may apply a different rate per business sector.

<sup>4</sup> The occupational benefits institution may also charge employers, members, pensioners and other beneficiaries specific costs for managing activities, in accordance with the current fee schedule.

### **27. Payment**

<sup>1</sup> The obligation to pay contributions begins at the start of pension coverage and ends when the member retires or passes away, or when the member leaves the occupational benefits institution. Rules relating to the continuation, deferment or release from the obligation to pay contributions in the event of disability are unaffected.

<sup>2</sup> Except where Article 17.6 of these regulations applies, the employer is liable for all contributions to the occupational benefits institution. The employer will deduct the member's contribution from their salary.

<sup>3</sup> Contributions are due on the first day of the period covered. The employer will pay the contributions due to the occupational benefits institution as and when specified in the affiliation agreement. If the member remains within the scheme in application of Article 17.6 of the regulations, they shall pay the contributions due monthly.

<sup>4</sup> In the event of a delay, the employer will pay interest on arrears at annual rate of 5% plus collection costs. The occupational benefits institution will also notify the regulatory authority.

<sup>5</sup> Likewise, the occupational benefits institution may terminate the affiliation agreement at any time for non-payment with effect from the end of the month following the date on which the order to pay was sent.

### **28. Future contribution reserve**

<sup>1</sup> The employer may, subject to the statutory requirements, set aside a reserve for future contributions.

<sup>2</sup> The future contribution reserve is held separately for each employer and may not be reimbursed to the employer under any circumstances. The interest rate is set by the occupational benefits institution.

### **29. Security Fund**

<sup>1</sup> The occupational benefits institution is affiliated to the Security Fund, and pays it the contributions determined by the Federal Council.

<sup>2</sup> Subsidies from the Security Fund are used in accordance with the rules set by the occupational benefits institution.

**30. Apportionment of non-committed funds**

<sup>1</sup> The occupational benefits institution will decide every year whether non-committed funds should be apportioned.

**31. Profit-sharing**

<sup>1</sup> Profit-sharing under insurance policies is allotted on the basis of the insurer's statement and, unless specified otherwise in the pension scheme, is credited to the retirement savings capital or used to adapt pensions in payment under the terms of these regulations.

**VII. CHANGING OCCUPATIONAL BENEFITS INSTITUTION AND PARTIAL LIQUIDATIONS**

**32. Terminating the affiliation agreement**

<sup>1</sup> If the affiliation agreement is terminated, the occupational benefits institution will transfer the vested benefit of each member, but retains the mathematical reserves and other provisions relating to current pensions, which it will continue to pay.

<sup>2</sup> The affiliation agreement continues to apply to persons whose pensions continue to be paid by the occupational benefits institution.

<sup>3</sup> With the agreement of the occupational benefits institution and the employer, the payment of current pensions may be assumed by the new institution upon the latter's written request. If applicable, the occupational benefits institution will make available the mathematical reserves released by the insurer.

**33. Taking on pensioners**

<sup>1</sup> When a new employer joins, the occupational benefits institution will only take over payment of current pensions of the pensioners and other beneficiaries if a written agreement specifying the terms of the recovery has been signed between the previous pension institution, the employer and the occupational pension institution and its insurer.

**34. Partial liquidations**

<sup>1</sup> The conditions and procedure governing partial liquidations are set forth in separate regulations.

**VIII. FINAL PROVISIONS**

**35. Disputes**

<sup>1</sup> The court designated by the canton in accordance with Article 73 BVG/LPP is competent to hear any dispute between the occupational benefits institution, the employer, the member and beneficiaries arising from these regulations.

<sup>2</sup> The regulatory authority retains full authority.

<sup>3</sup> The place of jurisdiction is the headquarters or the Swiss address of the defendant or the business premises in which the member is employed.

**36. Amending the regulations and the pension scheme**

<sup>1</sup> The occupational benefits institution may amend these regulations, including the appendices, at any time as permitted in law. If necessary, the occupational benefits institution will adopt interim provisions.

<sup>2</sup> If the pension scheme is amended, subject to any provision to the contrary therein, disability benefits will be awarded in accordance with the pension scheme in force at the time of the incapacity for work, the cause of which led to the disability. The pension scheme under which the disability or retirement benefits were awarded is also authoritative concerning any death benefits which have arisen therefrom.

**37. Current benefits**

<sup>1</sup> Benefits for which payment began before January 1, 2013 and which were assumed by the occupational benefits institution under the transfer agreement on January 1, 2013 are governed by these regulations. However, disability benefits are awarded in accordance with the pension scheme in force at the time of the incapacity for work the cause of which led to the disability. The pension scheme under which the disability or retirement benefits were awarded is also authoritative concerning any death benefits which have arisen therefrom.

