Pension Rules

Part 2

General Terms and Conditions (GTC) **Version 01.2020**

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In the event of changes to the rate schedule or the BVG, the rates for the relevant insurance year apply.

Men

		Age												
	Each add. month	58	59	60	61	62	63	64	65	66	67	68	69	70
comp.	0	5.400%	5.600%	5.800%	6.000%	6.200%	6.400%	6.600%	6.800%	6.950%	7.100%	7.250%	7.400%	7.550%
elective	0	4.104%	4.204%	4.307%	4.415%	4.529%	4.628%	4.754%	4.887%	5.029%	5.180%	5.341%	5.513%	5.698%
comp.	1	5.417%	5.617%	5.817%	6.017%	6.217%	6.417%	6.617%	6.813%	6.963%	7.113%	7.263%	7.413%	
elective	1	4.112%	4.213%	4.316%	4.425%	4.537%	4.639%	4.765%	4.899%	5.042%	5.193%	5.355%	5.528%	
comp.	2	5.433%	5.633%	5.833%	6.033%	6.233%	6.433%	6.633%	6.825%	6.975%	7.125%	7.275%	7.425%	
elective	2	4.121%	4.221%	4.325%	4.434%	4.546%	4.649%	4.776%	4.911%	5.054%	5.207%	5.370%	5.544%	
comp.	3	5.450%	5.650%	5.850%	6.050%	6.250%	6.450%	6.650%	6.838%	6.988%	7.138%	7.288%	7.438%	
elective	3	4.129%	4.230%	4.334%	4.444%	4.554%	4.660%	4.787%	4.923%	5.067%	5.220%	5.384%	5.559%	
comp.	4	5.467%	5.667%	5.867%	6.067%	6.267%	6.467%	6.667%	6.850%	7.000%	7.150%	7.300%	7.450%	
elective	4	4.137%	4.238%	4.343%	4.453%	4.562%	4.670%	4.798%	4.934%	5.079%	5.234%	5.398%	5.575%	
comp.	5	5.483%	5.683%	5.883%	6.083%	6.283%	6.483%	6.683%	6.863%	7.013%	7.163%	7.313%	7.463%	
elective	5	4.146%	4.247%	4.352%	4.463%	4.570%	4.681%	4.809%	4.946%	5.092%	5.247%	5.413%	5.590%	
comp.	6	5.500%	5.700%	5.900%	6.100%	6.300%	6.500%	6.700%	6.875%	7.025%	7.175%	7.325%	7.475%	
elective	6	4.154%	4.256%	4.361%	4.472%	4.579%	4.691%	4.821%	4.958%	5.105%	5.261%	5.427%	5.606%	
comp.	7	5.517%	5.717%	5.917%	6.117%	6.317%	6.517%	6.717%	6.888%	7.038%	7.188%	7.338%	7.488%	
elective	7	4.162%	4.264%	4.370%	4.482%	4.587%	4.702%	4.832%	4.970%	5.117%	5.274%	5.441%	5.621%	
comp.	8	5.533%	5.733%	5.933%	6.133%	6.333%	6.533%	6.733%	6.900%	7.050%	7.200%	7.350%	7.500%	
elective	8	4.171%	4.273%	4.379%	4.491%	4.595%	4.712%	4.843%	4.982%	5.130%	5.287%	5.456%	5.636%	
comp.	9	5.550%	5.750%	5.950%	6.150%	6.350%	6.550%	6.750%	6.913%	7.063%	7.213%	7.363%	7.513%	
elective	9	4.179%	4.281%	4.388%	4.501%	4.603%	4.723%	4.854%	4.994%	5.142%	5.301%	5.470%	5.652%	
comp.	10	5.567%	5.767%	5.967%	6.167%	6.367%	6.567%	6.767%	6.925%	7.075%	7.225%	7.375%	7.525%	
elective	10	4.187%	4.290%	4.397%	4.510%	4.612%	4.733%	4.865%	5.005%	5.155%	5.314%	5.484%	5.667%	
comp.	11	5.583%	5.783%	5.983%	6.183%	6.383%	6.583%	6.783%	6.938%	7.088%	7.238%	7.388%	7.538%	
elective	11	4.196%	4.298%	4.406%	4.520%	4.620%	4.744%	4.876%	5.017%	5.167%	5.328%	5.499%	5.683%	

Women

		Age												
	Each add. month	58	59	60	61	62	63	64	65	66	67	68	69	70
comp.	0	5.600%	5.800%	6.000%	6.200%	6.400%	6.600%	6.800%	6.950%	7.100%	7.250%	7.400%	7.550%	7.700%
elective	0	4.136%	4.227%	4.322%	4.423%	4.531%	4.646%	4.768%	4.901%	5.044%	5.198%	5.365%	5.545%	5.739%
comp.	1	5.617%	5.817%	6.017%	6.217%	6.417%	6.617%	6.813%	6.963%	7.113%	7.263%	7.413%	7.563%	
elective	1	4.144%	4.235%	4.330%	4.432%	4.541%	4.656%	4.779%	4.913%	5.057%	5.212%	5.380%	5.561%	
comp.	2	5.633%	5.833%	6.033%	6.233%	6.433%	6.633%	6.825%	6.975%	7.125%	7.275%	7.425%	7.575%	
elective	2	4.151%	4.243%	4.339%	4.441%	4.550%	4.666%	4.790%	4.925%	5.070%	5.226%	5.395%	5.577%	
comp.	3	5.650%	5.850%	6.050%	6.250%	6.450%	6.650%	6.838%	6.988%	7.138%	7.288%	7.438%	7.588%	
elective	3	4.159%	4.251%	4.347%	4.450%	4.560%	4.677%	4.801%	4.937%	5.083%	5.240%	5.410%	5.594%	
comp.	4	5.667%	5.867%	6.067%	6.267%	6.467%	6.667%	6.850%	7.000%	7.150%	7.300%	7.450%	7.600%	
elective	4	4.166%	4.259%	4.356%	4.459%	4.569%	4.687%	4.812%	4.949%	5.095%	5.254%	5.425%	5.610%	
comp.	5	5.683%	5.883%	6.083%	6.283%	6.483%	6.683%	6.863%	7.013%	7.163%	7.313%	7.463%	7.613%	
elective	5	4.174%	4.267%	4.364%	4.468%	4.579%	4.697%	4.823%	4.961%	5.108%	5.268%	5.440%	5.626%	
comp.	6	5.700%	5.900%	6.100%	6.300%	6.500%	6.700%	6.875%	7.025%	7.175%	7.325%	7.475%	7.625%	
elective	6	4.182%	4.275%	4.373%	4.477%	4.589%	4.707%	4.835%	4.973%	5.121%	5.282%	5.455%	5.642%	
comp.	7	5.717%	5.917%	6.117%	6.317%	6.517%	6.717%	6.888%	7.038%	7.188%	7.338%	7.488%	7.638%	
elective	7	4.189%	4.282%	4.381%	4.486%	4.598%	4.717%	4.846%	4.984%	5.134%	5.295%	5.470%	5.658%	
comp.	8	5.733%	5.933%	6.133%	6.333%	6.533%	6.733%	6.900%	7.050%	7.200%	7.350%	7.500%	7.650%	
elective	8	4.197%	4.290%	4.389%	4.495%	4.608%	4.727%	4.857%	4.996%	5.147%	5.309%	5.485%	5.674%	
comp.	9	5.750%	5.950%	6.150%	6.350%	6.550%	6.750%	6.913%	7.063%	7.213%	7.363%	7.513%	7.663%	
elective	9	4.204%	4.298%	4.398%	4.504%	4.617%	4.738%	4.868%	5.008%	5.160%	5.323%	5.500%	5.691%	
comp.	10	5.767%	5.967%	6.167%	6.367%	6.567%	6.767%	6.925%	7.075%	7.225%	7.375%	7.525%	7.675%	
elective	10	4.212%	4.306%	4.406%	4.513%	4.627%	4.748%	4.879%	5.020%	5.172%	5.337%	5.515%	5.707%	
comp.	11	5.783%	5.983%	6.183%	6.383%	6.583%	6.783%	6.938%	7.088%	7.238%	7.388%	7.538%	7.688%	
elective	11	4.219%	4.314%	4.415%	4.522%	4.636%	4.758%	4.890%	5.032%	5.185%	5.351%	5.530%	5.723%	

