



PENSIONSKASSE FÜR KMU



Pension Regulations

Valid from 1 January 2026

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A. General provisions

Art. 1 Organisation of the occupational benefit provision

1. The PKG Pensionskasse with registered office in Lucerne (hereinafter known as "PKG") is a foundation for the obligatory and supplementary occupational pension provision of small and medium-sized enterprises and organisations. As a collective organisation, its purpose is to protect the employees of the member enterprises as well as their family members and survivors against the economic consequences of age, death and disability in accordance with the provisions of these Pension Regulations.

2. PKG is a non-profit making organisation. Pursuant to the resolutions of the Board of Trustees, any surpluses are used to improve benefits, reduce the level of contributions and form reserves.

Art. 2 Pension Regulations

1. Together with the respective pension plan of the member enterprise, the Pension Regulations govern

occupational pension provisioning. They regulate the relationships between PKG and the member enterprises as well as the insured persons and the authorised beneficiaries. All references to persons in these Regulations apply equally to all genders.

2. In addition, the regulations, resolutions and guidelines passed by the Board of Trustees and the Management Committee are also applicable.

Art. 3 Relationship with the BVG

PKG guarantees the minimum benefits stipulated by the Swiss Occupational Pensions Act (Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG)) in its respective valid version unless these are expressly excluded within the scope of supplementary benefits in the pension plan. PKG is included in the register of occupational benefits schemes and is a member of the security fund.

B. Membership of the enterprise

Art. 4 Membership agreement

The basis for the rights and obligations of the member enterprise is the membership agreement with PKG.

Art. 5 Pension commission

There is a pension commission for each member enterprise with equal representation. The pension commission takes membership-related pension decisions and elects the members of the Board of Trustees. Further details are set out in the Organisational and Election Regulations.

Art. 6 Pension plan

1. The pension plan stipulates the benefits and contributions agreed with the member enterprise. Rules which deviate from these Regulations shall be valid only if expressly recorded in the pension plan.

2. Pension plans must correspond to the principles of occupational pension provision. In other respects, the options pursuant to Art. 1d BVV 2 shall be available.

Art. 7 Pension accounts of the member enterprises

Member enterprises may form special reserves to finance contributions and benefit improvements, early retirement and cases of social hardship. PKG maintains separate accounts for these reserves.

Art. 8 Termination

1. The membership agreement may be dissolved at the earliest following the agreed duration, subject to adherence to the specified period of notice to the end of the calendar year. Termination by the member enterprise shall be subject to the consent of the employees (or the employee representatives, if any, in accordance with Art. 10(d) of the Participation Act).

2. The PKG may dissolve the membership agreement without adherence to further notice periods if the employer grossly breaches its obligations within the framework of occupational pension provisioning. In other respects, the provisions of the regulations pertaining to partial liquidation as well as the cost regulations shall apply.

C. Inclusion and departure of insured persons

Art. 9 Admission requirements

- Persons are admitted to PKG who:
 - are employees of a member enterprise,
 - have reached the age of 17,
 - will draw a relevant annual salary (Art. 20) that exceeds the obligatory entry threshold pursuant to BVG,
 - have concluded a contract of employment which is unlimited or limited to more than three months,
 - are less than 70 percent disabled and whose benefit cover is not maintained at the pension scheme which has an obligation to pay benefits pursuant to Art. 26a BVG.
- Full-time or part-time employees whose relevant annual salary does not reach the obligatory entry threshold pursuant to BVG or employees pursuant to Art. 1j BVV 2 may be voluntarily insured if this is agreed in the pension plan with the member enterprise. Art. 1j (Para. 3 and 4) BVV 2 applies in all other respects.

Art. 10 Self-employed persons

Self-employed persons may be included within the framework of the regulatory provisions as long as membership is concluded together with their staff. However, benefit cover shall commence only upon written confirmation of definitive inclusion by PKG.

Art. 11 Registration and inclusion

- Inclusion shall be established at the time of the commencement of the employment relationship or when entitlement to a salary exists for the first time, but in any case at the time when the employee is on the way to work and the inclusion conditions are met in line with Art. 9. If these conditions are fulfilled only at a later date, this individual must be reported to PKG at this later date.
- If a fixed-term contract of employment is extended without interruption beyond the duration of three months, inclusion shall take effect at the time of the agreement of the extension. Furthermore, inclusion shall take place if several successive positions of employment with the same employer continue for longer than three months and no interval between them is longer than three months. In this case, the employee is only insured from the beginning of the

fourth working month in total; however, if it is agreed prior to the commencement of the first position that the period of employment will exceed three months, the employee will be insured as of the commencement of the employment relationship.

- The person who is to be insured must be registered with PKG at the latest 30 days following the commencement of the insurance obligation. The corresponding registration form must be completed truthfully and signed by the employee and the insured person.

- The actuarial date of inclusion constitutes the first day of any month. If the employment relationship starts from the first up to and including the 15th of the month, the first day of the current month applies. If the employment relationship starts from the 16th until the end of the month, the first day of the following month constitutes the date of inclusion.

