



# Pension Fund Regulations

Swisscanto Vested Benefits Foundation of the Cantonal Banks

On the basis of Art. 9 of the deed of foundation of the Swisscanto Vested Benefits Foundation of the Cantonal Banks, Basel (hereinafter the "Foundation"), the Board of Foundation hereby issues the following regulations:

## Preliminary remarks

Terms denoting the male gender also refer to the female gender, and vice versa. The Foundation uses the terms "pension assets" and "vested benefits" synonymously.

## Art. 1 Purpose and basis

<sup>1</sup> The purpose of the Foundation is to maintain employee benefit coverage pursuant to the provisions of the Federal Act on the Vesting of Occupational Old Age, Survivors' and Invalidity Benefits (VBA) and the corresponding ordinance (VBO).

<sup>2</sup> The Pension Fund Regulations, Rules on Costs and Investment Guidelines form the basis for the existing benefit arrangement between the Foundation and the policy holder.

<sup>3</sup> The Foundation is subject to the supervision of the BSABB, BVG- und Stiftungsaufsicht beider Basel.

<sup>4</sup> The Foundation is managed by Helvetia Swiss Life Insurance Company Ltd.

<sup>5</sup> The German version is binding for the interpretation of the regulations.

## Art. 2 Vested benefits account

<sup>1</sup> The Foundation opens and keeps a separate vested benefits account for every policy holder.

<sup>2</sup> Incoming and outgoing payments are normally made in Swiss francs and are credited to /debited from an account in Switzerland kept in the policy holder's name. In justified cases expressed in writing, the Foundation may depart from this principle at the policy holder's request. In this case, the policy holder must bear any bank fees and exchange-rate losses.

## Art. 3 Securities-based saving

<sup>1</sup> The Foundation offers policy holders securities-based saving as defined in Art. 19 of the Ordinance on the Vesting of Occupational Old-Age, Survivors' and Invalidity Benefits (VBO).

<sup>2</sup> The policy holder bears the risk associated with investment of the rights. As regards the pension assets invested in rights, policy holders are entitled neither to a minimum return nor to the preservation of their capital.

<sup>3</sup> In all other respects, the provisions of the Investment Guidelines apply.

## Art. 4 Vested benefit certificate

The Foundation provides the policy holder with

- a. a vested benefits certificate after the vested benefits account is opened and
- b. a vested benefits certificate at the beginning of every subsequent year

## Art. 5 Policy holder's obligation to notify

If the policy holder joins a new employee benefit institution, the Foundation must transfer his/her pension assets to that institution to ensure continued benefit coverage. The policy holder must inform the Foundation when he/she joins a new employee benefit institution.

## Art. 6 Interest

<sup>1</sup> The Foundation invests the the policy holder's pension assets as a savings deposit pursuant to Art. 19 VBO with what is referred to as "the interest-paying cantonal bank".

<sup>2</sup> When the vested benefits account is opened, the policy holder will be asked to choose an interest-paying cantonal bank. If the policy holder fails to choose an interest-paying cantonal bank, the Foundation will assign one to him/her. The policy holder may at any time submit a written request to change the interest-paying cantonal bank. The Foundation may change the interest-paying cantonal bank if it considers such a change to be necessary. The policy holder may delegate to the Foundation the task of choosing and changing the interest-paying cantonal bank. Under no circumstances does the Foundation assume any liability for any difference in the interest rate paid or for any consequences of such a difference.

<sup>3</sup> The Foundation pays interest on the pension assets at the rate received from the interest-paying cantonal bank until such time as the corresponding benefit falls due. Interest rates may change during the year. Changes in the interest rate are announced in the appropriate manner on the Foundation's website ([www.swisscanto-fzs.ch](http://www.swisscanto-fzs.ch)); a notice to this effect is also included in the policy holder's next vested benefits certificate. The pension assets transferred to the pension fund are calculated at the end of the year, taking account of interest earned, and continue to accrue interest the following year.

## **Art. 7 Retirement benefit**

<sup>1</sup> The accrued pension assets fall due for payment on the first day of the month after the policy holder reaches ordinary OASI reference age.

<sup>2</sup> Payment of the retirement benefit may be brought forward or postponed by a maximum of five years.

<sup>3</sup> The retirement benefit is also payable if the policy holder draws an entire disability pension under the federal invalidity pension insurance scheme.

<sup>4</sup> If the policy holder is married or living in a registered partnership, payment of the retirement benefit is permitted only if the spouse or registered partner agrees in writing. If the policy holder is unable to produce the spouse or partner's written consent, he/she may appeal to a civil court.

## **Art. 8 Early termination of the benefit arrangement**

<sup>1</sup> The benefit arrangement may be terminated before the policy holder reaches ordinary OASI reference age and the pension assets may be paid out if they are transferred to a tax-exempt employee benefit institution or if benefit coverage is maintained in some other legal form.

