# Pension Regulations

PKE Energy Pension Foundation

Valid from 1 January 2024

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# Pension Regulations

## PKE Energy Pension Foundation

# I. General provisions

### Art. 1 Terms and definitions

All gender-specific terms used in these Regulations shall be deemed to refer to persons of both sexes. The following terms and definitions apply in these Pension Fund Regulations:

a) General

| | |
|---|---|
| Foundation | PKE Energy Pension Foundation; |
| Pension fund | Contains the entitlements and obligations of the insured members and pensioners of the companies incorporated therein; |
| Pension fund committee | The pension fund's governing body; |
| Affiliation agreement | Governs the affiliation of a company to the Foundation; |
| Pension plan | Defines the group of insured members and the insured salary, as well as the contributions and benefits; |
| Companies | Firms (employers) affiliated to the Foundation by means of an affiliation agreement; |
| Affiliated companies | Legally and financially connected firms with the same pension plan within a fund which form a group in order to provide insured members and pensioners with the option of transferring settlement-free; |
| Staff/ employees | Staff members who have an employment relationship with an affiliated company; |
| Insured members | Staff /employees insured by the Foundation and individuals unfit to work up to the point where they draw benefits or leave the Foundation; |
| Pensioners | Persons who are entitled to a pension from the Foundation; |
| Retirement age | 65 for both men and women; |
| Retirement | Cessation of employment from age 58 and above; |
| Target retirement pension | The pension paid out if the funding ratio is between 100% and 119.9%; |
| Basic retirement pension | Guaranteed retirement pension (= guaranteed pension on commencement of the pension entitlement pursuant to Art. 65d para. 3 b) BVG, last sentence); |
| Additional retirement pension | Pension paid out in addition to the basic pension based on the funding ratio pursuant to the Appendix. The division into a basic pension and an additional pension is made only for retirement pensions and the resulting spouse's and partner's pensions; |
| Spouse | Persons who are married within the meaning of the ZGB and persons in a registered partnership within the meaning of PartG; |
| Partner | Persons who are not married or in a registered partnership within the meaning of PartG, not related to the insured member within the meaning of Art. 95 ZGB and can prove that they have lived together continuously with the insured member in a cohabitation relationship with the same official domicile and as part of the same household for at least five years before the insured member reached retirement age or are responsible for supporting one or more joint children; |
| Eligible children | Biological, adopted and foster children who are cared for and brought up by the insured person on a non-paid basis; |
| Minor | Minors are children who have not yet reached the age of 18 (Art. 14 ZGB); |
| In education | In education according to the legal criteria stipulated in the AHV for payment of an orphan's pension. |

b) Laws and ordinances

| | |
|---|---|
| AHV | Swiss Federal Old Age and Survivors' Insurance (SR 831.10); |
| IV | Swiss Federal Disability Insurance (SR 831.20); |
| BVG | Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (SR 831.40); |
| BVV 2 | Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (SR 831.441.1); |
| FZG | Swiss Federal Law on Vesting in Pension Plans (SR 831.42); |
| ZGB | Swiss Civil Code (SR 210); |
| OR | Swiss Code of Obligations (SR 220); |
| PartG | Swiss Federal Law on Registered Same-sex Partnerships (SR 211.231); |
| UVG | Swiss Federal Law on Accident Insurance (SR 832.20) |
| MVG | Swiss Federal Law on Military Insurance (SR 833.1) |

SR Classified Compilation of Federal Legislation (www.admin.ch/gov/en/start/federal-law/classified-compilation.html).

### Art. 2 Foundation

(1) The "PKE Energy Pension Foundation" is a foundation within the terms of Art. 80 ff. of the ZGB, Art. 331 of the OR and Art. 48 para. 2 of the BVG and is based in Zurich.

(2) The Foundation has the objective of providing pension coverage to the employees of affiliated companies in the event of old age and disability and to the survivors of these employees after their death.

(3) As a collective institution, it operates mutually independent company pension funds, each of which contains the entitlements and obligations of the insured members and pensioners of the companies incorporated therein.

Solely the assets of the respective fund shall be liable for commitments arising from occupational pension plans and actions carried out by the pension fund committee.

(4) The Foundation provides the obligatory retirement, survivors' and disability benefits in accordance with the BVG and has been entered in the register for occupational pension plans for this purpose. The Foundation operates a pension fund in accordance with the provisions of these Regulations at its own expense and risk. It may reinsure individual risks with an insurance company subject to supervision by the Swiss authorities.

(5) The basic pension plan is the universal solution providing benefits in accordance with the BVG as well as extended benefits. A "shadow account" is managed for each insured member in which the BVG retirement savings accrued for that person and their minimum entitlements under the BVG may be viewed at any time. The Foundation may offer additional pension plans.

### Art. 3 Supplementary plans

(1) A prerequisite for concluding a supplementary plan is that the company also has a basic pension plan from the Foundation.

(2) In agreement with the insured members, the company specifies which groups of insured members and which income components are subject to the supplementary plan. Contributions and benefits are determined in accordance with the supplementary pension plan concluded with the individual company. Unless the supplementary pension plan contains varying stipulations, the provisions of these Pension Fund Regulations shall also apply, mutatis mutandis, to the supplementary plans. The provisions which explicitly do not apply to supplementary pension plans are Art. 4 para. 1 (Insured persons), Art. 5 paras. 1 and 4 (Insured salary), Art. 7a (Voluntary savings contributions), Art. 8 (Retirement credits and retirement savings), Art. 10 (Financing of early retirement) and Art. 11 para. 5 (Bridging pension).

### Art. 4 Insured persons, conditions of acceptance

(1) Employees are covered by the Foundation if they have reached the age of 17 but not yet retirement age and their annual salary is greater than the minimum amount specified in the pension plan, subject to paragraph 2. Coverage begins on the first day of employment or the first day on which the employee's salary entitlement commences, when the employee sets off for work at the latest, but at the earliest on 1 January after the insured member reaches the age of 17.

(2) The following are not covered by the Foundation:

a) employees who are at least 70% disabled as defined by the IV;

b) employees who do not or are unlikely to work in Switzerland on a permanent basis and who enjoy sufficient coverage abroad, provided that they apply for exemption from affiliation to the Pension Fund. This exception does not apply to persons who are subject to Swiss social security legislation under bilateral agreements and the European laws to which these refer.

(3) Employees on temporary contracts or assignments are insured if:

a) a contract with a term of three months or more is concluded;

b) the employment relationship is extended for longer than three months with no interruptions: In this case, employees are insured from the date on which the extension was agreed;

c) several consecutive employment periods at the same company or deployments for the same loan company last longer than three months in total and no interruption exceeds three months: In this case, the employee is insured from the beginning of the fourth working month in total; however, if it is agreed before work commences that the total duration of the employment or deployment period will exceed three months, the employee shall be insured from the commencement of the employment relationship.

(3a) Members of the boards of directors of affiliated companies who are not employed by the respective company must be insured by the Foundation, provided they are not subject to obligatory insurance coverage under their main employment contract or are primarily self-employed. Coverage in the event of ancillary professional activities is governed by the pension plan. Coverage begins upon the individual taking office, when any stipulated preconditions have been met at the earliest. The employment relationship provisions hereinafter apply accordingly.

(4) The Foundation does not voluntarily insure employees who have employment relationships with more than one employer (exclusion pursuant to Art. 46 of the BVG).

(4a) The Foundation may carry over benefit restrictions that were applicable under previous pension plans for those pension benefits acquired with vested termination benefits.

(5) In justified cases, the Foundation may require a medical examination of persons joining the pension fund. On the basis of this examination, it may impose a restriction on health grounds lasting up to five years applicable to death and disability benefits. This restriction shall only apply to pre-existing medical conditions and to non-obligatory benefits. If a claim event or incapacity to work on which a claim is based occurs during the restriction period, the restrictions on the benefits will be maintained for the lifetime of the insured person. If a claim event or incapacity to work on which a claim is based occurs before the medical examination is completed, the limitations mentioned above shall be applicable if the event on which the claim is based is to be attributed to a pre-existing medical condition. If an insured person rejects the benefit restriction or refuses to cooperate, his insurance coverage for non-obligatory benefits shall be suspended for the first five years of membership, with the exception of any pension benefits covered by vested termination benefits, which may also have been subject to a benefit restriction under a previous pension plan.

(6) Should the Foundation find upon examining a claim that false or incomplete information was provided during the medical examination (breach of the duty of disclosure), the Foundation may terminate any non-obligatory coverage and reduce its pension benefits to the BVG minimum for the duration of the insured member's lifetime. Any surplus benefits paid shall be reclaimed. Contributions already received shall not be reimbursed. The insured member or beneficiary shall receive written notification of the termination four months after the Foundation became aware of the breach of the duty of disclosure at the latest. Notification is considered timely provided it is handed over to the postal service within the four-month window.

### Art. 5 Insured salary

(1) The basic annual salary, the coordination amount, the insured salary and any maximum and minimum amounts are specified in the pension plan of the company in question. The pension plan sets out the salary components which are to be insured and those which are not to be insured. This is to be stipulated within the individual companies by a committee or body comprised jointly of representatives of insured members and employers. The Foundation must be informed of the details required for specifying the benefits in accordance with the BVG.

(2) If the annual salary falls temporarily due to illness, accident, unemployment, maternity, paternity or similar reasons, this salary shall remain valid for as long as the employer would be obliged to continue payment of the salary in accordance with Art. 324a of the OR for the period of maternity leave in accordance with Art. 329f of the OR, the period of paternity leave in accordance with Art. 329g of the OR or a period of care leave in accordance with Art. 329i of the OR. However, the member may request a reduction of the salary.

(3) If the annual salary falls below the minimum amount specified in the pension plan, membership shall terminate as if the insured member had exited the Foundation (Art. 19 ff). No termination statements shall be drawn up for supplementary plans as long as the insured member maintains his basic plan and continues to meet the requirements of the supplementary plan.