- In accordance with Art. 3 and 4 FZG, the insured person is obliged to transfer the termination benefit from the previous pension scheme and any vested benefits to PKG upon admission. PKG can refuse acceptance of any subsequent transfer of vested benefits.

Art. 12 Pension types

- Risk provisioning against the consequences of death and disability shall be effective from the date of inclusion, although not before 1 January after the insured person turns 17, until departure, the reference age or early retirement.
- Insured persons who have reached the age of 24 shall be guaranteed a retirement pension from the following 1 January until their departure or until they reach the reference age or take early or deferred retirement.
- Recipients of retirement and disability pensions will continue to receive survivors' benefits.

Art. 13 Departure

- Departure from PKG shall take place in the event of termination of the employment relationship or the lapsing of the inclusion conditions as long as no pensionable event has taken place. Continuation of

C. Inclusion and departure of insured persons

insurance cover in accordance with Art. 44 remains reserved. In the event of partial disability, the departure shall be in accordance with the extent of the remaining capacity to pursue gainful employment.

2. The employer must report the departure to PKG in writing 30 days after the dissolution of the occupational benefits relationship at the latest.
3. The actuarial date of departure constitutes the last day of any month. If the employment relationship ends from the first up to and including the 15th of the month, the last day of the previous month applies, while if the employment relationship ends from the 16th until the end of the month, the last day of the current month constitutes the date of departure.
4. Risk provisioning shall remain in force following termination of the occupational benefits relationship until a new occupational benefits relationship is entered into, although for no longer than one month. Supplementary cover shall be waived in the event of retirement.

Art. 14 Duty to provide information

Employees, insured persons and authorised beneficiaries are obliged to provide all necessary information and to supply the required documentary substantiation. Persons who fail to comply with these obligations shall be liable for any resulting damages.

Art. 15 Health certificate

1. Insured persons must upon request provide information about their state of health at the time of inclusion or in the event of benefit improvements. PKG, or any possible reinsurer, may require that a medical examiner conducts checks, and may impose reservations for the risks of death and disability for limited periods of time. If, during the reservation period of no more than five years, an event (death or incapacity for work leading to subsequent disability

or death) occurs, the cause of which is subject to a reservation, the benefits to be paid by PKG (including prospective survivors' benefits) will be reduced for life to the minimum benefits in accordance with the BVG.

2. Cover for benefits in accordance with the pension plan shall commence only upon written confirmation of definitive inclusion by PKG. Benefits in accordance with the BVG are covered.
3. If the risk assessment questions are answered wrongly or incompletely, PKG may terminate risk provisioning for the supplementary portion, and may limit its disability and survivors' benefits to the minimum BVG benefits for life. Any benefits paid in excess shall be reclaimed. The termination entitlement shall expire three months after PKG has received reliable knowledge of the facts which provide justified grounds to conclude that the duty to provide information has been breached.

Art. 16 Pension certificate

Each year, insured persons shall be sent a personal pension certificate detailing the insured salary, contributions, benefit entitlements and termination benefit.

Art. 17 General information

PKG shall each year provide information in an appropriate manner about its organisation and funding as well as about the members of the Board of Trustees.

Art. 18 Reporting obligation

Authorised beneficiaries are obliged to inform PKG without delay and without being requested to do so of all changes which could have an influence on their benefits.

Art. 19 Proof of entitlement to benefits

At the request of PKG, authorised beneficiaries must provide all documents required to substantiate their entitlement to benefits.

D. Calculation principles for contributions and benefits

Art. 20 Salary definition

Relevant salary

1. The relevant salary to be reported corresponds to the probable AHV annual salary at the member enterprise, calculated in respect of the entire year. Salaries earned by insured persons working for one or more other companies at the same time can only be insured if the pension plan so allows. Occasional salary components such as overtime compensation, long-service gifts, supplements for Sunday and holiday work, shift allowances and the like are not insured. The relevant salary can be determined in the pension plan in deviation of the above.

2. In the event of fluctuating income, the relevant annual salary corresponds to the last known AHV annual salary or the average AHV annual salary which is customary for the sector.

3. If the relevant annual salary falls temporarily due to illness, accident, maternity, paternity, adoption, short-time working or for similar reasons, the previous annual salary shall remain relevant during the period in which the employer is obliged to continue making salary payments, maternity leave, paternity leave, carer's leave or adoption leave pursuant to Art 8 Para. 3 BVG, unless the insured person requests the reduction of the relevant salary.

Insured annual salary

4. The insured annual salary is described in the pension plan and is considered the basis of calculation for

- the risk provisioning benefits prior to retirement,
- the retirement assets,
- the contributions.

Salary of less than one year

5. If a person is not insured throughout the entire calendar year, the relevant salary is projected in respect to a whole year.

Art. 21 Unpaid leave

1. During unpaid leave, retirement provisioning continues for the active insured person and the retirement assets continue to earn interest.