<sup>2</sup> Early cash payment of the pension assets may be requested by a policy holder

- a. who is leaving Switzerland permanently. Policy holders cannot request cash payment of the minimum retirement assets pursuant to the LOB if they
  - I. continue to be subject to compulsory insurance for the risks of old age, death and disability under the legal requirements of a member state of the European Union;
  - II. continue to be subject to compulsory insurance for the risks of old age, death and disability under Icelandic or Norwegian legal regulations;
  - III. are resident in Liechtenstein.

- b. who takes up self-employment as his/her main occupation and is no longer subject to compulsory occupational benefits insurance. Termination is only possible once within one year of taking up self-employment as a main occupation.
- c. who can prove that the pension assets amount to less than his/her annual contribution before the vested benefits account was set up.

<sup>3</sup> Policy holders who are married or who live in a registered partnership require the written consent of their spouse or registered partner in order to request a cash payment. Other policy holders need an official confirmation of their marital status when requesting a cash payment.

## **Art. 9 Promotion of home ownership**

<sup>1</sup> Within the scope of the statutory provisions, policy holders are entitled to utilize part of their pension assets to finance home ownership (Art. 30 a-f, 83a of the Federal Law on the Occupational Old Age, Survivors' and Disability Benefit Plans (LOB) and Art. 331d and 331e of the Code of Obligations (CO)).

<sup>2</sup> The advance withdrawal falls due within six months of receipt of the completed request for payment and is disbursed to the account nominated by the policy holder.

<sup>3</sup> The documents required by the Foundation must be submitted either in one of the three official Swiss languages or in a German translation certified by the corresponding consulate.

<sup>4</sup> Partial withdrawals of retirement savings to finance home ownership are taken proportionately from the compulsory retirement savings as per the LOB and from the supplementary retirement savings.

<sup>5</sup> In the case of policy holders who are married or have a registered partner, the capital withdrawal and every subsequent establishment of a lien on real estate requires the written consent of the respective spouse or registered partner. If the policy holder is unable to obtain the written consent of the spouse or registered partner, he/she may appeal to a civil court.

<sup>6</sup> Upon written application, the Foundation will inform the policy holder about

- the retirement assets available for home ownership purposes;
- the benefit reductions associated with an advance withdrawal or realization of a pledge;
- how to make good any shortfalls in insurance cover for death or incapacity to earn resulting from an advance withdrawal or realization of a pledge;
- the tax payable on an advance withdrawal or realization of a pledge;
- the entitlement to a refund of the tax paid on an advance withdrawal or realization of a pledge when the capital involved is repaid, together with the applicable time limit.

## Art. 10 Divorce

In the event of a divorce, the Foundation will, on request, prepare a divorce calculation and send it to the court handling the case. If one of the spouses is awarded compensation, the court will officially notify the Foundation of the amount to be transferred. The Foundation is bound by the court's decree and instructions. The same applies to the dissolution of a registered partnership. If a divorce or dissolution takes place abroad, the decree must be recognized by a Swiss court.

## Art. 11 Assignment and pledging

None of the benefits insured under these regulations may be assigned or pledged before the date on which they fall due. This does not affect Art. 22 et seq. VBA in cases of divorce or legal dissolution of a registered partnership (in accordance with the Same-Sex Partnership Act, SSPA) as well as the provisions concerning the promotion of home ownership using funds from occupational benefit schemes.

## Art. 12 Death benefit

<sup>1</sup> If the policy holder dies before the retirement benefit falls due, the following persons will be considered to be beneficiaries in the following order:

- a. his/her surviving dependants within the meaning of Art. 19, 19a and 20 LOB;
- b. natural persons who were supported to a considerable extent by the policy holder, or the person with whom the policy holder lived in a domestic partnership for an uninterrupted period of five years preceding his/her death or who is responsible for the maintenance of one or more joint children;
- c. children of the deceased who do not satisfy the requirements of Art. 20 LOB, the deceased's parents or siblings, in each case on the basis of the statutory division rules under inheritance law;
- d. the remaining legal heirs, except for the public purse, on the basis of the statutory division rules under inheritance law.

<sup>2</sup> The policy holder may make a written declaration, specifying in more detail the claims of his/her beneficiaries or, in special circumstances, to extend the group persons listed in para. a with those listed in para. b, insofar as this meets the policy holder's intentions better. Persons not belonging to the groups described in para. a and para. b cannot be made beneficiaries. The policy holder must submit a corresponding declaration (order of beneficiaries) to the Foundation while still alive.

<sup>3</sup> If the Foundation is informed before the death benefits are paid out that the beneficiary wilfully caused the death of the policy holder, the Foundation may refuse to pay part or all of the pension benefits. In such a case, the remaining entitlement is transferred to the next person(s) in the order of beneficiaries. The Foundation does not actively check the cause of death and the circumstances that led to death.