(4) Insured members whose basic annual salary is reduced by up to half after they have reached the age of 58 can, on request, remain insured on the basis of their previous salary or a part thereof up to the age of 65 at the latest, provided that they continue to pay contributions in the appropriate amount. This does not include salary reductions resulting from a change of employer, partial disability or partial retirement. The employer is responsible for settling the contributions with the insured member. The employer is not obliged to assist with financing contributions. The details are specified in the pension plan.

(5) In the case of partial disability, the disability portion of the insured salary is determined on the basis of the percentage pension entitlement. The active portion of the insured salary is calculated according to the basic annual salary which the insured member continues to earn; the coordination amount is multiplied by the factor (1 minus the percentage pension entitlement), provided that it is not defined as a fraction of the basic salary.

### Art. 6 Duty of disclosure and notification

(1) Insured members and pension recipients must provide the Foundation with truthful information about all circumstances materially relevant to the insurance coverage, such as changes in marital status and family relationships, without being specifically requested to do so.

(2) At the request of the Foundation, pension recipients must provide proof of their civil status. Disabled persons must provide information regarding any other pension and/or earned income they receive.

(3) Insured members and beneficiaries are obliged to provide the Foundation with the necessary information and documents requested and to submit documents relating to benefits, reductions or refusals issued by other insurance institutions or third parties as mentioned in Art. 26. In the event of a refusal, the Foundation may suspend, reduce or refuse to provide benefits according to its best judgment.

(4) The Foundation disclaims all liability for any adverse consequences that may result from violation of the aforementioned obligations for insured members or their survivors. Should any losses arise for the Foundation from such a violation, the person or persons responsible may be held liable.

(5) Wherever the Foundation provides corresponding forms, any notifications must be made using said forms in order to be valid.

(6) For any notifications subject to a deadline, PKE must have received said notifications before the respective deadline.

# II. Financing

### Art. 7 Contributions

(1) The annual savings and risk contributions are calculated as a percentage of the insured salary. The amount and splitting of the savings and risk contributions between the employee and the employer are specified in the pension plan. The Foundation Board is at liberty to adapt risk contributions to a company's claims history.

(2) The Foundation Board may stipulate administration cost contributions.

(3) The obligation to make contributions shall commence on enrolment in the Foundation and continue for as long as the salary or substitute salary is being paid by the company, but until the exemption from contributions commences as stipulated in the pension plan at the latest. In the case of partially disabled persons, the contribution obligation shall lapse in proportion to the degree of disability benefits received.

(4) In the event of a deficit of the pension fund or of the Foundation, the Foundation Board may levy restructuring contributions from employers, insured members and pensioners in order to remedy the deficit.

(5) The employees' contributions, including voluntary savings contributions pursuant to Art. 7a, shall be deducted in monthly instalments from their salaries by the employer and transferred to the Foundation together with the employer's contributions.

(6) All contributions shall be paid by the employer to the Foundation within 30 days of issue of the invoice at the latest. In the event of any delay in payment, interest on arrears of 5% per year shall additionally be charged from the thirty-first day. Amounts outstanding for more than three months will be notified to the supervisory authority.

(7) Upon request, the Foundation operates an employer contribution reserves account for each affiliated employer. The employer can make payments into this account up to a maximum of five annual employer contributions in accordance with paragraphs 1 and 2. The account accrues interest at a rate set annually by the Foundation Board. The interest rate may be positive, negative or zero. The employer may use the funds in this account to pay employer contributions and deposits. It will issue the necessary instructions to the Foundation. The funds may not be transferred back to the employer.

### Art. 7a Voluntary savings contributions

(1) Provided that this is stipulated in the pension plan, insured members may make voluntary savings contributions in addition to the savings contributions described in Art. 7 above. They shall be credited to the retirement savings pursuant to Art. 8.

(2) The amount of the voluntary savings contributions is specified in the pension plan. Voluntary savings contributions are no longer possible after the insured member has reached retirement age.

(3) New insured members shall notify the Foundation no earlier than one month before, but no later than three months after joining, whether they intend to pay voluntary savings contributions. This also applies to insured members who were already insured by the Foundation via another company, with the exception of transfers between companies belonging to the same group. Where notification is received by the tenth day of a month, the voluntary savings contributions will be levied from the first day of the next month; in all other cases, they will be levied from the first day of the next but one month.

(4) Insured members shall notify the Foundation of the contribution rate for the following year by 10 December of a given year, at the latest. The change shall come into force on 1 January of the following year. If notification is not forthcoming, the existing contribution rate shall remain in place or no voluntary savings contribution will be collected.

### Art. 7b Additional contribution by companies

The companies shall make an annual contribution of 0.55% of the insured salary to account for conversion losses resulting from the difference between the conversion rates of 4.85% and 5.0%.

### Art. 8 Retirement credits and retirement savings

(1) Each calendar year, retirement credits in the amount of the savings contributions made in accordance with the pension plan are credited to the retirement savings account of each insured member, beginning from the age defined in the pension plan.

(2) An individual retirement savings account is opened for each insured member. This contains the retirement savings, which consist of

a) the retirement credits with interest,

b) the entry benefits transferred in with interest,

c) the voluntary deposits with interest,

d) the amounts including interest that have been transferred and credited within the scope of pension compensation pursuant to Art. 22c para. 2 of the FZG,

e) any further deposits including interest;

f) any voluntary savings contributions pursuant to Art. 7a with interest.

The retirement savings shall be reduced as a result of early withdrawals for purchasing residential property or transfers on divorce.

(3) The retirement savings account is managed in accordance with the following rules:

a) Within the framework of the requirements issued by the Foundation Board, the pension fund committee shall stipulate the rate of interest applicable to the retirement accounts, whereby the interest rate is defined ex ante at the end of the year for the following year. The interest rate may be below the BVG minimum interest rate if the financial situation of the pension fund requires it.

b) Interest is calculated at the end of each calendar year based on the amount of retirement savings available at the beginning of the year, taking account of any entry benefits, deposits and early withdrawals. The retirement credits and voluntary savings contributions for the calendar year in question are added to the retirement savings without interest.

c) If an insured member leaves the company during the course of a calendar year and does not transfer to an affiliated company, the interest is calculated based on the amount of retirement savings available at the beginning of the year, taking account of any entry benefits, deposits and early withdrawals for the period of time which has elapsed. The retirement credits and voluntary savings contributions corresponding to the insurance period which has elapsed in the calendar year in question are added to this.

(d) If the interest rate paid on insured members' retirement savings is less than the technical interest rate, the employer undertakes to offset this deficit from its own funds, provided that this is stipulated in the pension plan.

(4) In the event of full disability, the retirement savings continue to be increased with interest and retirement credits from the point in time when the exemption from contributions commences as stipulated in the pension plan until retirement age. The retirement credits are calculated on the basis of the insured salary applicable upon onset of the incapacity to work. Voluntary savings contributions pursuant to Art. 7a shall not be taken into account. Any salary adjustments carried out without justification will be reversed.

(5) In the event of partial disability, the retirement savings available at the time when the disability pension commences are divided into two components corresponding to the percentage pension entitlement. The retirement savings corresponding to the disabled component are continued as for a disability pension recipient and the retirement savings corresponding to the active component are continued as for an insured member.

**Art. 9 Entry benefits, purchase of benefits under the Regulations**

(1) The termination benefits from previous pension plans are to be transferred to the Foundation as entry benefits. The entire entry benefits shall be transferred to the basic pension plan, provided no other regulation has been agreed to the contrary in the pension plan.

(2) The insured member must allow the Foundation to review the statements of the termination benefits from previous pension plans.

(3) The insured member must notify the previous vested benefits institution of their enrolment in the Foundation. The vested benefits institution must transfer the pension plan capital to the Foundation on the insured member's enrolment in the Foundation.

(3a) If an insured member passes away before the termination benefit of the previous pension plan has been transferred, the Foundation shall collect this subsequently.

(4) An insured member may make additional purchases. The maximum purchase amount permitted is specified in the pension plan. The maximum purchase amount shall be reduced by

- any vested benefits assets which the insured member has not transferred to the Foundation,
- accumulated retirement savings,
- deposits already existing at a later date,
- pillar 3a assets that exceed the threshold stated in Art. 60a para. 2 of the BVV2.

If an insured member draws a retirement pension or has already received retirement benefits, these will be taken into account in the calculation of the maximum purchase amount. The maximum number of purchases permitted per year is three. In the case of temporary salary increases, the previous salary remains decisive for determining the maximum purchase potential.

(4a) The employer has the option to purchase the benefits under the Regulations upon the retirement of the insured member. The maximum possible purchase amount can be deduced from Art. 9 para. 4.

(5) If early withdrawals have been made for purchasing residential property, voluntary purchases may only be made once the amounts withdrawn have been repaid.

(6) For persons who have moved to Switzerland from abroad and who have never previously been affiliated to a pension plan in Switzerland, the annual purchase amount may not exceed 20% of the insured salary during the first five years following enrolment in a Swiss pension plan. After the five years, purchases may be made in accordance with the provisions above. The Foundation will not accept transfers of pension entitlements or assets from abroad (with the exception of the Principality of Liechtenstein).

(7) If any termination benefits have been transferred on divorce (Art. 23), voluntary additional purchases may only be made once the transferred amount has been repurchased. Disability pension recipients have no option to repurchase.

(8) The entry benefits and voluntary deposits shall accrue interest from the date of deposit.

(9) The employers undertake to compensate any reduction in the retirement pension of their insured members due to the reduction of the technical interest rate by means of a one-time deposit, provided that this is included in the pension plan.