Appendix 2 Arrears interest rate for the departure benefit

Before 31.12.2002	4.25% (4.00% plus a quarter of one percent)
From 1.1.2003 to 31.12.2003	3.50% (3.25% plus a quarter of one percent)
From 1.1.2004 to 31.12.2004	2.50% (2.25% plus a quarter of one percent)
From 1.1.2005 to 31.12.2005	3.50% (2.50% plus one percent)
From 1.1.2006 to 31.12.2006	3.50% (2.50% plus one percent)
From 1.1.2007 to 31.12.2007	3.50% (2.50% plus one percent)
From 1.1.2008 to 31.12.2008	3.75% (2.75% plus one percent)
From 1.1.2009 to 31.12.2009	3.00% (2.00% plus one percent)
From 1.1.2010 to 31.12.2010	3.00% (2.00% plus one percent)
From 1.1.2011 to 31.12.2011	3.00% (2.00% plus one percent)
From 1.1.2012 to 31.12.2012	2.50% (1.50% plus one percent)
From 1.1.2013 to 31.12.2013	2.50% (1.50% plus one percent)
From 1.1.2014 to 31.12.2014	2.75% (1.75% plus one percent)
From 1.1.2015 to 31.12.2015	2.75% (1.75% plus one percent)
From 1.1.2016 to 31.12.2016	2.25% (1.25% plus one percent)
From 1.1.2017 to 31.12.2017	2.00% (1.00% plus one percent)
From 1.1.2018 to 31.12.2018	2.00% (1.00% plus one percent)
From 1.1.2019 to 31.12.2019	2.00% (1.00% plus one percent)
From 1.1.2020 to 31.12.2020	2.00% (1.00% plus one percent)

Appendix 3 Table of tied pillar 3a retirement assets restricting the purchase of additional benefits

Table for calculating the maximum 3a assets (pursuant to Article 60a (2) BVV 2 and Article 7 (1) (a) BVV3) by year of birth (beginning on 1 January of the year in which the insured person reaches the age of 25)

Year of birth	Beginning 1.1.	At 31.12.12	At 31.12.13	At 31.12.14	At 31.12.15	At 31.12.16	At 31.12.17	At 31.12.18	At 31.12.19	At 31.12.20
1962 and before	1987	211,370	221,280	231,891	247,717	252,519	261,813	271,199	280'737	290'370
1963	1988	201,973	211,742	222,186	232,842	242,521	251,714	206,999	270'435	279'966
1964	1989	192,560	202,187	212,465	222,951	232,506	241,599	250,783	260'117	269'544
1965	1990	183,509	193,001	203,117	213,440	222,876	231,873	240,959	250'195	259'523
1966	1991	174,226	183,579	193,530	203,685	212,999	221,897	230,884	240'019	249'245
1967	1992	165,300	174,519	184,312	194,305	203,502	212,305	221,196	230'234	239'363
1968	1993	155,645	164,719	174,340	184,159	193,229	201,929	210,717	219'650	228'672
1969	1994	145,949	154,877	164,326	173,970	182,913	191,510	200,193	209'021	217'937
1970	1995	136,626	145,414	154,698	164,173	172,993	181,491	190,074	198'801	207'615
1971	1996	127,375	136,025	145,144	154,452	163,151	171,550	180,034	188'660	197'373
1972	1997	118,480	126,996	135,957	145,105	153,686	161,991	170,379	178'909	187'524
1973	1998	109,706	118,091	126,897	135,885	144,352	152,563	160,857	169'292	177'810
1974	1999	101,270	109,528	118,184	127,020	135,376	143,498	151,701	160'044	168'470
1975	2000	93,077	101,212	109,722	118,410	126,658	134,693	142,808	151'062	159'399
1976	2001	85,198	93,215	101,585	110,131	118,276	126,227	134,257	142'425	150'676
1977	2002	77,434	85,335	93,567	101,973	110,015	117,883	125,830	133'915	142'080
1978	2003	69,969	77,758	85,857	94,128	102,072	109,861	117,728	125'731	133'814
1979	2004	62,563	70,241	78,209	86,345	94,193	101,903	109,690	117'613	125'615
1980	2005	55,320	62,889	70,729	78,734	86,487	94,119	101,829	109'673	117'596
1981	2006	48,120	55,581	63,293	71,169	78,826	86,382	94,014	101'780	109'624
1982	2007	41,096	48,452	56,038	63,787	71,352	78,834	86,390	94'080	101'847
1983	2008	34,052	41,301	48,763	56,385	63,857	71,264	78,745	86'358	94'048
1984	2009	27,196	34,343	41,683	49,180	56,563	63,897	71,303	78'843	86'457
1985	2010	20,262	27,305	34,522	41,894	49,186	56,445	63,778	71'242	78'780
1986	2011	13,464	20,405	27,501	34,751	41,953	49,140	56,400	63'790	71'254
1987	2012	6,682	13,521	20,497	27,624	34,737	41,852	49,039	56'355	63'745
1988	2013	0	6,739	13,596	20,602	27,627	34,672	41,786	49'030	56'347
1989	2014		0	6,739	13,625	20,563	27,537	34,580	41'752	48'996
1990	2015			0	6,768	13,621	20,252	27,498	34'599	41'771
1991	2016				0	6,768	13,604	20,508	27'539	34'640
1992	2017					0	6,768	13,604	20'566	27'597
1993	2018						0	6,768	13'662	20'624
1994	2019								6'826	13'720
1995	2020									6'826

For dates other than 31 December, interpolate from the figures for the nearest 31 December.

Calculation values

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020
Credit	6,682	6,739	6,739	6,768	6,768	6,768	6,768	6'826	6'826
Interest rate	1.50%	1.50%	1.75%	1.75%	1.25%	1.00%	1.00%	1.00%	1.00%

Appendix 4
Voluntary distribution of free funds, special measures and any employer contribution reserve

1. Fundamentals

[1] Distribution is based on a decision taken by the responsible body during the term of the contract.

[2] As part of the relevant distribution plan, all collective funds accrued in the pension scheme are included in full in the distribution and the criteria and beneficiaries specified in Section 2 are taken into account in the distribution plan.

[3] Insured persons and pensioners are notified of the principal features of the distribution.

2. Distribution plan

2.1. Free funds

[1] As a general rule, the distribution plan must be based on the following equally weighted criteria:

a) age on the reference date
b) last reported annual salary
c) the retirement assets of active members and annuity capital of pensioners on the reference date
d) number of full insurance years on the reference date

The greater the age, the higher the annual salary, the larger the retirement assets or annuity capital and the higher the number of insurance years, the larger the individual's share of the distribution.