2. At the request of the person and with the consent of the member enterprise the following may also be continued voluntarily:

- the risk provisioning or
- the retirement provisioning with continued accumulation of retirement credits, or
- the risk and retirement provisioning with continued accumulation of retirement credits for a maximum of twelve months, provided the employment relationship is subsequently continued. Benefits will be collected by the member enterprise.

Art. 22 Salary reports

Salaries shall be recorded at the time of inclusion and on each 1 January, and the benefits and contributions shall then be recalculated accordingly. The annual salary report may also be submitted at a different point in time on request. Salary changes of more than ten per cent may also be reported and taken into account during the course of the year.

Art. 23 Relevant age

- When it comes to calculating the benefits and contributions, the age is the difference between the respective calendar year and the year of birth.
- The reference age shall be determined in accordance with the rules of the BVG in the absence of any other agreements in the pension plan.

E. Disability benefits

Art. 24 Determination of disability

1. Disability is established if an insured person is disabled within the meaning of Swiss Invalidity Insurance (IV). Cover is provided if the insured characteristic existed at the time of commencement of the incapacity for work the cause of which led to disability.
2. The degree of disability is determined in accordance with the income reduction caused by the disability. It is essentially determined pursuant to the rulings of Swiss Invalidity Insurance and if necessary the rulings of the accident insurer.

Art. 25 Disability pension

1. Insured persons who become fully or partially disabled before retirement are entitled to a disability pension following the end of the entitlement to salary or substitute salary payments of any nature whatsoever amounting to at least 80 percent of the former earnings and which are at least half financed by the employer, as well as following the expiry of the waiting period agreed in the pension plan. The entitlement exists during the course of the disability but only until the reference age is reached.
2. An insured person who is less than 40 percent disabled is not entitled to any benefits. If the degree of disability is 70 percent or more, pension entitlement is 100 per cent, i.e. he is entitled to a full disability pension. If it is 50 percent to 69 percent, pension entitlement is equal to the degree of disability. If it is less than 50 percent, pension entitlement is equal to 25 percent plus 2,5 percentage points for each percentage point that the degree of disability exceeds 40 percent. (Example: if he is 45 per cent disabled, pension entitlement is 37,5 per cent (= 25 per cent + 2,5 per cent × (45 – 40)).
3. The calculated pension and therefore also pension entitlement is increased, reduced or cancelled if the degree of disability in the occupational pension scheme changes by at least 5 percentage points as a result of a revision to disability insurance (IV).

Art. 26 Disabled person's child's pension

Persons who draw disability pensions are entitled to a disabled person's child's pension. The entitlement, duration and amount thereof shall be correspondingly based on the disability and orphan's pension provisions.

Art. 27 Continued provisioning and contribution waiver

In case of inability to work

1. Following the expiry of the waiting period agreed in the pension plan, insured persons who are unable to pursue gainful employment are entitled to the contribution-free continuation of risk and retirement provisioning. The contribution waiver is geared to the degree of inability to work based on the insured salary before becoming unable to work and the relevant pension plan. The contribution waiver is granted for a maximum of 24 months. The entitlement exists over and above this if health, accident or military insurance continues to pay daily allowances. Once a negative IV decision has been made (date of decree), no further contribution waivers will be granted. The entitlement ends at the latest upon reaching the reference age. During the waiting period, the contributions shall be paid by the member enterprise as long as the employment relationship has not been dissolved. The contribution waiver for retirement provisioning also remains insured during periods of unpaid leave with continued risk provisioning. The contribution waiver is billed for entire months.

In case of disability

2. Disabled insured persons are entitled to continue retirement provisioning without having to pay any contributions if PKG is responsible for disability pension benefits. The entitlement ends once the disability no longer exists, but no later than on reaching the reference age. The amount of the contribution waiver granted to disabled persons is calculated in accordance with the pension gradation pursuant to pension entitlement and based on the insured salary before becoming unable to work and the relevant pension plan. The provisions of Art. 26a BVG apply mutatis mutandis.

F. Survivors' benefits before retirement and before reaching the reference age

Art. 28 Spouses and registered partners

1. Surviving spouses or partners within the meaning of the Federal Act on the Registered Partnership between Same-Sex Couples (PartG) are entitled to a spouse's pension following the death of the insured person or before retirement and before reaching the reference age.
2. In place of the spouse's pension, the available retirement assets may also be drawn.
3. Entitlement to a spouse's pension shall be established upon the death of the insured person but not before continued payment of the full salary or substitute salary has ended, or upon expiry of the entitlement to a disability pension. Entitlement to a spouse's pension shall expire at the end of the month in which the person who is entitled to the benefit dies or gets married (the foregoing is without prejudice to Art. 30).
4. Entitlement to a spouse's pension for those who draw retirement pensions or persons who have exceeded the reference age is defined in Art. 36.
5. If the cash value of the spouse's pension exceeds the retirement assets, and if termination benefits or vested assets (Art. 4 FZG) were not transferred to PKG, the spouse's pension shall be limited to no more than the amount of the retirement assets in accordance with actuarial principles.
6. The entitlement of the divorced spouse is determined by the provisions of Art. 20 BVV 2 (cf. Art. 57, Para. 5, lit. c) and the transitional provision of the amendment of 10 June 2016.