**Art. 10 Financing of early retirement**

(1) After purchasing the full benefits under the Regulations and transferring all termination benefits from previous pension relationships, insured members may maintain an additional savings account. This savings account is intended to reduce or balance out any pension reduction resulting from early retirement or the drawing of a bridging pension. The maximum number of purchases permitted per year is three. The provisions of Art. 9 paras. 4–7 shall apply mutatis mutandis.

(2) The maximum possible deposit into the additional savings account is defined in the pension plan.

(3) The pension plan shall determine whether and to what extent the employer will assist with the financing of early retirement.

(4) If the pension reduction on the basis of early retirement and drawing of a bridging pension has been purchased in full, the contribution obligation for retirement contributions ceases at the latest on the date when the insured member could take retirement with the same retirement pension that they would receive on regular retirement at age 65. In the event of continued employment, the retirement pension may not exceed the maximum benefit target at age 65 by more than 5%. Any savings which exceed this 5% limit shall be forfeited to the Foundation.

(5) Deposits accrue interest from the date of receipt. The interest rate is set on an annual basis in line with Art. 8 para. 3.

(6) The additional savings account is used on retirement to provide a pension increase or a lump-sum payment. Any bridging pension cannot be drawn as a lump-sum payment, In the event of permanent disability, the savings on this account shall be paid out to the insured member in line with the degree of disability benefits received. In the event of death before retirement, the savings will be paid out to the beneficiaries as a lump-sum death benefit pursuant to Art. 18, paras. 3 – 6. In the event of termination, the additional savings account shall be a component of the termination benefits.

# III. Retirement benefits

**Art. 11 Retirement pension, lump sum on retirement, bridging pension, child's pension**

(1) Entitlement to a retirement benefit commences if the insured member retires after reaching their fifty-eighth birthday, but at the latest on reaching their sixty-fifth birthday. The retirement benefit shall be paid out in the form of a retirement pension and/or retirement capital.

(2) If employment is continued with the previous employer beyond the age of 65, the insured member can request that the pension plan be continued; however, this continuation is possible only up to the age of 70. If the insured person requests that the pension plan be continued, this shall apply to both the basic plan and any existing supplementary plans at retirement age. The plans can be continued without paying further contributions. In this case, interest will continue to be paid on the retirement savings. If the savings contributions are continued, the amount of the retirement credit corresponds to the rate applicable immediately before the insured member reached the age of 65. Risk contributions are no longer required and disability and survivors' benefits are no longer insured. If the insured member dies, the survivors' benefits shall be calculated on the basis of the retirement benefits due on this date. An option to withdraw a lump sum as defined in paragraph 4 of this article will be taken into account accordingly. The employer is responsible for settling the contributions with the insured member. The employer is not obliged to assist with financing contributions. If the employer does not assist with financing, insured members can continue to pay the entire savings contributions or only the savings contributions they had previously been paying. The details are specified in the pension plan.

(3) The amount of the target retirement pension is calculated on the basis of the retirement savings available at the time of retirement and the conversion rate for the target retirement pension stipulated in the Appendix. The amount of retirement savings remaining after any lump-sum withdrawal or the reduced retirement savings after drawing a bridging pension (para. 5) shall serve as the basis for this calculation. The target retirement pension is not guaranteed.

The guaranteed basic retirement pension of 90% of the target retirement pension is calculated on the basis of the conversion rate for the guaranteed basic retirement pension stipulated in the Appendix. The basic retirement pension is the guaranteed pension on commencement of the pension entitlement pursuant to Art. 65d para. 3 b) of the BVG, last sentence.

(4) On retirement, all or part of the available retirement savings may be drawn as retirement capital. If purchase amounts were made during the last three years prior to retirement, the benefits thus obtained may not be withdrawn in the form of a lump sum. Insured members must send the Foundation written notification, jointly signed by their spouse, of their wish to draw a capital payment at the latest one month before retirement. The Foundation may request notarisation of the spouse's signature. If the pension is continued beyond the age of 65 as per para. 2, insured members must provide notification of their wish to draw a lump-sum payment at the latest at the age of 65.

(5) The recipient of retirement benefits may request payment of a bridging pension for the period during which they are not yet in receipt of an AHV retirement pension. This pension is agreed for a fixed period and may not exceed the amount of the maximum AHV retirement pension. The available retirement savings shall be reduced as detailed in the Appendix. In all cases, bridging pensions are paid out as pensions.

(6) If the recipient of a retirement pension has children who would be entitled to claim orphans' pensions on his death

(Art. 17 para. 1), he may claim a child's pension for each of these children corresponding to 20% of the target retirement pension. The total number of child's pension benefits is limited to three.

### Art. 12 Partial retirement

(1) If, as a first step, an insured member's salary decreases by at least 20% between the ages of 58 and 65, they may request partial retirement. Art. 11 applies accordingly to the partial retirement pension or partial retirement capital and to the bridging pension. The share of the retirement savings which corresponds to the level of partial retirement shall serve as the basis for determining the partial retirement pension or partial retirement capital. The maximum amount of the bridging pension is reduced in accordance with the level of partial retirement.

(2) The share of the retirement savings which corresponds to the reduced level of employment is continued as for an insured member with full employment, pursuant to Art. 8. The insured salary is calculated pursuant to Art. 5 on the basis of the annual salary that continues to be earned. Contributions and the obligation to make contributions are determined pursuant to Art. 7 on the basis of the insured salary calculated in this way.

(3) The insured member may withdraw their retirement benefits as a pension or in the form of a lump sum in up to three instalments. The amount of retirement benefits withdrawn shall equate at the most to the salary reduction percentage.

## IV. Benefits on disability

### Art. 13 Disability

(1) Disability is defined as a full or partial incapacity to work which is expected to be permanent or last for an extended period of time.

(2) Incapacity to work is defined as a full or partial loss of capacity to earn an income – resulting from impairment to physical or mental health and persisting after reasonable treatment and reintegration measures – in the relevant, equal labour market.

(3) The decision of the IV serves as the basis for recognition of incapacity to work and specification of the degree of disability, insofar as this is relevant to the insured employment activity and the Foundation has been included in the process (preliminary decision). The regulation also applies to the transition from old pensions to new pensions on the basis of the 2021 revision to the disability insurance scheme.

(4) The Foundation is entitled at any time to obtain a medical report on the state of health of a disability pension recipient. If the decision of the IV deviates considerably from the actual circumstances, the Foundation may require that the insured member's capacity to work be assessed by a medical examiner appointed by it. In this case, the reduction in income caused by the disability and compared with the former salary is decisive for the specification of the degree of disability.

(5) If an insured member does not cooperate with any such examination or is not willing to accept any form of employment which presents itself and which is deemed reasonable in respect of their knowledge, ability and state of health, the Foundation may suspend, reduce or refuse to provide disability benefits.

### Art. 14 Disability pension, child's pension

(1) Insured members who become disabled before retirement are entitled to a disability pension if

a) they are at least 40% disabled and were insured by the Foundation upon onset of the incapacity to work which resulted in disability, or

b) they suffer from a congenital defect and the degree of incapacity to work was at least 20% but less than 40% on commencing employment, and were at least 40% insured when the incapacity to work resulting in disability deteriorated, or

c) they were disabled as a minor and therefore their degree of incapacity to work was at least 20% but less than 40% on commencing employment, and were at least 40% insured when the incapacity to work the cause of which resulted in their disability deteriorated.

(2) Insured members are entitled to

a) a full disability pension if they are at least 70% disabled;

b) a pension that corresponds to their degree of disability if they are at least 50% disabled;

c) a pension in the following amount if they are at least 40% but less than 50% disabled.

| Degree of disability | Percentage share |
|---|---|
| 49% | 47.5% |
| 48% | 45% |
| 47% | 42.5% |
| 46% | 40% |
| 45% | 37.5% |
| 44% | 35% |
| 43% | 32.5% |
| 42% | 30% |
| 41% | 27.5% |
| 40% | 25% |

(2a) Once determined, a disability pension is increased, reduced or cancelled if the degree of disability changes by at least 5 percentage points.

(3) The amount of the full disability pension is specified in the pension plan.

(3a)The disability pension commences in line with the start of the IV benefits and no earlier than following the expiry of the waiting period specified in the pension plan. If the employment relationship is terminated prior to the expiry of the waiting period and this gives rise to an early obligation to pay benefits on the part of the Foundation, the company must reimburse the Foundation for the additional costs incurred.

(4) The disability pension shall be paid until the death of the insured member, until the disability no longer applies or until retirement age has been reached. Should the insured member be entitled to both a disability pension as defined in these Regulations and military or accident insurance benefits, however, he remains entitled to the disability pension once retirement age has been surpassed. Upon attaining retirement age, the disability pension is converted into a retirement pension, i.e. recalculated in accordance with the rules for the calculation of retirement pensions. This shall be calculated on the basis of the continued retirement savings available upon attainment of retirement age and the conversion rate applicable on that date. The provisions in the Appendix on the basic retirement pension and target retirement pension (conversion rates) shall apply mutatis mutandis. Lump-sum settlements upon retirement age are not possible.

(5) If a disability pension recipient has children who would be entitled to claim orphans' pensions upon his death (Art. 17 para. 1), he may claim a child's pension for each of these children corresponding to 20% of the disability pension received.

(6) Entitlement to the disability pension and child's pension is deferred for as long as the company continues to pay the salary or a substitute salary which is equivalent to at least 80% of the basic annual salary and at least half of which is financed by the company until entitlement begins. The amount of the substitute salary before any reductions resulting from the IV's obligation to pay benefits shall be decisive.

(7) If a person who is partially disabled leaves their company, they will continue to receive the partial disability pension and any associated children's pensions. In addition, a termination benefit pursuant to Art. 19 ff. is paid for the component that corresponds to their ability to work. The survivors' benefits that remain insured are based on the partial disability pension.