[2] The following persons are included in the distribution:

a) all active insured persons on the reference date
b) all retirement and disability pensioners on the reference date
c) all former insured persons who departed up to three years before the reference date.

2.2. Special measures

[1] As a general rule, the distribution plan must be based on the following equally weighted criteria:

a) age on the reference date
b) last reported annual salary
c) number of full insurance years on the reference date

The greater the age, the lower the annual salary and the higher the number of insurance years, the larger the individual's share of the distribution.

[2] The following persons are included in the distribution:

a) all active insured persons on the reference date
b) all retirement and disability pensioners on the reference date
c) all former insured persons who departed up to three years before the reference date.

2.3. Free funds and special measures

If free funds and special measures are to be distributed together, the special measures are first added to the free funds and then both are distributed together in accordance with Section 2.1.

2.4. Free funds and employer contribution reserves

Where employer contribution reserves are to be distributed according to the employer's wishes, these are allocated – once outstanding premiums have been paid off – to the free funds and then divided up as a whole in accordance with Section 2.1.

3. Implementation

3.1. Time of distribution

If the distribution differs from the principles set out in this Appendix, the distribution plan is executed once it has been duly signed by the responsible body. Otherwise it is executed after being drawn up and does not need to be signed.

3.2. Means of distribution

[1] The beneficiaries' share of the distribution is credited to their retirement assets or annuity capital.

[2] If allocation to the annuity capital is not possible in the case of pensioners, their share may be transferred directly to the beneficiary.

[3] If allocation to the retirement assets is not possible because the beneficiary was able to assert a claim for cash payment, the share from the distribution is also transferred directly to the beneficiary.

[4] If allocation is not possible because the beneficiary fails to provide transfer details, his or her share is automatically transferred to the National Substitute Pension Plan six months after initial notification of the planned distribution.

4. Minimum amounts

[1] The Foundation sets minimum amounts for the total funds to be distributed or for the share to be allocated to each beneficiary.

[2] If these minimum amounts are not reached, the group of beneficiaries is adjusted in order to keep the costs incurred commensurate with the funds to be distributed.

[3] The Foundation periodically reviews the suitability of these measures.

[4] The amount of the share to be allocated to each beneficiary may not be less than CHF 200 or more than CHF 500.

5. Costs

[1] The creation of a voluntarily requested or legally prescribed distribution plan gives rise to the costs set out in the currently applicable Cost Schedule.

[2] Extraordinary expenses in connection with the handling of objections and complaints, in particular in relation to any expert opinions which have to be obtained, may be invoiced separately to the pension scheme in question.

6. Cases with no specific provision

The Foundation deals with distribution cases not explicitly covered in this Appendix by applying its provisions mutatis mutandis, taking account of statutory regulations.

Appendix 5
Continuation of pension insurance

1. General information

1 The provisions of this Appendix are applicable to the continuation of pension insurance beyond the normal retirement age up to a maximum age of 70 pursuant to the GR, provided that the continuation of coverage is provided for in the Special Rules on Continuation of Pension Insurance (hereinafter "the SR").

2 The pension solution valid for the pension scheme is based on the corresponding Special Rules on Continuation of Pension Insurance (hereinafter "the SR").

2. Insured persons

1 Insurance is written at the request of the individuals to be insured if

- their employment relationship with the employer existed before they reached the normal retirement age and continues to exist beyond the normal retirement age, and
- the annual salary earned and reported by the employer exceeds the enrolment threshold, and
- on reaching normal retirement age, they do not have a degree of disability of 70% or more and active retirement assets are maintained with the Foundation for them, and
- they are not receiving full retirement benefits on commencement of the continued pension insurance.

2 Admission to the pension scheme or transfer from another pension provider is not possible for persons who enter into a new employment relationship with the employer after reaching normal retirement age.

3. Pension benefits

1 The insured person does not become entitled to retirement benefits as long as he or she continues to receive a salary which effectively constitutes more than two-thirds of the annual salary subject to AHV contributions on attainment of the normal retirement age.

2 Partial retirement is possible in accordance with the provisions of the GTC both on and after attainment of the normal retirement age.

3 The insured person becomes entitled to the insured retirement benefits when his or her employment relationship with the employer is terminated or his or her salary permanently falls below the minimum level (entry threshold), but no later than when he or she reaches the age of 70. Payment of the retirement benefits begins on the first day of the following month.

4 Disability benefits are no longer insured. If the insured person subsequently becomes incapacitated, the retirement benefits are paid in accordance with paragraph 3 no later than six months after this event.

5 Survivors' benefits are insured in accordance with the SR.

4. Additional benefit purchases and promotion of home ownership

1 Purchases are possible as long as they are not expressly ruled out in the SR. However, the purchase may not exceed the maximum amount specified in the Pension Rules (Appendix 1 SR) which is permitted until the insured person reaches normal retirement age, minus the retirement assets accrued at the time of the purchase.

2 Early withdrawal and pledging for home ownership promotion are not permitted. Repayment of early withdrawals made prior to the continuation of pension insurance is also no longer permitted. Any pledges existing at the time the continued pension insurance commences remain in effect where they apply to retirement or survivor benefits under continued cover.

5. Divorce

Distribution or receipt of pension monies owing to a divorce is permitted, as are repurchases. The details are covered in Appendix 9, "Provisions on pension settlements in the event of divorce".

6. Termination of the employment relationship

Termination of the insured person's employment relationship during the continuation of the pension insurance automatically results in his or her retirement. Consequently, retirement benefits are paid instead of a departure benefit.

7. Establishment and termination of the enrolment relationship

1 Upon establishment of the enrolment relationship, pension insurance may be continued at the Foundation without any changes for the relevant group of employees from the previous pension provider.

2 Upon termination of the enrolment relationship, the group of employees with continued pension insurance is transferred to the new pension provider, provided that it expressly agrees to accept them. Otherwise this scenario triggers entitlement to retirement benefits.

8. Scope GTC Provisions

1 This Appendix is valid from the date of validity of the pension plan applicable to the continuation of pension insurance in accordance with the SR.

2 In all other respects, the provisions of the General Terms and Conditions apply mutatis mutandis.

Appendix 6
Additional benefit purchases for early retirement

1. Scope

The provisions of this Appendix supersede any provisions of the GTC to the contrary.

2. Principles

1 The insured person may take partial or full early retirement on reaching the age of 58 at the earliest, drawing all or part his or her retirement benefits early.

2 If the insured person wishes to take full early retirement and draw the full retirement benefits, he or she may apply to make a special purchase in excess of the maximum regulatory benefits in order to fully or partially offset the reduction on early withdrawal. The Foundation is entitled to arrange for a health check before making a decision on the purchase and to refuse the request. The request will be refused if the insured person was at least 40 percent unfit for work for longer than 30 days within a period of 60 days beginning with the first day of unfitness for work.

3. Exclusion of special benefit purchases for early retirement

Special benefit purchases are not permitted if

a) early retirement before the age of 58 is possible and intended;

b) an insured event has occurred;

c) the insured person
   - has not bought into the maximum regulatory benefits, taking into account the balance which reduces the maximum purchase amount,
   - has not yet repaid any early withdrawals for home-ownership purposes or has not fully repaid any reductions following a divorce.

d) the insured person wishes to take partial early retirement and therefore only wishes to withdraw part of the retirement benefits;

e) the purchase is to be made within the last three years before planned early retirement, the insured person has requested a full or partial lump-sum payment and has not cancelled this declaration at the time of the additional benefit purchase, or the deadline for cancellation of the declaration under the Pension Rules can no longer be met. Notwithstanding the above, one-quarter of the minimum BVG retirement assets may be drawn as a lump-sum payment;

f) the insured person has made a full or partial purchase in order to pre-finance early retirement but continues to work beyond the planned age of early retirement and remains insured by the Foundation.