<sup>2</sup> Benefits from the Retraites Populaires Fondation de Prévoyance Complémentaire for which payment began before January 1, 2019 and which were assumed by the occupational benefits institution under the transfer agreement on January 1, 2019 are governed by these regulations. However, disability benefits will be awarded in accordance with the pension scheme in force at the time of the incapacity for work the cause of which led to the disability. The pension scheme under which the disability or retirement benefits were awarded is also authoritative concerning any death benefits which have arisen therefrom.

<sup>3</sup> If the pension scheme determining death benefits provides for a surviving spouse's pension to be granted under a broader range of conditions, a surviving cohabiting partner's pension will be paid if the conditions set out in these regulations are fulfilled, even where not expressly provided for in the pension scheme.

**38. Validity**

<sup>1</sup> These regulations, adopted on November 24, 2023, are effective from January 1, 2024.

<sup>2</sup> Where discrepancies may exist, the French version is authoritative.

## **APPENDIX TO THE PENSION REGULATIONS**

### **ENCOURAGING HOME OWNERSHIP**

This appendix forms an integral part of the pension regulations.

It summarises and specifies for information purposes only the arrangements applicable for encouraging home ownership through occupational benefits. In all cases, only the provisions of the FZG/LFLP, WEFV/OEPL, the CC and CO can be taken as authoritative.

#### **I. GENERAL PROVISIONS**

##### **1. Ways in which occupational benefits can be used**

- <sup>1</sup> Members can, under the terms of these regulations:
  - withdraw some or all of their vested benefit;
  - pledge their entitlement to pension benefits or an amount up to their vested benefit.

##### **2. Procedure and costs**

- <sup>1</sup> The member must contact the occupational benefits institution directly.
- <sup>2</sup> The occupational benefits institution informs the member of their options, depending in particular on how the funds are to be used, and about the documents that must be presented.
- <sup>3</sup> The occupational benefits institution collects administration fees for each new request, using the appropriate fee schedule.
- <sup>4</sup> Fees, taxes and other charges collected by third parties in connection with the withdrawal or pledge will be paid by the member.

##### **3. Authorised uses**

- <sup>1</sup> Funds in a pension account may be used for:
  - buying or having built owner-occupied accommodation;
  - buying an ownership interest in accommodation;
  - repaying a mortgage.
- <sup>2</sup> Use for other purposes, such as maintenance of the property or paying mortgage interest, is not permitted.
- <sup>3</sup> Funds in a pension account may only be used for one purpose at a time.

##### **4. Home ownership**

- <sup>1</sup> Eligible properties are:
  - apartments;
  - houses.
- <sup>2</sup> The authorised forms of ownership are:
  - full ownership;
  - co-ownership, e.g. condominiums;
  - ownership shared between member and their spouse/registered partner;
  - permanent and specific land-use rights.
- <sup>3</sup> The authorised interests are:
  - acquisition of shares in a housing cooperative;
  - acquisition of shares in a tenant-owned limited company;
  - the granting of related-party loans to a non-profit residential developer.

**5. Personal needs**

<sup>1</sup> Personal use means the member's use of accommodation at their official or usual place of residence. For example, buying a second home using occupational benefit funds is not permitted.

<sup>2</sup> If the member proves that they can no longer use the accommodation for a certain period of time (e.g. for health or professional reasons), they may let it during this period.

**6. Spouse's consent**

<sup>1</sup> If a member is married or separated, withdrawal and pledges are only permitted if the spouse gives their written consent.

**7. Time limit**

<sup>1</sup> Members may no longer apply for withdrawal or pledging within three years of their entitlement to retirement benefits.

**II. WITHDRAWALS**

**8. Limits**

**8.1 Minimum amount**

<sup>1</sup> The member's accrued assets at the time of withdrawal must be at least equal to the minimum amount under the legislation. A withdrawal below that amount is not authorised.

**8.2 Maximum amount**

<sup>1</sup> For members under the age of 50, the funds available cannot exceed the vested benefit accruing at the time of payment.

<sup>2</sup> For members aged 50 or over, the funds available are determined in accordance with Article 5(4) WEFV/OEPL.

**9. Periodicity**

<sup>1</sup> A withdrawal may be requested no more than every five years.

**10. Payment**

<sup>1</sup> The occupational benefits institution pays the withdrawal no later than six months after receipt of the member's final complete application. The amount is paid to the member's creditor. It is not possible to pay instalments or directly to the member.

**11. Reduction in pension coverage**

<sup>1</sup> Withdrawals may concurrently reduce entitlements to pension benefits depending on the pension scheme applicable.