# V. Death benefits

### Art. 15 Spouse's pension, spouse's settlement

(1) In the event of the death of a married insured member or recipient of a retirement or disability pension, the surviving spouse is entitled to a spouse's pension provided that

a) they are responsible for supporting one or more children, or

b) they are aged 35 or over and the marriage lasted for at least five years, including any preceding cohabitation relationship as defined in Art. 16.

If the surviving spouse does not fulfil either of these requirements, they will receive a one-time settlement in the amount of three annual pensions.

(2) If the spouse remarries, payment of the spouse's pension shall cease and a settlement shall be paid in the amount of three annual pensions.

(3) The amount of the spouse's pension is:

- on the death of the insured member: the amount is specified in the benefit plan.
- on the death of a recipient of a retirement or disability pension: 63% of the retirement or disability pension in payment, provided no other amount was agreed on transfer of pure pension recipient portfolios without insured members.

The provisions in the Appendix on the basic retirement pension and target retirement pension shall apply mutatis mutandis for the spouse's pension in the event of death of a retirement pension recipient.

(4) If the marriage did not last for at least ten years, the amount of the spouse's pension shall be reduced if the spouse is more than 15 years younger than the deceased insured member or retirement/disability pension recipient. For every full year in excess of 15 years, the spouse's pension shall be reduced by 3%, up to a maximum of 50%.

(5) The divorced spouse of the deceased insured member or deceased recipient of a retirement or disability pension shall receive a pension in the amount of the statutory BVG minimum pension for divorced spouses, provided that the conditions in para. 1 have been fulfilled, that the marriage lasted for at least ten years and that a pension pursuant to Art. 124e para. 1 or 126 para. 1 of the ZGB was awarded in the divorce decree. Entitlement to a spouse's pension exists as long as the pension would have been owed according to the divorce decree. However, the statutory BVG minimum pension for the divorced spouse will be reduced by the amount by which it, together with the survivors' benefits from the AHV pension scheme, exceeds the entitlement under the divorce decree. AHV survivors' benefits are only offset to the extent to which they are higher than an insured member's own claim to an IV invalidity pension or an AHV retirement pension.

### Art. 16 Partner's benefits

(1) Subject to the same conditions as those applicable to the spouse (Art. 15), the non-married partner designated by the insured member or recipient of a retirement or disability pension with the same official domicile and who ran a joint household whether of the same or different sex, is entitled to a survivor's pension in the amount of the spouse's pension, provided that conditions a) to c) are cumulatively fulfilled.

a) The partner is aged 35 or over and can prove that they lived together continuously in a cohabitation relationship with the deceased insured member in the last five years before the insured member's death or is responsible for supporting one or more joint children.

b) The insured member or recipient of a retirement or disability pension nominated the partner in writing to the Foundation while they were still alive.

c) A written application is submitted with the relevant evidence to the Foundation at the latest three months after the death of the insured member or recipient of a retirement or disability pension.

(2) Partners of married insured members or recipients of a retirement or disability pension are not entitled to a partner's pension.

(3) There is also no entitlement to a partner's pension if the cohabitation relationship in accordance with para. 1 commenced less than five years before the 70th birthday of the insured member.

(3a) If the beneficiary is already receiving a spouse's or partner's pension, this will be offset against the benefit from the Foundation.

(4) Payment of the partner's pension shall cease upon the marriage of the partner and a lump-sum settlement amounting to three annual pensions will be paid out.

**Art. 16a Partial lump-sum withdrawal**

If an insured member or a disability insurance recipient dies and a spouse's or partner's pension falls due, the beneficiary can request a lump-sum payment in the amount of six months' pension until the first pension payment is made. The lump-sum withdrawal will reduce the spouse's or partner's pension accordingly from an actuarial perspective.

**Art. 17 Orphan's pension**

(1) In the event of the death of an insured member or a recipient of a retirement or disability pension, each child subject to entitlement shall receive an orphan's pension. This pension shall be paid until the child reaches the age of 18. For children who are still in education or who are unable to work to a minimum degree of 70% due to a physical or psychological infirmity, the pension entitlement shall continue until they reach the age of 25.

(2) In the event of the death of an insured member or recipient of a disability pension, the orphan's pension is equivalent to 20% of the insured or current disability pension at the time of death. In the event of the death of a recipient of a retirement pension, the orphan's pension is equivalent to 20% of the target retirement pension.

**Art. 18 Lump-sum death benefit**

(1) If an insured member or recipient of a disability pension dies prior to reaching retirement age and the existing retirement savings are greater than the single premium for benefits for the spouse, partner, divorced spouse and children, or if he made buy-ins as described below during the last pension relationship with the Foundation, a lump-sum death benefit is payable.

The death benefit is equivalent to the existing retirement savings across all pension plans, less the single premium to finance the full benefits for the spouse, partner, divorced spouse and children, but at least equivalent to any voluntary personal buy-ins and repayments of early withdrawals for residential property or in the event of divorce during the term of the last pension relationship with the Foundation, including the respective interest. If the insured member transferred to another company without interruption and without leaving the Foundation, the previous pension relationship shall also be taken into account for the determination of the minimum amount.

Entry benefits transferred from previous pension plans as well as transfers from bound voluntary pension planning (pillar 3a) shall not be considered voluntary buy-ins.

The minimum lump-sum death benefit amount shall be reduced by any early withdrawals with interest for residential property, retirement savings transferred in the event of divorce or reductions in retirement savings due to partial retirement during the relevant pension relationships with the Foundation.

Should an insured member transfer to another company within the same group, no termination statement shall be drawn up and no new pension relationship shall ensue.

(2) When a retirement pension recipient dies, the lump-sum death benefit is equivalent to three times the annual target retirement pension, less the retirement pension payments already drawn.

(3) The following are entitled to the lump-sum death benefit, independently of inheritance law, according to the following order of eligibility:

a) the spouse and children of the deceased who are entitled to an orphan's pension;

b) in the absence of beneficiaries designated under a), the persons who received uninterrupted financial support, equating to at least 50% of their income (including support received), from the deceased over the five years prior to his death or the person who lived together continuously in a cohabitation relationship with the same official domicile and ran a joint household with the deceased in the last five years before his death or who is responsible for supporting one or more joint children, provided that they are not already receiving a spouse's or partner's pension;

c) in the absence of beneficiaries designated under a) and b), the remaining children, in their absence, the parents, in their absence, the siblings of the deceased;

d) in the absence of beneficiaries designated under a), b) and c), the other legal heirs, excluding the public purse, in the amount of one half of the lump-sum death benefit.

Persons designated under b) are only eligible if they were nominated in writing to the Foundation by the insured member or retirement/disability pension recipient. The notification must be submitted to the Foundation while the insured member or retirement/disability pension recipient is alive. Beneficiaries designated under b) must submit a written application together with the relevant items of proof to the Foundation at the latest three months after the death of the insured member or retirement/disability pension recipient.

(4) The insured member or retirement/disability pension recipient may alter the beneficiary groups listed in para. 3 at any time by sending written notification to the Foundation, as follows:

a) If there are persons as designated under para. 3 b), the beneficiaries designated under para. 3 a) and b) may be merged into a single group.

b) If there are no persons as designated under para. 3 b), the beneficiaries designated under para. 3 a) and c) may be merged into a single group.

The notification must be submitted to the Foundation while the insured member or retirement/disability pension recipient is alive.

(5) The insured member or retirement/disability pension recipient may change the order of the beneficiaries as designated under para. 3 c) and specify the entitlements of the beneficiaries within a beneficiary group (paras. 3 and 4) by submitting written notification to the Foundation. If no notification is received, the lump-sum death benefit will be divided equally among all beneficiaries within a beneficiary group. The notification must be submitted to the Foundation while the insured member or retirement/disability pension recipient is alive.

(6) If there are no persons as designated under para. 3, the lump-sum death benefit reverts to the Foundation.

# VI. Termination benefits

### Art. 19 Interim cover

(1) The pension relationship ends on termination of the employment relationship or should a condition of acceptance as per Art. 4 para. 3a no longer be fulfilled, provided that there is no entitlement to retirement, survivors' or disability benefits.

Should the employer terminate salary payments or substitute salary payments as per Art. 14 para. 6 before the exemption from contributions takes effect, the pension relationship shall be suspended pending clarification of benefit entitlement and coverage shall expire upon expiry of the interim cover as per Art. 4.

If the employment relationship continues to exist, the pension relationship ends when the basic annual salary falls below the minimum amount specified in the pension plan and is anticipated to remain permanently below this amount, provided that no death or disability benefits become due.

(2) If the working relationship is terminated after the insured member reaches the age of 58 but before he attains retirement age and if he becomes self-employed or employed or registers as unemployed, he may claim termination benefits instead of retirement benefits.

(3) The termination benefit shall be payable upon the date the person leaves the Foundation. From this time onward, it shall accrue interest at the minimum interest rate pursuant to the BVG. If the Foundation does not transfer the termination benefit within 30 days of receiving the necessary details, it shall subsequently accrue interest at the rate of interest on arrears specified by the Federal Council.

(4) The former member remains insured against disability and death for a period of one month following termination of membership or until such time as he is affiliated to a new pension scheme.

(5) If the Foundation is obliged to pay survivors’ or disability benefits after it has transferred the termination benefit, the termination benefit must be refunded to the Foundation to the extent necessary to pay the survivors’ or disability benefits. The survivors' and disability benefits shall be reduced until such time as reimbursement is made.

### Art. 20 Amount of termination benefit

(1) The termination benefit shall be equivalent to the available retirement savings.

(2) The minimum amount pursuant to Art. 17 of the FZG shall be adhered to when calculating the termination benefit. Risk, administration cost and restructuring contributions pursuant to Art. 7 shall not be taken into account when calculating the minimum benefit.

(3) During any deficit period and insofar as the rate of interest on the retirement savings is lower than the BVG minimum interest rate, the minimum amount pursuant to Art. 17 of the FZG shall also be calculated using the interest rate for the retirement savings.