Art. 29 Life partners

1. Life partners, including those of the same gender, are entitled to benefits pursuant to Art. 28 if at the time of death
 - a. a written partnership agreement can be presented or a written beneficiary declaration was submitted during the lifetime of the deceased, and
 - b. both were unmarried, did not live in a registered partnership, there were no obstacles

to marriage pursuant to Art. 94–96 ZGB or no obstacles to registration pursuant to Art. 3 and 4 PartG, and

- c. they do not draw any survivors' benefits from occupational pension provisioning, and
- d. the surviving life partner is required to support one or more joint children or the partnership existed without interruption in the last five years prior to death.

2. Entitlement to a life partner's pension can be established upon the death of the insured person but not before continued payment of the full salary or substitute salary has ended, or upon expiry of the entitlement to a disability pension. It can be established up until retirement but not after the reference age has been reached.

3. In place of the life partner's pension, the available retirement assets may also be drawn.

4. If the cash value of the life partner's pension exceeds the retirement assets, and if termination benefits or vested assets (Art. 4 FZG) were not transferred to PKG, the life partner's pension shall be limited to no more than the amount of the retirement assets in accordance with actuarial principles.

5. Entitlement to a life partner's pension for those who draw retirement pensions or persons who have exceeded the reference age is defined in Art. 36.

6. Entitlement to a life partner's pension shall expire at the end of the month in which the person who is entitled to the benefit dies or gets married (the foregoing is without prejudice to Art. 30).

Art. 30 Lump sum settlement

In the event of marriage before reaching the reference age, the person drawing a spouse's or life partner's pension shall receive a lump sum settlement amounting to three annual pensions. Following the lump sum settlement, all further benefit claims vis-à-vis PKG shall lapse.

Art. 31 Orphan's pension

1. The children of the deceased person shall be

F. Survivors' benefits before retirement and before reaching the reference age

entitled to orphans' pensions, foster children only if the deceased person had an obligation to support them. The orphan's pension shall be paid out until the respective child has reached the age of 18. If children are in education or training or are themselves at least 70 per cent disabled, their pension entitlement shall continue until completion of their education or training or until they become able to pursue gainful employment, but no longer than after reaching the age of 25.

2. In the event that both parents have died, the orphan's pension shall amount to 200 percent of the insured orphan's pension (double orphan's pension).

Art. 32 Lump sum death benefit

1. If an insured person dies before retirement, a lump sum death benefit shall become due in accordance with the following order of precedence irrespective of the law of succession:

- a. the spouse or life partner pursuant to Art. 29, Para. 1;
- b. the person who is responsible for the maintenance of one or more joint children, insofar as a written beneficiary declaration was submitted during the lifetime of the deceased;
- c. natural persons who were supported to a considerable extent by the Insured Person, insofar as a written beneficiary declaration was submitted during the lifetime of the deceased;
- d. the children in accordance with Art. 252 ZGB;
- e. the parents;
- f. the siblings;
- g. the remaining statutory heirs, excluding the local community.

2. The preceding group excludes the following groups from entitlement to benefits. The allocation shall be performed on a per capita basis if several persons are entitled to benefits within a group. Insured persons can stipulate a different allocation to several beneficiaries within a group or alter or merge the order of groups e and f by submitting a written declaration or testamentary disposition referring unmistakably to occupational pension provision to PKG. Insured persons may move their spouse down the order of inheritance and/or merge them with another group by submitting a written declaration or testamentary disposition referring unmistakably to occupational pension provision to PKG.

3. The lump sum payable to beneficiaries at death pursuant to lit. a–f corresponds to the retirement assets (without interest as of the commencement of the contribution waiver) and any credit balance for early retirement acquired during the active insurance period pursuant to Art. 61, Para. 3. The lump sum payable to beneficiaries at death pursuant to lit. a–f corresponds to the retirement assets (without interest as of the commencement of the contribution waiver) and any credit balance for early retirement acquired during the active insurance period pursuant to Art. 61, Para. 3 minus the costs associated with financing the survivors' benefits pursuant to Art. 28, 29 and 36. The lump sum payable at death is at least equal to the voluntary purchases included in the retirement assets less the advance withdrawals for residential property and divorce payments (taking into account the repayment of advance withdrawals for residential property and repurchases in the event of divorce). This rule also applies to the voluntary purchase amounts which were paid into a former pension scheme. Proof that the payments have been made must be supplied by the persons who are entitled to make the claim.

4. For the heirs pursuant to lit. g the lump sum payable at death corresponds to half of the lump sum payable at death pursuant to Para. 3.