<sup>2</sup> To compensate for the reduction in benefits in cases of death or disability, the occupational benefits institution will broker supplementary death and disability insurance with Retraites Populaires.

<sup>3</sup> These insurance costs are payable by the member.

## **12. Reimbursing the funds withdrawn**

### **12.1 Obligation to reimburse**

- <sup>1</sup> The member or their heirs must repay the funds received if:
  - the owner-occupied accommodation is sold;
  - rights are granted to the owner-occupied dwelling which are economically equivalent to a sale;
  - no pension benefits are payable in the event that the member passes away.

### **12.2 Voluntary reimbursement**

- <sup>1</sup> The member may repay all or part of the funds withdrawn. The minimum repayment is CHF 10,000. If the amount withdrawn is lower than this threshold, repayment must be made in a single instalment.
- <sup>2</sup> Repayment is authorised:
  - up to the time at which the entitlement to retirement benefits begins;
  - until the occurrence of another insured event;
  - until cash payment of vested benefits.
- <sup>3</sup> Repayment may lead to increased benefits.

## **III. PLEDGING OF ASSETS**

### **13. Principle**

- <sup>1</sup> Members may pledge available assets as a security for a loan, which may lead to more advantageous terms on mortgages.

### **14. Maximum amount**

- <sup>1</sup> For members under the age of 50, the funds available cannot exceed the vested benefit accruing at the time that assets are pledged.
- <sup>2</sup> For members aged 50 or over, the funds available are determined in accordance with Article 5(4) WEFV/OEPL.

### **15. Consequences of pledging assets**

#### **15.1 Agreement of secured creditor**

- <sup>1</sup> The written consent of the secured creditor is required to assign the pledged amount:
  - to cash payment of vested benefits;
  - to payment of the retirement benefit;
  - to the transfer, following a divorce or the dissolution of a registered partnership, of part of the vested benefit to the occupational benefits institution of the other spouse or registered partner.

#### **15.2 Pledging the assets**

- <sup>1</sup> If the terms of the loan are not upheld by the member, the creditor may, with the agreement of the member, ask the occupational benefits institution to receive direct payment of the pledged benefits.
- <sup>2</sup> If the pledge is made before the occurrence of an insured event or before the cash payment of the vested benefits, points 10 to 12 above will apply.

## **IV. OTHER PROVISIONS**

### **16. Guaranteeing use of funds**

#### 16.1 Land register

<sup>1</sup> To ensure that the funds are used properly and therefore to be informed if the property is sold, the occupational benefit institution requires the land register to record a restriction on the right to sell, when the assets are either withdrawn or pledged.

<sup>2</sup> This entry can be removed:

- at the time when the entitlement to retirement benefits begins;
- after the occurrence of another insured event;
- if there is a cash payment of vested benefits;
- after repayment of the funds withdrawn.

#### 16.2 Shares and other forms of equity

<sup>1</sup> If the member uses the withdrawal to acquire shares in a housing cooperative or takes similar forms of ownership, they must deposit them with the occupational benefits institution to guarantee that the funds have been used properly.

### **17. Divorce**

<sup>1</sup> In the event of divorce, the funds withdrawn during the marriage are treated as a vested benefit that accrued during the marriage and are taken into account in calculating the vested benefit amount that is to be divided up.

### **18. Tax considerations**

<sup>1</sup> The occupational benefits institution must notify the Federal Tax Administration within 30 days, using the official form, of the withdrawal or the pledging of vested benefits, and whenever repayments are made.

#### 18.1 Taxation

<sup>1</sup> The withdrawal and the income attached to the pledge are taxed immediately as a lump-sum capital benefit paid by the occupational benefits institution. The withdrawal may not be used to pay this tax.

<sup>2</sup> For persons whose official residence is not in Switzerland, the occupational benefits institution will tax this income at source, if required.

<sup>3</sup> The tax rules and practices of the Confederation, the cantons and the municipalities are expressly reserved.

#### 18.2 Voluntary reimbursement

<sup>1</sup> In the event of repayment of the withdrawal or the proceeds at the time of the pledge, the member may apply to the relevant tax authority for a refund of the tax charged on the withdrawal or the pledge. These refunds cannot be deducted when calculating taxable income.

<sup>2</sup> Entitlement to a refund of this tax expires three years after the repayment to the occupational benefits institution of the withdrawal or the income from the pledge.

### **19. Change of occupational benefits institution**

<sup>1</sup> If there is a change of occupational benefits institution, the previous one must notify the new one if vested or retirement benefits have ever been pledged and the amount to which pledging relates. Notification must also be given of any withdrawals and the amount in question.

<sup>2</sup> The previous occupational benefits institution must also inform the land register about the new occupational benefits institution.