(4) Should the insured member switch from one company to another, both of which are affiliated to the Foundation, this is treated as if the insured member were to exit the Foundation and subsequently join it as a new insured member. The exception are regulations that are equally favourable to the insured member.

### Art. 21 Utilisation of termination benefit

(1) If the insured member joins a new pension plan, the Foundation shall transfer the termination benefit to the new pension plan.

(2) Insured members who do not join a new pension plan must notify the Foundation whether the termination benefit is to be transferred to a vested benefits account or used to set up a vested benefits policy. If this information is not received, the termination benefit will be transferred with interest to the Substitute Pension Plan no earlier than six months and no later than two years after termination.

(3) The insured member may request cash payment of the termination benefit if

a) he leaves Switzerland and the Principality of Liechtenstein permanently (subject to para. 4),

b) he becomes self-employed and is no longer subject to obligatory occupational pension coverage, or

c) the termination benefit amounts to less than his annual contribution.

Cash payment to an insured member who is married or in a registered partnership is only permitted if the spouse or the other registered partner consents in writing. The Foundation may request notarisation of the spouse's or registered partner's signature. If benefits were purchased in the last three years prior to departure, the resulting benefits are not paid out in cash, but rather to a vested benefits account or transferred to purchase a vested benefits policy.

(4) An insured person who leaves Switzerland and the Principality of Liechtenstein permanently cannot request cash payment of the BVG retirement savings if they continue to be subject to obligatory insurance for the risks of old age, death and disability under the laws of an EU member state, Iceland or Norway.

# VII. Financing residential property and divorce

### Art. 22 Residential property: early withdrawal, pledging

(1) Up to six months before retirement and/or reaching retirement age, the insured member may claim an amount to fund the purchase of residential property for his own use or to repay a mortgage loan on such residential property. For the same purpose, he may also pledge this amount or his claim to pension benefits.

(2) Up to the age of 50, the insured member may withdraw or pledge an amount up to the equivalent of his termination benefit. Insured persons over the age of 50 may withdraw or pledge at most the greater of the two amounts set out below:

a) The termination benefit to which they would have been entitled on reaching the age of 50, plus any repayments effected after reaching the age of 50, less any withdrawals or pledges for residential property effected after reaching the age of 50.

b) Half the difference between the termination benefits accrued on the date of the withdrawal and the termination benefits already utilised for residential property at this date.

If purchases have been made during the last three years prior to the withdrawal, the benefits thus obtained may not be taken as an early withdrawal.

(3) An early withdrawal may be made every five years at most, and must be at least CHF 20,000. This minimum amount does not apply to the acquisition of shares in residential cooperatives or similar. Early withdrawals are to be taxed immediately and result in an entry being made in the Land Register in accordance with the BVG. The resultant costs are to be borne by the insured member.

(4) The insured member may apply in writing for information about the amount available to them as a withdrawal for residential property and the reduction in expected retirement benefits associated with any such withdrawal.

(5) If an insured member takes advantage of the withdrawal or pledge option, he must submit the contract documents relating to the purchase or construction of the residential property or the repayment of the mortgage loan, the regulations and/or the rental or loan agreement on acquisition of shares in a residential cooperative with the respective house-building association and the respective deeds for similar types of co-ownership. For insured members who are married or in a registered partnership, the written consent of the spouse or the other registered partner must also be provided for the early withdrawal and each following reason for a real estate lien. The Foundation may request notarisation of the spouse's or registered partner's signature. In the event of a pledge, the Foundation checks whether the spouse or registered partner has also signed the pledging agreement.

(6) Withdrawals are usually paid out four weeks after submission of all the necessary documents. They may be deferred for up to six months and then provided in accordance with the following priority schedule and in the order in which they were claimed:

a) for the construction or purchase of residential property;

b) for acquiring a share in residential property (e.g. shares in a residential cooperative, shares in a tenants' joint stock company);

c) for repayment obligations in respect of existing mortgages;

d) for voluntary repayment of existing mortgages.

In the event of a deficit, restrictions may be imposed on the early withdrawal in terms of the time or amount of the payment or payment may be refused altogether if the withdrawal is being used to repay a mortgage loan.

(7) If an early withdrawal is made, the retirement savings will be reduced by the amount of the early withdrawal. If the reduction resulted in reductions in the insured member's death and disability benefits, he may take out supplementary insurance cover.

(8) The early withdrawal must be repaid if:

a) the residential property is sold,

b) legal entitlements to such residential property are granted which are equivalent to a sale from an economic perspective, or
c) pension benefits are not payable on the death of the insured member.

The insured member may repay the early withdrawal in full or in part (at least CHF 10,000) at any time. The amount repaid is assigned to the BVG retirement savings and the other retirement savings to the same extent as in the case of an early withdrawal.

Repayment may take place:

a) until an entitlement to retirement benefits arises,
b) until another insured event occurs, or
c) until the vested benefits are paid out in cash.

The insured member may request a refund of tax paid from the relevant tax authority within three years.

(9) The Foundation may charge a processing fee for the early withdrawal.

### Art. 23 Divorce

(1) Compensation is made for the occupational pension rights acquired during the marriage up until the point in time at which the divorce proceedings were instigated. This is based on Art. 122 to 124e of the ZGB.

The Foundation only recognises rulings by Swiss courts for the compensation of pension rights.

(2) In the event of divorce, the transfer of a part of the retirement benefits to the pension plan of the divorced spouse, as ordered by the court, leads to a reduction of the retirement savings by the amount transferred. The insured member may make repurchases up to the amount of the transferred retirement savings.

(3) If a disability pension recipient divorces (before reaching retirement age) and the Foundation is obliged by the divorce settlement to transfer a portion of the termination benefits earned during the marriage to the pension scheme of the divorced spouse, the available retirement capital of the disability pension recipient (before reaching retirement age) shall be reduced by the corresponding amount. The reduction is charged in the ratio of the available BVG retirement savings to the other retirement savings. The insured benefits shall be reduced in accordance with the amount transferred in the same way as that specified in Art. 22, para. 7. An entitlement to the disability pension and child's pension already existing at the time the divorce proceedings were instigated remains unchanged until retirement age is reached.

(4) If a disability pension recipient, after reaching retirement age, or a retirement pension recipient divorces and a court has decided in favour of dividing the target retirement pension or invalidity pension, the target retirement pension or disability pension is reduced by the portion of the pension awarded. The portion of the pension awarded to the divorced spouse is converted according to Art. 19h of the FZV into a life-long divorcee pension for the divorced spouse at the time the divorce acquires legal force. In the case of a disability pension recipient, the portion of the pension awarded to the divorced spouse is still taken into account when calculating any reduction in the disability pension pursuant to Art. 26. The right to the life-long divorcee pension ends with the death of the divorced spouse.

(5) The Foundation transfers the life-long divorcee pension to the divorced spouse's pension or vested benefits scheme. The Foundation and the divorced spouse can agree upon a transfer in the form of a lump-sum settlement instead of a pension transfer. The lump-sum settlement is calculated in accordance with the actuarial principles of the Foundation. Once the settlement has been paid, the divorced spouse may not make any further claims.

(6) If the divorced spouse has a right to a full disability pension or if he has reached the minimum age for early retirement under the BVG, he can request payment of the life-long divorcee pension. If the divorced spouse has reached retirement age under the BVG, the life-long divorcee pension is paid out to him. He can request that it be transferred to his pension scheme if he can still make contributions in accordance with its regulations. The transfer to his pension scheme takes place in the form of a pension, but he and the Foundation can agree upon a lump-sum settlement instead of the pension transfer in accordance with section 5.

(7) If an insured person or disability pension recipient makes an old-age pension claim during the divorce proceedings, the part of the termination benefits to be transferred as well as the target retirement pension will be reduced. The reduction corresponds to the total by which the pension payments (for an invalidity pension recipient after reaching retirement age) would have been reduced until the divorce becomes legally binding if they had been calculated based on retirement savings reduced by the part of the termination benefits to be transferred. The reduction is divided between the target retirement pension and the part of the termination benefits to be transferred.

(8) If an insured person receives termination benefits or a life-long divorcee pension from his divorced spouse (based on a court ruling), these are treated as a purchase amount according to Art. 9 and assigned to the BVG retirement savings and other retirement savings in accordance with the data of the transferring pension fund. The insured person informs the Foundation about his right to a life-long divorcee pension and gives it the name of the divorced spouse's pension fund.

(9) The provisions relating to divorce apply mutatis mutandis if a registered partnership is legally dissolved.

### Art. 24 Reduction of benefits

(1) Withdrawals for residential property or on divorce lead to a reduction in retirement savings, whereby the BVG retirement savings are reduced in line with the ratio of BVG retirement savings to other retirement savings.

(2) Repayments and deposits with a proven BVG component are assigned to the BVG retirement savings and the other retirement savings to the same extent as in the case of the withdrawal. Otherwise, repayments are credited to the retirement savings as entry benefits pursuant to Art. 8.

# VIII. Further provisions

**Art. 25 Due date and conditions of payment**

(1) Entitlement to benefits under the Regulations begins as soon as all entitlement requirements set out in the Pension Fund Regulations have been met. Entitlement to retirement and survivors' benefits begins on the first of the month following the retirement or death of the insured member. A disability pension shall be paid on issuance of the legally valid IV decision. The commencement and duration of the pension shall correspond to the IV decision. This remains subject to Art. 14 para. 6.

(2) The benefits are paid by the Foundation as follows:

a) Pensions – in monthly instalments at the end of each month. If the entitlement to the pension ceases during a given month, the full pension is paid for that month.

b) If the life-long pension for the divorced spouse is to be transferred to a pension or vested benefits scheme, the pension owed for one calendar year must be paid by 15 December of the relevant year in each case. Half of the interest rate according to Art. 8 para. 3 (a) is paid on the amount.

c) Lump-sum payments – within 30 days of becoming due.