5. If a survivors' pension is paid to a divorced spouse, the lump sum payable at death is reduced by the cash value of this pension.

Art. 33 Additional lump sums payable at death

Additional lump sums payable at death may be insured by separate agreement in the pension plan. In particular, it is possible to define the additional lump sum payable at death in the pension plan in such a way that, in the event of death, the entire retirement assets are due before retirement and before reaching the reference age in addition to any survivors' pensions. The additional lump sums at death shall be paid out in accordance with the order of precedence pursuant to Art. 32. This entitlement shall remain in place until retirement but not after the reference age has been reached.

Art. 34 Forfeiture deadline

Claims pursuant to Art. 29, 32 and 33 must be asserted in writing vis-à-vis PKG within three months

G. Retirement benefits

following the death of the insured person, together with proof of entitlement to the benefits, as otherwise entitlement to survivors' benefits shall expire.

one or more joint children or the partnership existed without interruption in the last five years prior to death.

Art. 35 Retirement pension

1. Once the reference age has been reached, insured persons are entitled to a retirement pension until the end of the month following their death.

2. The annual retirement pension is calculated on the basis of the retirement assets (Art. 39) multiplied by the pension conversion rate. The pension conversion rates are stipulated by the Board of Trustees and are shown in the Appendix to these Regulations. Unless expressly excluded within the scope of supplementary benefits in the pension plan, the retirement pension corresponds at least to the minimum provisions of the BVG.

3. The options regarding the prospective survivors' benefits for persons drawing a retirement pension are set out in Appendix II to these Pension Regulations.

Art. 36 Spouse's and life partner's pensions following retirement or after the reference age and in the case of deferred retirement

1. A surviving spouse or registered partner is entitled to a spouse's pension after the death of the person drawing a retirement pension or the insured person during deferred retirement.

2. A surviving life partner of a retirement pensioner, including one of the same sex, has the same entitlement to a pension as the surviving spouse or registered partner pursuant to Para. 1 if at the time of death

- e. a written partnership agreement can be presented or a written beneficiary declaration was submitted during the lifetime of the deceased, and
- f. both were unmarried, did not live in a registered partnership, there were no obstacles to marriage pursuant to Art. 94–96 ZGB or no obstacles to registration pursuant to Art. 3 and 4 PartG, and
- g. they do not draw any survivors' benefits from occupational pension provisioning, and
- h. the surviving life partner is required to support

3. In the case of deferred retirement or in cases in which the retirement benefit already due had not yet been paid out at the time of death, the available retirement assets may also be drawn in place of the spouse's pension in the event of death.

4. The amount of the spouse's pension is 60 percent of the retirement pension. If the insured person has selected a different option in accordance with Appendix II, Art. 2, this option shall apply. In the case of deferred retirement, the amount of the relevant retirement pension is calculated on the basis of the retirement pension to which the insured person would have been entitled at the time of their death. The relevant criteria are the amount of retirement assets and the conversion rate at the time of death.

5. Entitlement to a spouse's pension expires at the end of the month in which the person entitled to the benefit dies or gets married.

6. If the marriage, registered partnership or life partnership begins after the reference age, the spouse's or life partner's retirement pension is reduced, taking the minimum BVG entitlement into account, as follows:

- a. 80 per cent up to the age of 66,
- b. 60 per cent up to the age of 67,
- c. 40 per cent up to the age of 68,
- d. 20 per cent up to the age of 69,
- e. 0 per cent from the age of 69.

Art. 37 Pensioner's child benefit

Persons who draw retirement pensions are entitled to a pensioner's child benefit amounting to 20 per cent of the retirement pension. Entitlement to this benefit and the duration thereof shall be correspondingly based upon the provisions pertaining to the retirement pension and orphan's pension.

Art. 38 Retirement capital settlement

1. Insured persons can draw some or all of the retirement assets instead of the retirement pension on

G. Retirement benefits

written request. All further benefit claims vis-à-vis PKG will lapse in accordance with the scope of the retirement capital settlement.

2. Insured persons who have been remained voluntarily insured for more than two years pursuant to Art. 44 may only draw the retirement benefits as an annuity.

3. The application for a retirement capital settlement in respect of some or all of the retirement benefits must be submitted to PKG in writing prior to retirement and no later than the first pension payment and requires the consent of the spouse or registered partner. To verify the consent of the spouse or registered partner, the PKG requires the officially certified signature of the spouse or registered partner.

Art. 39 Retirement assets

1. The retirement assets correspond to the balance of the individual retirement account. The following sums are credited to this:

- a. At the time of inclusion
 - termination benefits contributed by the insured person and
 - voluntary deposits;
- b. At the end of the year, in the event of a provisioning event, or as at the date of termination
 - regulatory retirement credits: the amount of these is defined in the pension plan but corresponds at least to the retirement credits pursuant to the BVG;
 - the interest on the retirement assets defined by the Board of Trustees;
 - the interest on the contributed termination benefits and deposits defined by the Board of Trustees;
- c. Upon resolution of the Board of Trustees
 - Surplus payments and other grants.