## Art. 13 Documents and certificates

<sup>1</sup> The policy holder or the beneficiaries, as the case may be, must make a credible case for the benefit payment, in particular by submitting official certificates.

<sup>2</sup> Documents must be submitted to the Foundation in one of Switzerland's three official languages (German, French, Italian) or in English. The cost of the certificates and translations must be borne by the policy holder.

<sup>3</sup> At any time, in any context and without giving any additional grounds for doing so, the Foundation is entitled to ask the policy holder to submit signatures in officially certified or notarized form.

<sup>4</sup> The Foundation reserves the right to request additional documents from the policy holder at the latter's expense.

## Art. 14 Payment of benefits

<sup>1</sup> All benefits (Art. 7, 8 and 12) fall due for payment 30 days after receipt of all the required information.

<sup>2</sup> Upon expiry of this period the Foundation will pay – until the termination benefits have been transferred – the LOB minimum interest rate as defined by the Federal Council plus 1% default interest (pursuant to Art. 26 para. 2 VBA and Art. 7 VBO).

## Art. 15 Taxes

<sup>1</sup> The pension assets, including interest, are taxable in accordance with Swiss law at the time they are paid out. The Foundation has a duty to report payments to the tax authorities. The policy holder is advised to clarify tax treatment in advance with the relevant tax authority. The policy holder bears sole responsibility for any tax consequences and proceedings to collect unpaid tax.

<sup>2</sup> If the policy holder is resident abroad at the time the payment is made or if he/she leaves Switzerland permanently, withholding tax will be retained when the payment is made. The Foundation is subject to the withholding tax rate of the canton of Basel-Stadt.

## **Art. 16 Correspondence**

<sup>1</sup> The policy holder must address all correspondence directly to the Foundation. This does not affect the provisions of the regulations on securities-based saving (Art. 3).

<sup>2</sup> The policy holder must inform the Foundation of any change of name, address or marital status. In addition, policy holders who are married or living in a registered partnership must inform the Foundation of the date of their marriage or registration of their partnership. Notices from the Foundation to the policy holder are deemed legally valid if sent to the last address held for the policy holder by the Foundation.

<sup>3</sup> For comparison purposes, the Foundation may obtain information on the policy holder's address data from the interest-paying cantonal bank indicated on the policy holder's vested benefits certificate.

<sup>4</sup> The Foundation may send the policy holder or beneficiary correspondence that does not require a signature.

<sup>5</sup> Once the policy holder has provided his/her written authorization, communication and the exchange of data between the policy holder and the Foundation can take place via e-mail.

## **Art. 17 Rejection and termination by the Foundation**

<sup>1</sup> The Foundation may decline to open a vested benefits account without stating reasons; it will notify the applicant of this in writing.

<sup>2</sup> The Foundation may also unilaterally terminate the pension relationship at any time without stating reasons; it will notify the policy holder of this in writing. Within 30 days of receiving such notification, the policy holder undertakes to let the Foundation know where his/her termination benefit should be transferred to for the purpose of maintaining employee benefit coverage. If the policy holder fails to provide such instructions, the Foundation will transfer his/her termination benefit to the LOB substitute scheme.

## **Art. 18 Management and protection of personal data**

<sup>1</sup> The data made available to the Foundation is managed and processed by Helvetia Swiss Life Insurance Company Ltd (the manager of the Foundation). The policy holder consents to the interest-paying cantonal bank indicated on his/her vested benefits certificate receiving his/her personal data and any changes to that data at regular intervals. The policy holder also consents to the manager of the Foundation and the interest-paying cantonal bank specified in the policy holder's vested benefits certificate using the policy holder's personal data of which the Foundation gains knowledge for the purpose of consultation.

<sup>2</sup> The Foundation will take all the necessary technical and organizational measures to ensure the protection of the personal data.

## **Art. 19 Liability**

The Foundation is not liable to the policy holder for any consequences of the policy holder's failure to comply with statutory, contractual or regulatory obligations.

## **Art. 20 Legal venue**

The legal venue for any disputes arising from these regulations is determined in accordance with Art. 73 LOB. The registered office of the Foundation is located in the canton of Basel-Stadt.

## **Art. 21 Entry into force; amendments**

<sup>1</sup> These regulations enter into force on 1 January 2024. The relevant statutory provisions underpinning these regulations are subject to change and also apply to these regulations from the date of their entry into force.

<sup>2</sup> The Board of Foundation is authorized to amend these regulations at any time. Amendments require the approval of the supervisory authority. Policy holders will be notified of such amendments in appropriate form.

<sup>3</sup> The current version of the regulations is available on the Foundation's website at [www.swisscanto-fzs.ch](http://www.swisscanto-fzs.ch).

Basel, November 2023

The Board of Foundation