If the insured member is in arrears with maintenance payments and if this has been reported to the Foundation by the responsible specialist body, capital payments of CHF 1,000 or more are made no earlier than 30 days after the specialist body has been provided with notification of this payment.

d) The respective BVG interest rate shall apply to any benefits issued retroactively with respect to the time a claim was asserted.

(3) The Foundation may request proof of entitlement. If proof is not provided, the Foundation may defer or refuse altogether the payment of benefits.

(4) The Foundation makes payments to the payment address supplied by the beneficiary, provided that this and the residential address of the insured member are in an EU or EFTA state. Otherwise, the beneficiary must have a payment address in Switzerland or draw the payments at the Foundation's head office.

(5) The Foundation may replace the pension with a one-time capital settlement if the retirement or disability pension amounts to less than 5%, the spouse’s or partner's pension less than 3%, or the orphan’s pension less than 1% of the maximum AHV retirement pension. The capital settlement is calculated on an actuarial basis. On payment of the capital settlement, all other entitlements of the insured member or their survivors vis-à-vis the Foundation shall lapse.

(6) If it is proved that benefits have been drawn from the Foundation illegally, the Foundation may demand their immediate reimbursement. If reimbursement is not possible, the benefits will be reduced by the outstanding amount on an actuarial basis.

**Art. 26 Deduction of benefits provided by third parties, benefit reductions**

(1) If, in the event of the disability of an insured member or death of an insured member or disability pension recipient, the benefits provided by the Foundation together with other qualifying income generate a pension income of more than 100% of the insured person's last full annual salary, including all child allowances, for the insured member or disability pension recipient and their children, or a pension income of more than 80% for the insured member’s survivors, the pensions to be paid by the Foundation shall be reduced until the stated limit is no longer exceeded. One-time capital benefits shall be converted into pensions on an actuarial basis in accordance with the actuarial principles of the Foundation. Surviving spouse’s benefits and orphan’s benefits shall be added together. Capital benefits based on voluntary purchases (Art. 18, para. 1, second section) are not taken into account. If an accident or military insurance policy pays a disability pension beyond the insured member's retirement age, the retirement pension due from the Foundation from this point on shall be treated as a disability pension for the purpose of this article. The Foundation may verify the prerequisites for and extent of a reduction at any time and adjust its benefits if the situation changes significantly.

(2) Before retirement age has been reached, the following benefits and daily allowances are considered qualifying income:

a) benefits from the AHV/IV (and/or Swiss or foreign social insurance) with the exception of long-term care and integration allowances, compensation, assistance contributions and other similar benefits;

b) benefits from military insurance or from obligatory accident insurance;

c) benefits from other insurances for which at least half of the premiums have been financed by the employer;

d) benefits from pension plans and vested benefit institutions.

In addition, any continuing employment income or replacement income that is or could reasonably be earned by recipients of disability benefits shall be taken into account. The disability income based on the IV ruling is used to determine the income from gainful employment that can reasonably still be earned. Additional income resulting from participation in reintegration measures as per Art. 8a of the Federal Act on Disability Insurance (IVG) shall not be taken into account.

(2a) Once the AHV reference age has been reached, benefits shall be reduced if they overlap with military insurance and obligatory accident insurance benefits, as well as any comparable benefits from abroad. The Foundation shall continue to issue benefits in the same amount as before retirement age was reached and shall not compensate for reductions pursuant to Art. 20 paras. 2ter and 2quater of the Federal Act on Accident Insurance (UVG) and Art. 47 para. 1of the Federal Act on Military Insurance (MVG), in particular.

(3) In all cases, at least the minimum benefits required by the BVG and its regulations for calculation shall be provided.

(4) The Foundation may reduce or refuse to provide its benefits to the beneficiary if he has caused the death or disability intentionally or is refusing to cooperate with regard to IV rehabilitation measures. The Foundation shall not compensate for the refusal or reduction of benefits from accident or military insurance. Should the accident or military insurance not fully compensate for a reduction of AHV benefits because the applicable maximum amount has been reached (Art. 20 para. 1 of the UVG, Art. 40 para. 2 of the MVG), the Foundation shall reduce its benefits by the amount not compensated for.

(5) The Foundation may require that a person claiming a survivors' or disability benefit cede their claim against liable third parties arising from the insured event to the Foundation in the amount to which the Foundation is obliged to provide benefits.

(6) If there is a dispute regarding the benefits to be provided by accident or military insurance or by the occupational retirement, survivors' and disability pension plans according to the BVG, the beneficiary may request prior indemnification from the Pension Foundation. If it is not clear which pension plan is obligated to provide benefits in the case of an entitlement to survivors' or disability benefits, the beneficiary may request prior indemnification from the pension fund with which they were most recently insured. The Foundation shall provide prior indemnification in line with the statutory minimum benefits according to the BVG.

(7) If the case is taken over by another insurance provider or another pension plan, this entity must refund the prior indemnification payments made within the scope of its obligation to provide benefits.

(8) In the event of a breach of the regulatory obligations by the insured member or the beneficiaries, the Foundation may suspend, reduce or refuse to pay benefits at its due discretion. If vested benefits, liability claims, etc. have not been transferred to the Foundation in contravention of the regulations, they shall be offset against the benefits from the Foundation. If this is not possible or is only possible in part, the beneficiary of these outstanding funds will be charged.

### Art. 27 Unpaid leave/seasonal breaks

(1) The risk insurance shall remain in force without change during any period of unpaid leave if the employee and employer risk contributions continue to be paid in full throughout the period of leave.

(2) The contributions are invoiced to the employer on a monthly basis by means of normal contribution statements. The employer itself is responsible for collecting contributions from insured members. If all or part of the contributions are paid by the employee, the employer may collect these from the employee as a one-time contribution at the commencement of the period of unpaid leave.

(3) If the pension is discontinued, insurance cover shall continue throughout the first month of the period of leave. If a claim event occurs after the end of that month but before the member recommences work, the member shall be entitled to the termination benefit calculated at the commencement of the period of leave plus accrued interest for the period that has elapsed since. In the event of death, the provisions of Art. 18 shall apply accordingly.

(4) A period of unpaid leave may not last longer than one year. If, after one year, the insured member does not resume employment with the company, the pension plan shall be terminated and termination benefits paid. The use of these termination benefits shall be governed by Art. 21.

(5) If, at the end of the period of leave, the person fulfils the requirements for enrolment in the Foundation as defined in Art. 4, the pension plan shall be continued as normal.

(6) Seasonal workers who regularly work for the same company on a seasonal basis may leave their retirement savings in the Foundation without making contributions for the duration of the seasonal break, up to a maximum of two years. Interest will be paid. Benefit coverage for the risks of death and disability lapses during seasonal breaks.

**Art. 27a Continuation**

(1) If the employment relationship is terminated by the employer, the pension relationship may be continued at the request of the insured member if they have reached the age of 58 at the time of termination or the minimum age specified in the pension plan.

The termination of the employment relationship by means of a termination agreement or the provision of notice by the insured member as he wanted to avoid termination by the employer is deemed equivalent to termination by the employer.

(2) The insured member has the option to continue building up his retirement provision through contributions or leave the retirement savings as they are without making any further savings contributions. If the insured member joins a new pension scheme, PKE shall transfer the termination benefit to the new pension plan to the extent that it can be used to purchase the full regulatory benefits.

(3) Upon the commencement of the continuation of the pension relationship, the insured member may request on a one-time basis that a salary in the amount of 100% or 50% of his previous salary be insured for the entire pension or only for the old-age pension and decide whether he continues to make voluntary savings contributions in accordance with the previously selected percentage or to no longer make savings contributions.

(4) The insured member must inform the Foundation by no later than three months after the termination of the employment relationship whether and, where applicable, how the pension relationship is to be continued.

(5) The insured member must pay both his own contributions and those of the employer. In the event of a deficit, he shall also owe the restructuring contributions determined by the Foundation Board for insured members.

(6) The continuation of the pension relationship shall end if the risk of death or disability occurs or upon the insured member reaching retirement age. On joining a new pension plan, the continuation of the pension relationship shall end if more than two-thirds of the termination benefit is required in the new plan for purchasing the full regulatory benefits. The continuation of the pension relationship can be terminated by the insured member at any time to the end of the following month subject to a notice period of 30 days. The Foundation can terminate the continuation of the pension relationship without further notice to the end of the following month if outstanding contributions are not paid in full within 30 days following a single reminder.

(7) If the affiliation agreement with the previous employer is terminated, insured members who have continued their pension relationship shall change pension plan in the same way as the other insured members of the previous employer.

(8) If the continuation of the pension relationship has lasted more than two years, the pension benefits must be drawn in the form of a pension and the termination benefit can no longer be withdrawn early for owner-occupied residential property or be pledged.

**Art. 28 Foreclosure, pledging and assignment, offsetting of benefits, refunds**

(1) The benefits provided by the Foundation are exempt from foreclosure insofar as this is legally permitted. The entitlement to benefits may not be pledged or assigned before the benefits become due, subject to Art. 22. Any agreements to the contrary are invalid.

(2) Claims against an insured member or pension recipient assigned by the employer to the Foundation may not be offset against benefits provided by the Foundation. An exception to this rule is any contributions owed by the member.

(3) Benefits received from the Foundation illegally must be refunded; otherwise, they will be offset against future benefit claims vis-à-vis the Foundation.

**Art. 29 Pension adjustments**

Pensions will be adjusted for price indexation to the extent permitted by the Foundation's financial situation. The Foundation Board shall decide annually whether and to what extent this is possible. In doing so, it may factor in the impact individual groups of beneficiaries and pensioners have on the Foundation’s result and/or how the individual groups compare in terms of interest, performance, price indexation and further criteria. The Foundation Board shall explain the decision in the respective annual report.

**Art. 30 Use of surplus funds**

(1) The pension fund committee shall decide how the fund's surplus funds are to be used.