4. Purchasing additional benefits

4.1. Additional benefit purchases for pre-financing missing retirement credits

1 Special benefit purchases for pre-financing missing retirement credits are based on the current insured salary and the additional benefit purchase scale given in Appendix 1 to the SR.

2 The maximum amount of the additional benefit purchase is the intra-year difference between the value given in the additional benefit purchase scale in Appendix 1 of the SR at the time of the planned early retirement and that at the time of normal retirement. The same applies if the actual retirement assets at the time of early retirement falls short of the value in the additional benefit purchase scale at the time of planned early retirement, owing to a reduction in the maximum additional benefit purchase amount under the Pension Rules.

3 The difference calculated in this way is discounted to the planned early retirement date at the minimum interest rate under the BVG. Further interest-rate losses are not eligible for additional benefit purchases.

4.2. Additional benefit purchases for pre-financing of a pension conversion rate reduction

1 Since the accumulated retirement assets are converted to a retirement pension at a lower conversion rate for early retirement than for normal retirement, an insured person who has purchased the maximum additional benefits under the Section 4.1 may ask to purchase supplementary additional benefits to compensate for this reduction in the pension. This supplementary additional benefit purchase is determined based on recognised actuarial principles using the technical basis for pension conversion rates applicable at the time of the calculation.

2 This supplementary additional benefit purchase is not permitted if the insured person has requested a full or partial lump-sum payment and has not cancelled this declaration at the time of the additional benefit purchase, or the deadline for cancellation of the declaration under the Pension Rules can no longer be met.

5. Modalities

1 The minimum amount for additional benefit purchases is CHF 5,000.00. An additional benefit purchase pursuant to Section 4.1. may, once the insured has fully bought into the benefits under the Pension Rules, be requested at any time, and a supplementary additional benefit purchase pursuant to Section 4.2 may be requested no earlier than upon reaching 50 years of age.

2 If additional benefit purchases are made later than three years before the planned early retirement date or, irrespective of this deadline, are made to pre-finance a pension conversion rate reduction, the total retirement benefits at the time of the planned early retirement must be drawn in annuity form; retirement benefits may not be drawn as a lump sum.

6. Incorporation of the additional benefit purchase amount

The full amount of the additional benefits purchased is credited to the elective portion of the retirement assets. If this additional benefit purchase results in an increase in risk benefits, the employer and the insured person will continue to bear the same percentage contribution as set forth in the Pension Rules.

7. Unfitness for work before reaching the planned early retirement date

1 If the insured person is fully or partially unfit for work upon the planned early retirement date, eligibility for retirement benefits commences only when full fitness for work is recovered, but no later than upon reaching the normal retirement age.

2 The obligation to pay contributions for retirement credits is waived regardless of whether such credits have already been pre-financed through additional benefit purchases for early retirement.

8. Waiver of early retirement (continued employment)

8.1. Basis

When waiving early retirement, the target benefits under the Pension Rules, taking into account salary increases received up to the normal retirement age and benefit enhancements in the pension plan, may not be exceeded by more than five percent.

8.2. Waiver in the cases set out in Section 4.1 (pre-financing missing retirement credits)

If the insured person has made additional benefit purchases only to pre-finance the missing retirement credits as described in Section 4.1., the retirement credits under the Pension Rules are charged and credited only as long as they are not already pre-financed. From that time onwards, the insurance will be continued up to actual retirement, but no later than the normal retirement age, without requiring contributions to finance the retirement credits.

8.3. Waiver in the cases described in section 4.2. (pre-financing of pension conversion rate reduction)

1 If the insured person has made supplementary additional benefit purchases to fully or partially pre-finance a pension conversion rate reduction as described in Section 4.2., retirement credits under the Pension Rules are no longer charged from the planned early retirement date and risk insurance under the pension plan ceases. At this time, a retirement pension is paid to the insured person, calculated by multiplying the accumulated retirement savings, less the accumulated obligatory BVG/LPP retirement capital at that time and the amount of additional benefit purchases made to pre-finance missing BVG/LPP retirement capital, by the conversion rate then in effect.

2 From that time onwards, the insurance will be continued up to actual retirement on the basis of a BVG minimum plan, but no later than the normal retirement age, without requiring contributions to finance the BVG retirement credits.

9. Reduction in pension benefits

1 At the time of actual full retirement, retirement benefits are reduced to the extent that they cumulatively exceed 105 percent of the retirement benefits calculated by the Foundation at the time of normal retirement based on the maximum possible retirement assets under the Pension Rules, multiplied by the applicable conversion rates if drawn in annuity form.

2 These maximum possible retirement assets under the Pension Rules pursuant to paragraph 1 are established based on the pension plan under which the insured person was insured up to the date when retirement credits under the Pension Rules were no longer charged. The maximum possible retirement assets under the Pension Rules are at least equal to the figure applicable at the time of the last additional benefit purchase pursuant to Section 4 for normal retirement.

3 The applicable conversion rates for the calculation pursuant to paragraph 1 correspond to the conversion rates intended for normal retirement in effect at the time of actual full retirement, or at the time of the last additional benefit purchase pursuant to Section 4, whichever are higher.

Appendix 7
Provisions in connection with the 6th Disability Insurance Revision (first package of measures), which came into force on 01.01.2012

1. Introduction

1.1. The aim of the legislative changes introduced with the 6th Disability Insurance Revision (first package of measures) is to reintegrate recipients of IV disability pensions back into the labour market by means of integration-led pension revisions. The legislative changes which came into effect on 1 January 2012 relate to the provisions of the IVG and the BVG and their ordinances.

1.2. Except as otherwise specified in this Appendix, the provisions of the Pension Rules apply.

2. Provisional continuation of insurance and maintenance of the entitlement to benefits in the event of the reduction or termination of the IV disability pension (Article 26a BVG)

2.1. Pension

Where beneficiaries are entitled to disability benefits from the Foundation and their pension from the Federal Disability Insurance (IV disability pension) is reduced or terminated following a reduction in their degree of disability, they will remain provisionally insured by the Foundation in accordance with the Pension Rules for three years, provided that they participated in reintegration measures in accordance with Article 8a IVG prior to the reduction or termination of the IV disability pension or the IV disability pension was reduced or terminated because they have resumed gainful employment or increased their degree of employment. The three-year period commences on the date on which the reduction or termination of the IV disability pension takes effect.

2.2. Coordination

1 Prior to reduction or termination of the IV disability pension (ongoing reintegration measures)

Any additional income earned during participation in reintegration measures in accordance with Article 8a IVG is not taken into account in the coordination calculation.

2 After reduction or termination of the IV disability pension (provisional continuation of insurance)

Additional income such as salary payments, continued salary payments, daily benefits, etc., earned during the period in which insurance is provisionally continued is deemed to be relevant under the coordination provisions in the Pension Rules and is therefore taken into account in full.

The Foundation's disability pension is reduced in line with the beneficiary's reduced degree of disability during the period in which insurance is provisionally continued provided that the reduction is offset by additional income earned and the beneficiary's total income does not fall below the amount he or she received prior to the reduction or termination of the IV disability pension.