2. When determining the level of interest, the Board of Trustees shall base its decision on the interest rate pursuant to the BVG and the financial situation of PKG. It may

- a. stipulate additional interest for the active insured persons, without taking into account preceding departures, or
- b. stipulate zero interest or minimum interest in accordance with the imputation principle.

Art. 40 Continued insurance cover for the previous insured earnings pursuant to Art. 33A BVG

Insured persons whose salary is reduced by no more than half after the age of 58 may maintain the pension provisioning for the previous insured earnings up until the reference age. The supplementary component (difference between the previous insured earnings and the actual insured earnings) contributions shall be financed by the insured person, unless otherwise agreed in the pension plan. Contributions are collected by the member enterprise.

Art. 41 Flexible retirement

1. Upon request, insured persons may arrange to take full or partial retirement from the age of 58 and up to the age of 70. At the time of a salary reduction from the age of 58, insured persons can choose which percentage of the retirement benefit should be paid, whereby the proportion of early retirement may correspond to a maximum of the salary reduction percentage and must also be at least 10 percent for the first partial retirement. A maximum of five partial retirement steps are permitted, the fifth step thus corresponds to the remaining retirement. At each partial retirement step, insured persons can choose the proportion they receive as a retirement pension (Art. 35) and the proportion they receive as retirement capital (Art. 38). In total, however, insured persons can draw retirement capital at a maximum of three retirement steps. If, after the salary reduction, the admission requirements according to the valid pension plan are no longer met, complete retirement takes place; before reaching the reference age, insured persons may alternatively request the payment of the termination benefit, provided that the requirements of Art. 2, Para. 1bis FZG are fulfilled.

2. In the event of early or deferred retirement, the conversion rates stipulated by the Board of Trustees shall apply.

3. The pension provisioning can be fully or partially continued after the reference age as long as gainful employment continues and the inclusion conditions according to the valid pension plan are fulfilled. Said continuation can take place until gainful employment ceases but for no longer than the age of 70. Interest will be paid on the retirement assets until said continuation ceases. At the request of the insured persons, the retirement credits can be allowed to

G. Retirement benefits

accumulate further during said continuation, provided that this is provided for in the pension plan.

4. If an insured person dies during the deferred retirement pursuant to Para. 3, he shall be deemed to be a pension beneficiary from the first day of the month following the date of death when setting the survivors' benefits; Art. 36 applies.

5. During the deferred retirement pursuant to Para. 3, entitlement to a lump sum payable at death pursuant to Art. 32 arises. However, there is no longer any entitlement to disability benefits and additional lump sums payable at death pursuant to Art. 33.

Art. 42 Financing early retirement

Early retirement and bridging benefits may be financed in advance in accordance with actuarial principles. Early retirement and bridging benefits must be arranged separately in the pension plan.

Art. 43 Voluntary flexible retirement with external bridging pension

1. Insured persons who withdraw from the pension scheme because they are drawing a bridging pension for flexible retirement from a corresponding organisation (for example, Stiftung FAR) may remain with PKG for retirement provisioning until the reference age. PKG will credit the retirement credits of the organisation in question to the insured person.

2. Continued insurance cover is only possible for as long as bridging benefits are being drawn. During continued insurance cover, the payment of retirement benefits and lump sum benefits pursuant to Art. 46, 47 and 48 is not possible.

3. Disability and death insurance lapses for the duration of continued insurance cover. In the event of death, the available retirement assets pursuant to Art. 32 become due for payment.

Art. 44 Continuation of insurance cover in accordance with Art. 47a BVG

1. An insured person who after their 55th birthday leaves regulatory insurance because their employment relationship was terminated by their employer may request that their insurance cover be continued, provided that they are still insured in AHV. He must

submit this request in writing to PKG within 90 days of termination of the employment relationship. If he requests continued insurance, he must simultaneously decide whether or not to continue building up the retirement assets through retirement credits. This decision can be amended annually on 1 January. The insured person must notify PKG of any such amendment in writing by 31 December of the previous year.

2. During continued insurance, the termination benefits remain with PKG, continue to earn interest and may continue to be augmented through retirement credits. Protection against the risks of disability and death is upheld. With the exception of the special provisions contained in this Article, the insured person remains on equal terms with equal rights to the persons insured within the same collective on the basis of an existing employment relationship during continued insurance.

3. The foundation for the insured salary, which is the basis for contributions and benefits during the period of continued insurance, is the relevant annual salary reported immediately before the continuation of insurance cover pursuant to Art. 20, Para. 1–3. At the request of the insured person, a lower relevant annual salary can be selected for risk and retirement provisioning or for retirement provisioning only than that reported immediately before the continuation of insurance cover. It is possible to adjust the relevant annual salary at the start of continued insurance cover and then as of 1 January every year. The insured person must notify PKG of any such amendment in writing by 31 December of the previous year. At the time of a salary reduction from the age of 58, the insured person can take partial retirement pursuant to the provisions of Art. 41, Para. 1.