(2) A fund is deemed to have surplus funds when the plan assets assigned to it exceed the sum of the actuarial capital, the proportional technical provisions and the target fluctuation reserve.

**Art. 31 Entry and exit of groups of participants**

(1) Collective purchases and deposits are made to provisions, fluctuation reserves and surplus funds, and are governed by regulations on collective purchases and deposits issued by the Foundation Board.

(2) Requirements and procedures in connection with partial liquidation are governed by separate regulations on partial liquidation issued by the Foundation Board.

# IX. Organisation

### Art. 32 Foundation Board

(1) The Foundation Board shall consist of four or more members, with insured members and employers being represented in equal numbers. Members of the Foundation Board must be in an employment relationship with an affiliated company at the time of the election. Employer's and employees' representatives are appointed in accordance with the regulations of the Foundation on the election of Foundation Board members. The term of office is three years. Re-election is permitted. New Foundation Board members appointed during a term of office shall take over the remaining term of office of their predecessor.

If the employment relationship of a member of the Foundation Board with an affiliated company is terminated and not replaced by an employment relationship with another company also affiliated to the Foundation, the member's position on the Foundation Board shall cease at the same time. If the employment relationship ceases due to retirement and the member draws a (partial) pension, the mandate to serve on the Foundation Board can be continued at the member's request until the existing term of office expires. The term of office shall also cease when the seventieth birthday is reached.

(2) The Foundation Board shall constitute itself. If the Chairman is an employer's representative, the Deputy Chairman must be an employees' representative, and vice versa.

(3) The Foundation Board shall be convened as often as business requires. It is qualified to make decisions by means of a vote if half of the employee and employer representatives are present. Circular resolutions are permitted, provided that they are approved by all members.

(4) The Foundation Board members and all persons entrusted with the administration of the Foundation are obliged to maintain professional secrecy pursuant to Art. 86 of the BVG in respect of information relating to the personal and financial circumstances of the insured members and the companies of which they gain knowledge in the course of their activity. This obligation to maintain professional secrecy shall continue even after their activity at the Foundation or the company has ended.

### Art. 33 Responsibilities of the Foundation Board

(1) The Foundation Board shall manage the business of the Foundation and decide on all matters it has responsibility for in accordance with the law, the provisions of the deed of foundation and these Pension Fund Regulations. The Foundation Board makes all decisions which are necessary to achieve the purpose of the Foundation and issues the necessary implementation provisions. It may delegate individual responsibilities and authorisations to committees and issue the necessary regulations for this purpose.

(2) The Foundation Board represents the Foundation to the public and designates those persons who represent the Foundation with legally binding effect. These persons do not need to be members of the Foundation Board.

(3) Subject to the law and the deed of foundation, the Foundation Board is authorised to delegate the management or individual parts thereof to one or more persons, members of the Foundation Board or third parties. To this end, the Foundation Board issues Organisation Regulations and sets up the corresponding contractual relationships.

(4) In particular, the Organisation Regulations enable the Foundation Board to control matters such as

- organisation
- insurance and funding
- investments

(5) Should the pension funds or their pension fund committees fail to contribute, act negligently or in breach of legal or regulatory provisions or the Foundation Board's guidelines or instructions, the Foundation Board shall be entitled to make replacements.

This applies, in particular (but not only), to the pension fund committees' decisions or failure to act with regard to interest payments on retirement savings accounts, the use of surplus funds or the kind or extent of restructuring measures, as well as in all cases in which the pension fund committee fails to contribute, in which a pension fund has no valid pension fund committee and in the event of mass affiliation without any economic ties between the affiliated companies.

### Art. 33a Pension Fund Committee

(1) Each pension fund has a Committee consisting of equal numbers of employer and employee representatives. This provision shall not apply to the common pension plan and the "Pension recipient without employer" pension plan, where the Foundation Board replaces the Committee.

(2) Within the terms of reference set down by the Foundation Board, the Pension Fund Committee passes decisions relating to the pension plan (group of insured members, benefits, funding), the appropriation of allocated funds and income and the restructuring of the fund.

### Art. 34 Accounting, investments

(1) The financial year is the calendar year. The Foundation's accounts are closed on 31 December each year.

(2) The annual financial statements and the annual report are to be issued within six months of the end of the financial year at the latest.

(3) The Foundation's assets are to be managed in accordance with recognised principles, in particular in compliance with statutory investment regulations, where, aside from the security of the investment, an appropriate return is to be aimed for and the Foundation's liquidity requirements are to be taken into account.

#### Art. 35 Statutory auditors and the accredited pension actuary

(1) The auditors shall perform the functions prescribed to them by law and submit a written report to the Foundation Board.

(2) The accredited pension actuary shall perform the functions prescribed to him by law and submit a written report to the Foundation Board.

#### Art. 36 Information for insured members

(1) Each insured member receives a statement on a regular basis showing the probable benefits and the termination benefit.

(2) Notifications from the Foundation for the insured members shall be issued by letter, via electronic channels (e-mail, publication on the Internet) or by circular letter to the companies for the attention of the latter and for presentation to the insured members, as well.

(3) The annual report, annual financial statements and any changes to the Regulations shall be communicated to the insured members in an appropriate form.

(4) The insured member or the company is responsible for clarifying the tax treatment of benefits, contributions and purchases.

## X. Restructuring measures

#### Art. 37 Deficit, restructuring measures

(1) If the pension fund is in deficit at the end of a year, the measures set out in the Restructuring Guidelines shall apply. The measures shall begin on the following 1 April and end on 31 March, once the coverage ratio has been restored to at least 100% as at year-end.

(2) The measures pursuant to the Restructuring Guidelines include the cessation of the payment of interest on old age and savings accounts and restructuring amounts from insured persons and from companies graduated according to the pension fund's restructuring ability and coverage ratio. The latter even applies if an affiliation only comprises pension recipients. The retirement and spouse's pensions will be adjusted in line with the provisions set out in the Appendix.

The minimum interest rate required by the BVG can be reduced for the duration of the deficit, but at the most for a period of five years. This reduction shall be no greater than 0.5 percentage points.

(3) This is without prejudice to more stringent restructuring measures, should the measures set out in para. 2 prove insufficient.

(4) The Foundation shall inform the pension committees and supervisory authorities about the coverage ratio and any restructuring measures triggered by it. The pension committees shall inform the companies, insured persons and pensioners included in their pension fund about the deficit and the measures to be applied.

## XI. Transitional and final provisions

#### Art. 38 Omissions in the Pension Fund Regulations, implementation provisions, authoritative text

(1) In cases for which these Regulations make no provision or only incomplete provision, the Foundation Board is authorised to make appropriate rules which correspond to the purpose and objectives of the Foundation.

(2) The Foundation Board may issue administration guidelines which contain clarifications of individual articles and ensure consistent application of the Pension Fund Regulations.

(3) These Pension Fund Regulations have been prepared in English, German, French and Italian. The German version of these Regulations is binding for interpretation purposes.

#### Art. 39 Cases of hardship

In special cases and in response to a request detailing the reasons, the Foundation Board may deviate from the provisions within these Regulations if their application would lead to hardship for the affected person or persons, and such deviation corresponds to the purpose and objectives of the Foundation.

#### Art. 40 Disputes

Disputes between an insured member or beneficiary and the Foundation about the interpretation or application of the Pension Fund Regulations must initially be addressed to the Foundation Board for the purposes of reaching an amicable solution. Any differences regarding the medical examination shall be considered an exception and decided upon by the Executive Board. If no amicable solution can be found, the dispute must be brought before the competent court specified by the BVG. The place of jurisdiction is the Swiss domicile or residence of the defendant or the location of the company where the insured member is employed.

**Art. 41 Transitional provisions**

(1) For those receiving a disability pension in accordance with the Pension Regulations of the PKE Energy Pension Fund Cooperative (on the basis of defined benefits), the retirement benefit entitlement shall be calculated in accordance with the Pension Regulations of the PKE Energy Pension Fund Cooperative (on the basis of defined benefits) that were valid until the insured member joined the PKE Energy Pension Foundation. The deciding factor shall be the number of insurance years accumulated from vested termination benefits and during the insurance term. If the insurance years have been purchased in full, the surplus portion shall be credited to a separate savings plan (formerly surplus account). This shall be converted into a retirement pension in accordance with Art. 11 para. 3 upon retirement of the insured member at the Foundation's conversion rate applicable at that time. It is possible to withdraw a lump sum.

The retirement benefit calculated on the basis of defined benefits shall also be converted into a two-part retirement pension, whereby the target retirement pension corresponds to the retirement pension calculated on the basis of defined benefits. The target retirement pension consists of a guaranteed basic retirement pension and a supplementary retirement pension. The guaranteed basic retirement pension equates to 90% of the target retirement pension. The adjustment of the supplementary retirement pension shall be governed by Appendix 2.

(2) Effective 1 January 2014, pensions already in payment and the spouse's pensions resulting from such pensions going forward shall not be divided up into a basic and additional pension. The same applies to spouse's pensions already in payment on 1 January 2014. Disability pensions of disabled members who have not reached their sixty-fifth birthday on 1 January 2014 shall be replaced by a retirement pension on the first of the month after turning 65 in accordance with Art. 14, para. 4. The newly calculated retirement pension shall be divided up into a guaranteed basic pension and an additional pension.

(3) Insured persons shall receive any increases in retirement savings funded by the pension fund (e.g. from the value fluctuation reserve) as of 1 October 2019 in the form of monthly instalments over the following five years until they reach retirement age or leave the pension fund at the latest. Any instalments not received shall be reclassified as fluctuation reserves or non-committed assets.

(4) The transitional provisions of the BVG shall apply mutatis mutandis to new disability cases and/or new assessments that arise from 1 January 2022.

**Art. 42 Entry into force, amendments**

(1) These Pension Fund Regulations shall enter into force on 1 January 2024, replacing the previous version dated 30 March 2023.