The Foundation's disability pension may also be reduced if, in combination with the relevant benefits, it exceeds the limit for overpaid benefits defined in the Pension Rules.

3 In the event of payment of interim benefits by the Federal Disability Insurance

In the event of the payment of interim benefits pursuant to Article 32 IVG, the interim benefits paid by the Federal Disability Insurance and any additional income earned such as salary payments, continued salary payments, daily benefits etc. are deemed to be relevant and are therefore taken into account in full in the coordination calculation.

2.3. Maintenance of retirement assets

During the period in which insurance is provisionally continued or the Federal Disability Insurance pays interim benefits, the Foundation continues to manage the beneficiary's retirement account in the same way as the passive component was managed prior to the commencement of the continued insurance cover.

2.4. Cessation of entitlement vis-a-vis the Foundation

1 The entitlement to a disability pension and the maintenance of the retirement assets ceases no later than three years after the effective reduction or termination of the IV disability pension.

2 If the Federal Disability Insurance continues to pay interim benefits pursuant to Article 32 IVG beyond this three-year period, the entitlement vis-a-vis the Foundation ceases at the same time as the entitlement to interim benefits.

2.5. Temporal scope

These provisions are applicable to disability benefits from the Foundation in accordance with Article 26a BVG if the decision to reduce or terminate the IV disability pension was taken on or after 1 January 2012.

3. Continued payment of the disability pension under the occupational benefits scheme after the discontinuation or reduction of the IV disability pension (concluding provisions of the 6th Disability Insurance Revision)

3.1. Pension

1 With the discontinuation or reduction of the IV disability pension as part of a review of pensions granted on the basis of syndromal symptoms of unclear pathogenesis or origin with no demonstrable organic basis (concluding provisions of the 6th Disability Insurance Revision), the entitlement to disability benefits from the Foundation also lapses accordingly.

2 If reintegration measures are conducted in accordance with Article 8a IVG and the IV disability pension is still paid for the duration of these measures - up to a maximum of two years - the entitlement to disability benefits paid by the Foundation will lapse accordingly with the discontinuation of the disability pension.

3.2. Additional benefits

If no reintegration measures are conducted in accordance with Article 8a IVG, the Foundation will, for a period of six months and no longer than the end of the month in which the insured person dies, pay an amount up to a maximum of the original pension as a means of offsetting any economic hardship as of the effective date of the actual reduction or discontinuation of the IV disability pension. The additional benefits are not subject to a coordination calculation and do not entail any insurance cover.

3.3. Coordination

Any additional income earned during participation in re- integration measures in accordance with Article 8a IVG is not taken into account in the coordination calculation.

3.4. Maintenance of retirement assets

If the degree of disability is reduced or the IV disability pension discontinued as part of a review of pensions granted on the basis of syndromal symptoms of unclear pathogenesis or origin with no demonstrable organic basis (concluding provisions of the 6th Disability Insurance Revision), the

Foundation will, contrary to the other regulatory provisions, continue to manage the insured person's retirement account as long as a pension is paid in accordance with the decisive passive component in effect prior to the reduction or discontinuation of the pension.

3.5. Temporal scope

In accordance with the concluding provisions of the BVG (6th Disability Insurance Revision, first package of measures), these provisions apply to disability benefits from the Foundation if the reduction or discontinuation of the disability pension was decided on or after 1 January 2012 and the corresponding clarifications were initiated before 1 January 2015.

4. Insurance obligation for employees whose insurance is provisionally continued in accordance with Article 26a BVG

4.1. Introductory remarks

The following provisions apply only to employees whose insurance is provisionally continued in accordance with Article 26a BVG, which means that they must have participated in reintegration measures in accordance with Article 8a IVG prior to the reduction or termination of the IV disability pension or the IV disability pension must have been reduced or terminated because they had resumed gainful employment or increased their degree of employment. If the reduction or termination of the IV disability pension was due to an improvement in the recipient's health but he or she did not participate in reintegration measures in accordance with Article 8a IVG, these provisions do not apply.

4.2. 4.2 Previously unemployed recipients of IV disability pensions who take up new employment with an employer enrolled with the Foundation

[1] The obligation to be insured with the Foundation arises no earlier than three years after the reduction or termination of the IV disability pension took effect.

[2] If the Federal Disability Insurance continues to pay interim benefits pursuant to Article 32 IVG beyond this three-year period, the obligation to be insured with the Foundation begins when the entitlement to interim benefits ceases.

4.3. Recipients of IV disability pensions who were previously partially employed and who increase their degree of employment at an employer enrolled with the Foundation or take up new employment at another employer enrolled with the Foundation in addition to their partial employment

[1] The obligation to be insured with the Foundation for the new salary arises no earlier than three years after the reduction or termination of the IV disability pension took effect.

[2] If the Federal Disability Insurance continues to pay interim benefits pursuant to Article 32 IVG beyond this three-year period, the obligation to be insured with the Foundation for the new salary begins when the entitlement to interim benefits ceases.

4.4. Recipients of IV disability pensions who were previously partially employed by another employer who take up new employment at an employer enrolled with the Foundation

[1] If an employer recruits an employee who would ordinarily be subject to compulsory insurance under Section 3.1 GTC but whose insurance has been provisionally continued with another pension provider pursuant to Article 26a BVG, the AHV-relevant salary paid by the employer is divided into two parts.

[2] The portion of the salary which corresponds to the salary earned mostly recently under the previous employment is insured in accordance with these Pension Rules in the same way as a recipient of a partial disability pension is insured by the Foundation, provided that the employee is subject to compulsory insurance on the basis of this portion of his or her salary pursuant to Section 3.1 GTC.

[3] The obligation to be insured with the Foundation for the salary in excess of this amount arises no earlier than three years after the reduction or termination of the IV disability pension took effect. If the Federal Disability Insurance continues to pay interim benefits pursuant to Article 32 IVG beyond this three-year period, the obligation to be insured with the Foundation for this portion of the salary begins when the entitlement to interim benefits ceases.

[4] These rules also apply if the insurance of the person in question is provisionally continued pursuant to Article 26a BVG by the Foundation itself rather than by another pension provider.

4.5. Special reporting obligations

[1] If an employer has employees whose insurance is provisionally continued by the Foundation or another pension provider pursuant to Article 26a BVG, it must - in addition to the ordinary reporting obligations - indicate when the IV disability pension was reduced or payment of it was terminated. Where insured persons/employees leave their job and take up new employment, they must inform the Foundation of their most recent salary in this job. This reporting obligation applies for a period of three years after the reduction or termination of the IV disability pension. The information must be provided together with details of the current salary.

[2] Once three years have elapsed since the reduction or termination of the IV disability pension, the employer must register the employee with the pension provider without delay.

5. Scope

This Appendix enters into force on 01.01.2012.

Appendix 8
Partial Liquidation Regulations

1. Partial or total liquidation

1.1. Fundamentals

[1] If the pension scheme is partially or entirely liquidated, there is an individual entitlement to its group funds in addition to transfer values.

[2] The pension scheme's group funds are its free funds, plus, in the event of its total liquidation, such portion of the employer contribution reserves as is not required to meet outstanding contributions or costs.

1.2. Requirements for partial liquidation of the pension scheme

[1] The preconditions for partial liquidation are presumed to have been met if

a) within one year there is a significant reduction in the workforce and consequently in the number of persons insured with the Foundation;
b) a restructuring of the employer's company results in a considerable number of individual departures;
c) as part of a restructuring of the employer's company a large number of insured persons transfers jointly to a new pension scheme (collective transfer);
d) the enrolment contract is annulled but not all insurance policies are terminated, with a significant number of persons (pensioners) remaining covered by the Foundation.