4. The insured person is required to pay PKG the entire regulatory risk contributions (i.e. his share and that of the employer). If he decides to continue augmenting the retirement assets, he must also pay the entire regulatory savings contributions (employee and employer share). Should restructuring contributions become due, the insured person is only required to bear the employee share. Contributions are collected quarterly by PKG directly from the insured person.

5. If the insured person joins a new pension institution, his termination benefit will be transferred

G. Retirement benefits

to the new institution to the extent possible for purchasing full benefits under the regulations. If no more than two thirds of the termination benefit are required for such purchase and the insured person is unable or does not wish to transfer the rest, the remaining termination benefit shall remain with PKG and continued insurance cover will be continued at a reduced scope. The relevant insured salary for continued insurance cover will be reduced by the proportion of the termination benefit transferred to the total termination benefit.

6. Continued insurance cover ends:
- a. if the risk of death or disability occurs (in the case of partial disability continued insurance cover is continued for the active portion),
 - b. upon reaching the reference age in accordance with the pension plan,
 - c. if the insured person is no longer insured in AHV (e.g. following a move abroad)
 - d. when joining a new pension institution if more than two thirds of the termination benefit are transferred to the new pension institution; if it is not possible for the entire termination benefit to be transferred to the new pension

institution, the rest is used at PKG after reaching the age of 58 to fund early retirement; alternatively, the insured person may request payment of the termination benefit, provided that the requirements of Art. 2 Para. 1bis FZG are met; prior to reaching the age of 58 the termination benefit becomes due.

7. Continued insurance cover can be terminated at any time by the insured person to the end of a month. In case of outstanding contributions of 40 days or more, PKG will retroactively terminate the continued insurance cover from the date until which the contributions owed were paid.
8. If continued insurance cover ends after reaching the age of 58, the retirement benefits become due, except where the entire termination benefit is transferred to a new pension or vested benefits fund.
9. If continued insurance cover has lasted for more than two years, the retirement benefits must be drawn in the form of an annuity and the termination benefit can no longer be withdrawn in advance for home ownership or pledged.

H. Termination benefit

Art. 45 Termination benefit

1. Up until the reference age, insured persons are entitled to a termination benefit equivalent to the acquired retirement assets if the occupational benefits relationship is dissolved before the reference age is reached and no provisioning event has yet occurred.
2. The termination benefit corresponds at least to the BVG retirement assets or the entitlements pursuant to Art. 15 and 17 FZG (Vested Benefits Insurance).

Art. 46 Appropriation of termination benefit

The termination benefit must continue to be used for the provisioning of the departing insured person, and shall be remitted as follows:

- a. as a deposit to the pension scheme of the new employer, or
- b. as a deposit to a vested benefits account, or
- c. to take out a vested benefits policy.

Art. 47 Cash payout

Subject to the written consent of their spouses or registered partners, insured persons may request a cash payout if

- a. they definitively emigrate from Switzerland (Art. 25f FZG remains reserved),
- b. they take up a self-employed gainful activity and are no longer subject to obligatory provisioning, or
- c. the termination benefit amounts to less than their own annual contribution.

H. Termination benefit

Art. 48 Promotion of home ownership

1. Up to three years prior to the reference age, insured persons may, for the purpose of financing residential property for their own use,
 - a. request an advance withdrawal of their acquired retirement assets, or
 - b. pledge the entitlement to vested benefits or pension benefits.
2. The advance withdrawal or pledging may not exceed the sum of the respective vested benefits up to the age of 50. Older insured persons may withdraw in advance or pledge a sum amounting to up to one half of the vested benefits or the sum to which they would have been entitled at the age of 50. The further requirements and rights and obligations are set out in the leaflet entitled "Promotion of Home Ownership using Occupational Pension Benefits".
3. PKG shall inform the insured person about the consequences of the advance withdrawal or pledging.
4. Insured persons who have remained voluntarily insured for more than two years pursuant to Art. 44 may neither withdraw the termination benefit in advance to finance home ownership nor pledge it.

Art. 49 Divorce

1. The division of pension rights in the event of divorce is governed by the relevant statutory provisions as well as the corresponding regulatory provisions.
2. If a portion of the insured person's termination benefit is to be transferred to a divorced spouse as part of a divorce, the insured person's retirement assets will be reduced accordingly. The portion to be transferred will be deducted from the other pension assets in proportion to the retirement assets pursuant to Art. 15 BVG.
3. An analogous procedure is followed if PKG is required to pay the former spouse a share of the pension (if applicable as a lump sum).
4. If an insured person receives a termination benefit or a pension share (if applicable as a lump sum) as part of a divorce, this amount will be credited to the compulsory and other retirement assets held at PKG

in the same proportion that it was deducted from the pension fund of the divorced spouse who is required to pay it.