(2) The Foundation Board may amend these Pension Fund Regulations at any time.

Zurich, 28 November 2023

**PKE Energy Pension Foundation**

| | |
|---|---|
| Chairman | Vice-Chairman |
| Martin Schwab | Christophe Grandjean |

# Appendices

| No. | Appendix | Effective |
|---|---|---|
| 1 | Conversion rates (Art. 11 para. 3) | 1 January 2014, or 1 October 2019 as applicable |
| 2 | Adjustment in % of target retirement pension (Art. 11 para. 3) | 1 January 2014 or 1 October 2019 as applicable |
| 3 | Reduction in retirement savings following payment of a bridging pension (Art. 11 para. 5) | 1 October 2019 |
| 4 | Restructuring Guidelines | 1 October 2019 |

## 1 Conversion rates (Art. 11 para. 3)

The guaranteed **basic retirement pension** (= 90% of the **target retirement pension**) is based on the following conversion rates according to the age at the time of retirement:

**Conversion rates guaranteed basic retirement pension**

| Age | 1 Oct. 2022 | 1 Oct. 2023 | 1 Oct. 2024 |
|---|---|---|---|
| 58 | 3.97% | 3.88% | 3.79% |
| 59 | 4.06% | 3.97% | 3.88% |
| 60 | 4.16% | 4.06% | 3.97% |
| 61 | 4.26% | 4.16% | 4.07% |
| 62 | 4.36% | 4.27% | 4.17% |
| 63 | 4.46% | 4.37% | 4.28% |
| 64 | 4.60% | 4.48% | 4.38% |
| 65 | 4.73% | 4.62% | 4.50% |
| 66 | 4.88% | 4.75% | 4.64% |
| 67 | 5.02% | 4.90% | 4.77% |
| 68 | 5.18% | 5.05% | 4.91% |
| 69 | 5.35% | 5.21% | 5.08% |
| 70 | 5.53% | 5.38% | 5.25% |

The **target retirement pension** is based on the following conversion rates according to the age at the time of retirement:

**Conversion rates target retirement pension**

| Age | 1 Oct. 2022 | 1 Oct. 2023 | 1 Oct. 2024 |
|---|---|---|---|
| 58 | 4.41% | 4.31% | 4.21% |
| 59 | 4.51% | 4.41% | 4.31% |
| 60 | 4.62% | 4.51% | 4.41% |
| 61 | 4.73% | 4.62% | 4.52% |
| 62 | 4.84% | 4.74% | 4.63% |
| 63 | 4.96% | 4.86% | 4.75% |
| 64 | 5.11% | 4.98% | 4.87% |
| 65 | 5.26% | 5.13% | 5.00% |
| 66 | 5.42% | 5.28% | 5.15% |
| 67 | 5.58% | 5.44% | 5.30% |
| 68 | 5.76% | 5.61% | 5.46% |
| 69 | 5.94% | 5.79% | 5.64% |
| 70 | 6.14% | 5.98% | 5.83% |

These conversion rates apply to full years of age at the designated point in time. Additional months, both in terms of age and the timing of the calculation, shall be taken into account proportionally. The values indicated for 1 October 2024 also apply to those retiring at a later date.

## 2 Adjustment as % of target retirement pension (Art. 11 para. 3)

The target retirement pension is **not** guaranteed and shall be reduced/increased as follows depending on the funding ratio:

| **Funding ratio of the pension fund** | **Adjustment as % of target retirement pension** |
|---|---|
| Less than 90% | - 10% (equivalent to basic retirement pension) |
| Equal to or greater than 90% and less than 100% | - 5% |
| Equal to or greater than 100% and less than 120% | 0% (equivalent to target retirement pension) |
| Equal to or greater than 120% and less than 125% | + 5% |
| Equal to or greater than 125% | + 10% |

The funding ratio of the pension fund is determined on the basis of the fluctuation reserve assigned to the fund on 31 December each year. The pension is adjusted for a period of one year on 1 April of the following year.

## 3 Reduction in retirement savings following payment of a bridging pension (Art. 11 para. 5)

| Duration | Reduction in retirement savings |
|---|---|
| 7 years | 6.542 times the bridging pension |
| 6 years | 5.662 times the bridging pension |
| 5 years | 4.765 times the bridging pension |
| 4 years | 3.849 times the bridging pension |
| 3 years | 2.915 times the bridging pension |
| 2 years | 1.963 times the bridging pension |
| 1 year | 0.991 times the bridging pension |

For partial years, the interim value shall be determined proportionally (1/12 per month).

## 4 Restructuring Guidelines

### Preamble

These Restructuring Guidelines govern the procedure followed in the event that the pension fund experiences under-funding and has to be restructured. The Foundation Board may deviate from these Guidelines in justified cases.

### Art. 1 Identification of underfunding

In application of the provisions on the formation and release of the Foundation's provisions and reserves, the coverage ratio of the Pension Foundation is determined as follows:

(1) Only the assets and liabilities belonging to the pension fund are taken as a basis for determining the coverage ratio.

- The pension fund's assets consist of a claim against the Foundation based on the actuarial capital, actuarial provisions, value fluctuation reserves and non-committed assets belonging to the pension fund.
- The liabilities of the pension fund consist of the actuarial capital and actuarial provisions belonging to it.

(2) The pension fund's coverage ratio corresponds to the pension fund's assets divided by its liabilities and is expressed as a percentage. Underfunding exists if the coverage ratio determined in this way is less than 100%.

### Art. 2 Restructuring capacity

(1) The starting point for assessing the necessity, type, level and duration of restructuring measures is formed by the pension fund's restructuring capacity.

(2) The restructuring capacity of the pension fund is determined by the ratio of the level of its actuarial capital and actuarial provisions to its insured salary total and the Foundation's actuarial interest.

(3) The contribution amount made by companies and insured members in accordance with Art. 3 is determined by the ratio of the actuarial capital of pensioners to the total actuarial capital as well as by the coverage ratio.

### Art. 3 Restructuring measures

(1) In the event of underfunding,

a) interest is no longer paid on the retirement savings and savings accounts of the insured members and

b) companies and insured members from the age of 18 are obligated to pay an annual restructuring contribution in accordance with para. 2.

(2) The rates listed in the addendum as a percentage of the insured salary are applied to the restructuring contribution, graded according to restructuring capacity and the coverage ratio.

### Art. 4 Timing and duration of restructuring

(1) The coverage ratio for determining the restructuring measures in accordance with Art. 3 is calculated on the basis of the data available as at 31 December of each year. If the coverage ratio of the pension fund falls below 100% on 31 December of any given year, the restructuring measures pursuant to Art. 3 automatically enter into force on the following 1 April.

(2) The restructuring measures end on 31 March after a coverage ratio of at least 100% has been achieved again as at 31 December.

(3) If the coverage ratio deteriorates relative to the previous year, meaning a level limit defined under the current restructuring measures is breached, corresponding more stringent restructuring measures are applied from the following 1 April.

(4) If the coverage ratio improves relative to the previous year, meaning a level limit defined under the current restructuring measures is surpassed, corresponding less stringent restructuring measures are generally applied from the following 1 April. The Foundation Board may, however, maintain the existing restructuring measures.

(5) Companies are informed in writing of changes to the coverage ratio and the rates applied for restructuring contributions at the beginning of March of each year.

(6) In special cases, the Foundation Board may deviate from the restructuring contributions and set lower or even higher contributions. It can suspend restructuring measures or order additional restructuring measures.

**Addendum**

**Values according to Art. 3**

**Pensioner share of actuarial capital under 55%**

| Coverage ratio (CR) | Restructuring contribution of companies* | Restructuring contribution of insured members* |
|---|---|---|
| 95% ≤ CR < 100% | 3.6% of the insured salaries | 2.4% of the insured salary |
| 90% ≤ CR < 95% | 6.0% of the insured salaries | 4.0% of the insured salary |
| 85% ≤ CR < 90% | 6.6% of the insured salaries | 4.4% of the insured salary |
| CR < 85% | 7.2% of the insured salaries | 4.8% of the insured salary |

**Pensioner share of actuarial capital of 55% up to and including 65%**

| Coverage ratio (CR) | Restructuring contribution of companies* | Restructuring contribution of insured members* |
|---|---|---|
| 95% ≤ CR < 100% | 4.2% of the insured salaries | 2.8% of the insured salary |
| 90% ≤ CR < 95% | 7.2% of the insured salaries | 4.8% of the insured salary |
| 85% ≤ CR < 90% | 12.0% of the insured salaries | 8.0% of the insured salary |
| CR < 85% | 12.6% of the insured salaries | 8.4% of the insured salary |

**Pensioner share of actuarial capital above 65%**

| Coverage ratio (CR) | Restructuring contribution of companies* | Restructuring contribution of insured members* |
|---|---|---|
| 95% ≤ CR < 100% | 6.0% of the insured salaries | 4.0% of the insured salary |
| 90% ≤ CR < 95% | 12.0% of the insured salaries | 8.0% of the insured salary |
| 85% ≤ CR < 90% | 15.0% of the insured salaries | 10.0% of the insured salary |
| CR < 85% | 15.0% of the insured salaries | 10.0% of the insured salary |

* The restructuring contribution of the company is based on the total insured salary amount, i.e. including shift allowance and bonus plans. The restructuring contribution of the insured member is based on their entire savings wage, i.e. including the shift allowance and bonus.

The company can take on a higher contribution share to ease the burden on insured members. Such cases must be immediately reported to the foundation.

Insured members for whom the savings process is continued during a period of unpaid leave or during a season break and who have undertaken to pay the company's contributions for this period must also pay its restructuring contributions. The same applies to the continued insurance of the previous salary in accordance with Art. 5 para. 4 and continuation pursuant to Art. 11 para. 2 of the Pension Regulations.

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