[2] "Significant" in paragraph 1 means that the number of persons affected by the reduction (clause a) or the transfer (clause b) or remaining insured by the Foundation (clause c) is as follows: 2 to 29 persons - at least 30%, 30 to 69 persons - at least 25%, 70 to 99 persons - at least 15%, 100 persons or more - at least 10%.

1.3. Preconditions for total liquidation of the pension scheme

The preconditions for total liquidation are met if:

a) the employing company undergoes total liquidation;
b) the employing company goes bankrupt and therefore no longer exists.

1.4. Reporting obligation in the event of partial or total liquidation

All preconditions of partial or total liquidation must be reported to the Foundation without delay.

2. Distribution

2.1. Fundamentals

[1] In the event of a compulsory distribution prescribed by law, regardless of whether the departure is individual or collective, only individual entitlements to the distributable funds exist.

[2] The distribution plan for a compulsory distribution prescribed by law includes all group funds held in the pension scheme, and must take account of the criteria and group of beneficiaries set out in Sections 3 and 4.

[3] The reference date for distribution if the requirements have been fulfilled is

– in accordance with Section 1.2 paragraph 1a), the 31 December after the end of the year in which there was a substantial reduction in headcount and – consequently – in the number of insured persons
– in accordance with Section 1.2 paragraph 1b), the 31 following the decision taken by the employer
– in accordance with Section 1.2 paragraphs 1c) and d), the last day of the month in which the collective transfer is made
– in accordance with Section 1.2 paragraph 1d), the last day of the month in which the employment relationship is terminated

[4] Insured persons and pensioners are notified of the principal features of the distribution. They are entitled to submit legitimate objections in writing within 30 days to the relevant Pension Commission (in the cases set out under Section 1.2 paragraphs 1a) - c)) or Allianz Suisse Life (in the case of Section 1.2 paragraph 1 d)). Moreover, the insured persons concerned have the possibility to have the requirements, the procedure and the distribution plan reviewed by the relevant supervisory authority within 30 days by lodging a complaint, if their objections were not approved.

[5] If the decisive assets or liabilities change by at least 5% between the reference date for the partial or total liquidation and implementation of the distribution plan, the distributable collective funds will be adjusted accordingly.

2.2. Distribution plan on the partial liquidation of the pension scheme

2.2.1. Free funds

[1] As a general rule, the distribution plan must be based on the following equally weighted criteria:

a) age on the reference date
b) last reported annual salary
c) the retirement assets of active members and annuity capital of pensioners on the reference date
d) number of full insurance years on the reference date

The greater the age, the higher the annual salary, the larger the retirement assets or annuity capital and the higher the number of insurance years, the larger the individual's share of the distribution.

[2] The following persons are included in the distribution:

a) all active insured persons on the reference date
b) all retirement and disability pensioners on the reference date
c) all former insured persons who departed up to three years before the reference date.

2.2.2. Special measures

[1] As a general rule, the distribution plan must be based on the following equally weighted criteria:

a) age on the reference date
b) last reported annual salary
c) number of full insurance years on the reference date

The greater the age, the lower the annual salary and the higher the number of insurance years, the larger the individual's share of the distribution.

[2] The following persons are included in the distribution:

a) all active insured persons on the reference date
b) all retirement and disability pensioners on the reference date
c) all former insured persons who departed up to three years before the reference date.

2.2.3. Free funds and special measures

If free funds and special measures are to be distributed together, the special measures are first added to the free funds and a distribution plan for the total amount prepared in accordance with Section 2.2.1.

2.3. Distribution plan on the total liquidation of the pension scheme

[1] In the event of a compulsory legally prescribed distribution in consequence of the total liquidation of the pension scheme, the distribution plan is prepared in accordance with the principles of Section 2.2.

[2] If on the total liquidation of the pension scheme employer contribution reserves are also available, then after the deduction of outstanding premiums these are added to free funds and a distribution plan is prepared in accordance with the principles of Section 2.2.

2.4. Implementation

2.5.1. Timing of partial or total liquidation

[1] The distribution plan is implemented after it has legally come into force.

[2] The distribution plan is legally in force if:

a) no beneficiary has submitted a written objection to the authority indicated in Section 2.1 paragraph 4 within the 30-day period stipulated in the initial letter of notification,

b) no beneficiary has approached the supervisory authority within the 30-day period stipulated in the initial letter of notification;

c) beneficiaries have approached the supervisory authority within the 30-day period stipulated in the initial letter of notification, but their objections were informally rejected by the supervisory authority and no attempt was made to obtain a contestable directive from the supervisory authority within a further 30-day period of the informal rejection,

d) the supervisory authority was asked for a contestable directive within 30 days of the informal rejection, and the ensuing legal proceedings resulted in the preconditions, the procedure and the distribution plan being pronounced legal.

2.5.3. Means of distribution

[1] The beneficiaries' share of the distribution is credited to their retirement assets or annuity capital.

[2] If allocation to the annuity capital is not possible in the case of pensioners, their share may be transferred directly to the beneficiary.

[3] If allocation to the retirement assets is not possible because the beneficiary was able to assert a claim for cash payment, the share from the distribution is also transferred directly to the beneficiary.

[4] If allocation is not possible because the beneficiary fails to provide transfer details, his or her share is automatically transferred to the National Substitute Pension Plan six months after initial notification of the planned distribution.

2.5. Minimum amounts

[1] The Foundation sets minimum amounts for the total funds to be distributed or for the share to be allocated to each beneficiary.

[2] If these minimum amounts are not reached, the group of beneficiaries is adjusted in order to keep the costs incurred commensurate with the funds to be distributed.

[3] The Foundation periodically reviews the suitability of these measures.

[4] The amount of the share to be allocated to each beneficiary may not be less than CHF 200 or more than CHF 500.

2.6. Costs

[1] The creation of a distribution plan and the distribution give rise to the costs set out in the currently applicable Cost Schedule.

[2] Extraordinary expenses in connection with the handling of objections and complaints, in particular in relation to any expert opinions which have to be obtained, may be invoiced separately to the pension scheme in question.

2.7. Cases with no specific provision

The Foundation deals with distribution cases not explicitly covered in these regulations by applying its provisions mutatis mutandis, taking account of statutory regulations.

3. Entry into force

These regulations enter into force with the approval of the responsible supervisory authority on the date of the corresponding decision by the Board of Trustees. They apply to all partial liquidations as of this date, which are reported to the Foundation after this date.

For partial liquidations prior to these regulations, the Partial Liquidation Regulations of 23 November 2006 apply (date of decree of the former supervisory authority), taking the ordinance provisions of BVV 2 amended on1 June 2009 into account.

Appendix 9
Provisions on pension settlements in the event of divorce

1. Introduction

1.1. The provisions of this Appendix set out the rights and obligations of the Foundation in relation to the obligated spouse who is insured with the Foundation and the entitled spouse who is insured with the Foundation in connection with the divorce pension settlement laid down by the court. It also defines the rights and obligations of the Foundation in relation to entitled spouses who are not insured with the Foundation.

1.2. The provisions of this Appendix take precedence over any differing regulations in the General Terms and Conditions (GTC) and the Special Rules (SR).

2. Pension settlement in the event of divorce before retirement

2.1. Transfer value settlement prior to occurrence of disability

[1] If disability has not occurred when the divorce proceedings are initiated, the transfer value accrued by the (obligated) spouse insured with the Foundation from marriage to the date on which the divorce proceedings are initiated is divided up as ordered by the court.

[2] If, at the time the divorce proceedings are initiated, the (obligated) spouse has reached normal retirement age under the Pension Rules but has deferred drawing his or her retirement benefits, the retirement assets accrued with the Foundation at the time of initiation of the divorce proceedings will be divided up like a transfer value as ordered by the court.

2.2. Hypothetical transfer value settlement after occurrence of disability

[1] If, at the time the divorce proceedings are initiated, the (obligated) spouse insured with the Foundation has become fully or partially disabled, the hypothetical transfer value to which the disabled spouse would be entitled if he or she were no longer disabled (passive portion of retirement assets), calculated from marriage to the date on which the divorce proceedings are initiated, is divided up as ordered by the court.

[2] If, at the time the divorce proceedings are initiated, the (obligated) spouse insured with the Foundation is partially disabled, the active portion of the retirement assets accrued by the (obligated) spouse insured with the Foundation from marriage to the date on which the divorce proceedings are initiated is also divided up as ordered by the court.

[3] If the Foundation only pays the (obligated) spouse insured by it a reduced disability pension (or no disability pension at all) due to overcompensation on account of concurrence with benefits under compulsory accident insurance or military insurance, the hypothetical transfer value defined in paragraph 1 can still be used for the settlement as ordered by the court.

2.3. Object of the division

[1] If the (obligated) spouse insured with the Foundation carried out an early withdrawal for the purchase of residential property in the period between marriage and initiation of the divorce proceedings, the capital outflow and loss of interest resulting from the early withdrawal are deducted from the retirement assets accrued prior to marriage and between marriage and the date of the early withdrawal on a pro-rata basis (Article 22a (3) of the Swiss Federal Law on Vesting in Pension Plans (FZG)) in the event of a transfer value settlement before the occurrence of an insured event.

[2] If the (obligated) spouse insured with the Foundation carried out an early withdrawal for the purchase of residential property in the period between marriage and initiation of the divorce proceedings, the early withdrawal is not taken into account in transfer value settlements performed after the occurrence of disability (Article 22a (4) FZG).

[3] The predefined tables (Article 22b FZG) are applicable to calculations of transfer values for people who married before 1 January 1995.

[4] The following are not included in the division:

- The retirement assets increased by interest at the BVG minimum rate until the initiation of the divorce proceedings which had already been accumulated at the time of marriage
- The one-off deposits (purchases) made from the insured person's own property after marriage and increased by interest until the initiation of divorce proceedings
- Cash and lump-sum payments between marriage and the initiation of the divorce proceedings

2.4. Charging and transfer of the transfer value by the Foundation (Article 22c FZG)

[1] The transfer value to be transferred in favour of the entitled spouse by the Foundation is charged to the (obligated) spouse insured with the Foundation in the same proportion as the BVG retirement assets stand to the other retirement assets.

[2] The Foundation records the shares of BVG retirement assets and other retirement assets in the insured (obligated) spouse's transfer value and forwards this information together with the transfer to the (entitled) spouse's pension fund or vested benefits foundation.

[3] The Foundation transfers the transfer value to the entitled spouse's pension fund or vested benefits foundation or, subsidiarily, to the BVG Substitute Occupational Benefit Institution.

[4] The provisions of the GTC entitled “Transfer to the new pension provider”, “Maintenance of insurance cover in another form” and “Cash payment” apply to the transfer of the transfer value to the entitled spouse mutatis mutandis.

2.5. Acceptance and crediting of the transfer value in favour of the (entitled) spouse insured with the Foundation

[1] The part of the transfer value transferable to the Foundation by the obligated spouse’s pension fund or vested benefits foundation will be credited to the BVG retirement assets and the other retirement assets of the (entitled) spouse insured with the Foundation in the same proportion as it was debited at the obligated spouse’s pension fund or vested benefits foundation carrying out the transfer.

[2] The Foundation obtains information from the obligated spouse’s pension fund or vested benefits foundation on how the transfer value from the obligated spouse’s pension fund or vested benefits foundation is divided up into BVG retirement assets and other retirement assets.

[3] If the (entitled) spouse insured with the Foundation has reached normal statutory retirement age without his or her entitlement to retirement benefits coming into force, the transfer value to be transferred to him or her will not be credited to his or her retirement assets and the Foundation will not accept the transfer.

2.6. Repurchase after transfer of retirement assets

1 The (obligated) spouse insured with the Foundation may repurchase benefits up to the amount of the transfer value transferred by the Foundation (active portion of retirement assets) if no insured event has occurred at the time of the repurchase.

2 There is no entitlement to make repurchases after the transfer of the hypothetical transfer value to which the disabled spouse would be entitled if he or she were no longer disabled (passive portion of retirement assets).

3 The amounts paid back in are credited to the BVG retirement assets and the other retirement assets in the same proportion as the transfer value was debited to them.

2.7. Adjustment of disability pension of (obligated) spouses insured with the Foundation

1 If, under the SR, the retirement assets accrued up to the commencement of the entitlement to a disability pension are not included in the calculation of the disability pension, the calculation of the disability pension is not adjusted as a result of the transfer of the transfer value in favour of the entitled spouse.

2 If, under the SR, the retirement assets accrued up to the commencement of the entitlement to a disability pension are included in the calculation of the disability pension, the following regulation applies to the adjustment of the disability pension following transfer of the transfer value to the entitled spouse:

- If the incapacity whose cause leads to the disability (start of waiting period) occurs after the divorce settlement takes legal effect, the calculation of the disability pension is adjusted.
- If the incapacity whose cause leads to the disability (start of waiting period) occurs before the divorce settlement takes legal effect, the disability pension is not recalculated.

This also applies if the insured event of disability only occurs after the transfer of the transfer value to the entitled spouse.

3 If the calculation is adjusted, the disability pension is also adjusted to the extent that it is reduced because a balance in the amount of the portion of the transfer value transferred to the entitled spouse is missing from the calculation. A disability pension that is ongoing at the time of the transfer may not be reduced by any more than the ratio of the transferred portion of the hypothetical retirement assets at the initiation of the divorce proceedings to the total hypothetical retirement assets before the transfer. Recalculations of ongoing disability pensions are carried out in accordance with the provisions of the Pension Rules which applied at the time the disability pension was calculated.

4 However, calculations of BVG disability pensions are always adjusted as part of the BVG shadow account. The BVG retirement assets underlying the adjusted calculation consist of:

a) The pro-rata BVG retirement assets that the insured person accrued until the start of the entitlement to the disability pension
b) The pro-rata total of the BVG retirement credits for the missing years between the start of entitlement to a disability pension and the initiation of the divorce proceedings, excluding interest
c) The total of the BVG retirement assets for the missing years between the initiation of the divorce proceedings and normal retirement age, excluding interest

Pursuant to letters a) and b), the ratio of the non-transferred portion of the hypothetical BVG retirement assets at the time of initiation of the divorce proceedings and the total hypothetical BVG retirement assets is key. Otherwise, the adjusted calculation is performed in accordance with the legal provisions which applied at the time of the calculation of the BVG disability pension.

2.8. Adjustment of disability pension of (entitled) spouses insured with the Foundation

1 If, under the SR, the retirement assets accrued up to the commencement of the entitlement to a disability pension are not included in the calculation of the disability pension, the calculation of the disability pension is not adjusted following the receipt and crediting of the transfer value.

2 If, under the SR, the retirement assets accrued up to the commencement of the entitlement to a disability pension are included in the calculation of the disability pension, the following regulation applies to the adjustment of the disability pension following receipt and crediting of the transfer value:

- If the incapacity whose cause leads to the disability (start of waiting period) occurs after the divorce settlement takes legal effect, the calculation of the disability pension is adjusted.
- If the incapacity whose cause leads to the disability (start of waiting period) occurs before the divorce settlement takes legal effect, the disability pension is not recalculated.

This also applies if the insured event of disability only occurs after receipt and crediting of the transfer value.

3. Pension settlement in the event of divorce after retirement

3.1. Retirement pension settlement after retirement

1 If the (obligated) spouse insured with the Foundation at the time of initiation of the divorce proceedings is entitled to a retirement pension, this pension will be divided up as ordered by the court.

2 The portion of the pension assigned to the entitled spouse from the (obligated) spouse insured with the Foundation is converted by the Foundation into a lifelong pension on the date on which the divorce takes legal effect.

3 The conversion is performed using the formula prescribed by the Federal Council that is applicable when the divorce settlement takes legal effect (see Article 19h of the Appendix to the Vested Benefits Ordinance (FZV)).

4 The entitled spouse informs the Foundation in writing of whether the lifelong pension is to be transferred as a lump sum or a pension.

5 Lump-sum transfers will take place no later than 30 days after the Foundation receives the notification.

3.2. Transfer by the Foundation of the lifelong pension or lump-sum payment for which the entitled spouse is eligible

1 If the entitled spouse is eligible for a full disability pension or has reached the minimum age for early retirement applicable at his or her pension fund, he or she may request that the lifelong pension or lump-sum payment be paid/made directly to him or her.

2 If the entitled spouse is eligible for a retirement pension or has reached normal retirement age, the Foundation will pay the lifelong pension or lump-sum payment directly to him or her. The entitled spouse may request that these payments be transferred to his or her pension fund if he or she is not yet eligible for a retirement pension and can still make purchases on the basis of that pension fund's pension rules.

3 As a rule, the Foundation pays directly payable pensions to the entitled spouse quarterly in advance on 1 January, 1 April, 1 July and 1 October. If the pension does not

begin on one of these dates, it is calculated on a pro-rata basis.

4 If there is no direct payment to the entitled spouse, the Foundation will transfer the lifelong pension to the entitled spouse's pension fund or vested benefits foundation or, subsidiarily, to the BVG Substitute Occupational Benefit Institution.

5 This transfer will comprise the pension owed for one calendar year and must be paid by 15 December of the year in question. If, during the year in question, the entitled spouse becomes eligible for direct payment due to age or disability or dies, the transfer will comprise the pension owed from the beginning of the year until this point. The Foundation shall pay interest on the annual transfer at a rate of half the interest rate applicable under the Pension Rules for the year in question.

6 The Foundation records the shares of BVG retirement assets and other retirement assets in the insured (obligated) spouse's lifelong pension or lump-sum payment and forwards this information together with the transfer to the (entitled) spouse's pension fund or vested benefits foundation.

7 If the entitled spouse switches to a different pension fund or vested benefits foundation, he or she must notify the Foundation by no later than 15 November of the year in question.

3.3. Acceptance and crediting by the Foundation of the lifelong pension or lump-sum payment for which the (entitled) spouse insured with the Foundation is eligible

1 The part of the lifelong pension or lump-sum payment transferable to the Foundation by the obligated spouse’s pension fund or vested benefits foundation will be credited to the BVG retirement assets and the other retirement assets of the (entitled) spouse insured with the Foundation in the same proportion as it was debited at the obligated spouse’s pension fund or vested benefits foundation carrying out the transfer.

2 The Foundation obtains information from the obligated spouse's pension fund or vested benefits foundation on how the lifelong pension or lump-sum payment from the obligated spouse's pension fund or vested benefits foundation is divided up into BVG retirement assets and other retirement assets.

4. Calculation of transfer value and retirement benefits in the event of retirement during the divorce proceedings (Article 22a (4) FZG)

4.1. If the (obligated) spouse insured with the Foundation reaches retirement age as an active insured person or disability pension recipient and is entitled to a retirement pension, the following shall apply:

1 If the (obligated) spouse insured with the Foundation retires during the divorce proceedings, the Foundation may reduce the part of the transfer value to be transferred and the retirement benefits.

2 The retirement pension will be recalculated as of the pension start date and reduced to the extent that its calculation would have been based on assets reduced by the transferred amount of the transfer value.

3 One half of the amount by which the retirement pension payments would have been reduced prior to the entry into force of the divorce settlement if the calculation had been based on assets reduced by the transferred amount of the transfer value is deducted from the transfer value to be transferred in favour of the entitled spouse.

4 The other half of this amount is converted into a lifelong pension on the date on which the divorce settlement enters into force in accordance with the Foundation's actuarial principles applicable to the original calculation of the retirement pension. The retirement pension of the obligated spouse reduced as set out in paragraph 2 is then additionally reduced by the amount of this lifelong pension. Pension shares paid out after the divorce settlement which exceed the retirement pension reduced as defined in paragraph 2 are offset - where permitted by law - against the retirement pension due.

4.2. If the (obligated) spouse insured with the Foundation reaches retirement age as an active insured person or disability pension recipient and is entitled to retirement capital, the following shall apply:

1 If the (obligated) spouse insured with the Foundation retires during the divorce proceedings, the Foundation may reduce the part of the transfer value to be transferred and the retirement benefits.

2 If payment of retirement benefits as a lump sum was applied for in a timely fashion, the due date for payment of the retirement capital will be deferred until the divorce settlement takes legal effect. During the deferral period, the Foundation will pay the obligated spouse advance benefits in the form of a retirement pension, deducting them from the retirement capital.

3 One half of the amount by which these advance benefits would have been reduced prior to the entry into force of the divorce settlement if the calculation had been based on assets reduced by the transferred amount of the transfer value is deducted from the transfer value to be transferred in favour of the entitled spouse.

4 The advance benefits paid by the Foundation prior to the entry into force of the divorce settlement and reduced by the transfer value to be transferred as per paragraph 3 are deducted upon entry into force of the divorce settlement from the retirement capital reduced as a result of the transfer of the transfer value (without a deduction as per paragraph 3) of the (obligated) spouse insured with the Foundation.

5. The Foundation's notification obligations

In the event of divorce or the court dissolution of a registered partnership, the Foundation must provide the insured person or the court on request with information about:

a) The amount of the assets which will be used in the calculation of the transfer value that is to be divided up
b) The proportion of BVG retirement assets in the insured person's total assets
c) Whether and by what amount early withdrawals as part of the home-ownership promotion scheme have been deducted from the transfer value
d) The amount of the transfer value at the time of any early withdrawal
e) Whether and by what amount the transfer value or pension benefits have been pledged
f) The expected amount of the retirement pension
g) Whether lump-sum payments have been made
h) The amount of any ongoing disability or retirement pension
i) Whether and by what amount a disability pension has been reduced, whether it has been reduced for the purposes of coordination with disability pensions from accident or military insurance and, if so, whether it would also have been reduced in the absence of an entitlement to children's pensions
j) The amount of the transfer value that a disability pension recipient would be entitled to after termination of the disability pension
k) The adjustment of the disability pension if an amount was transferred to the entitled spouse as part of a pension settlement

l) Other information required to enforce the pension settlement

6. Scope

This Appendix enters into force on 1 January 2019.