5. If, as a result of the divorce of a person who receives a temporary disability pension before the reference age, a portion of the termination benefit is transferred to the divorced spouse, this shall result in a reduction of the retirement assets pursuant to Para. 2 and therefore to lower retirement benefits. By contrast, the disability pension and any disabled person's child's pensions (including future pensions) in place when divorce proceedings are initiated shall remain unchanged. If the retirement assets acquired upon commencement of the disability pension are included in the calculation of the disability pension in accordance with the regulations, the disability pension shall be reduced in accordance with PKG's actuarial principles up to the maximum possible amount pursuant to Art. 19, Para. 2 and 3 BVV 2 (excluding disabled person's child's pensions in place when divorce proceedings are initiated).
6. If, as a result of the divorce of a person who receives a disability pension with lifelong entitlement to disability benefits, a portion of the termination benefit is transferred to the divorced spouse, this shall result in a reduction of the retirement assets pursuant to Para. 2 as well as a reduction of the disability pension in accordance with PKG's actuarial principles up to the maximum possible amount pursuant to Art. 19, Para. 2 and 3 BVV 2 (excluding disabled person's child's pensions in place when divorce proceedings are initiated). If, as a result of the divorce of a person who receives a retirement or disability pension after the reference age, a portion of the pension is awarded to the divorced spouse, the insured person's pension benefits shall be reduced accordingly. Entitlement to a disabled person's child benefit or pensioner's child benefit in place when divorce proceedings are initiated shall remain unchanged. Any entitlement to survivor's benefits shall be calculated on the basis of the pension benefits paid after the division of pension rights, with the exception of an orphan's pension that replaces a child's pension not affected by the division of pension rights.
7. The share of the pension awarded to the entitled divorced spouse shall not result in any further claims

H. Termination benefit

for benefits against PKG. The annual pension payments to the pension fund of the entitled divorced spouse made by 15 December of the relevant year shall accrue interest at half the interest rate specified in the Regulations. PKG, as the pension fund of the divorced spouse required to make the payment, and the divorced spouse entitled to receive payment may agree to a lump-sum transfer in place of a pension transfer. If the divorced spouse entitled to receive a pension changes his pension or vested benefit fund, he must inform PKG of this by no later than 15 November of the relevant year.

8. If the divorced spouse entitled to receive a pension is entitled to receive a full disability pension, or if he has reached the minimum age for early retirement, he may request payment of a lifelong annuity. If he has reached the reference age, he shall be paid a lifelong annuity. He may request that this annuity be transferred to his pension fund if he is still able to make purchases to the fund in accordance with its regulations.

9. If a person retires or a person receiving a disability pension reaches the reference age during the divorce proceedings, PKG shall reduce the portion of the termination benefit to be transferred and the annuity by the maximum possible amount in accordance with Art. 19g VBO.

10. The insured person may repurchase benefits at PKG as part of the transfer of the termination benefit. The repurchased contributions will be allocated in the same proportion as the deduction pursuant to Para. 2. No repurchase is possible within the scope of an existing disability.

Art. 50 Reductions

Advance withdrawals, pledges and divorce law claims reduce the vested benefits and pension benefits to the corresponding extent.

I. Common provisions and limits

Art. 51 Establishment of claims to benefits

1. Subject to the provisions pertaining to the promotion of home ownership, the entitlements to vested benefits or pension benefits may neither be assigned nor pledged before they fall due.

2. Entitlement to retirement and survivors' benefits shall commence on the first day of the month following the end of the employment relationship or death. In the case of disability benefits, entitlement shall commence on the first day of the month following expiry of the waiting period agreed in the pension plan.

3. If entitlement to a spouse's or partner's pension arises, only one spouse's or partner's pension may be paid in each case per death.

4. Risk benefits shall, at all events, fall due at the earliest following the expiry of continued salary payment or substitute salary benefits (Art. 25 Para. 1, Art. 28 Para. 3 and Art. 29 Para. 2) or upon expiry of the entitlement to a disability pension.

5. In the event of late payment, the default interest rate is equal to the BVG minimum interest rate. In determining the commencement of default interest in respect of pension payments, Art. 105 Para. 1 SCO (Swiss Code of Obligations) applies; in respect of the payment of lump sum benefits, PKG is deemed to be in default once 30 days have elapsed after it became aware of the person entitled to benefits or after the presentation of all documentation required for the payment of benefits. However, no interest shall be due on the lump sum benefit until the spouse gives the required consent. The default interest rate charged on termination benefits is based on Art. 7 FZV.

Art. 52 Amount of benefits

The amount of the annual benefits is set out in the pension plan and shall in each case be recorded in the pension certificate which is made available to the insured person. The pension conversion rates used to calculate the retirement, disability and survivors' benefits are defined by the Board of Trustees and are shown in the Appendix to these Regulations.

I. Common provisions and limits

Art. 53 Assignment

Vis-à-vis third parties that are liable for the insured event, PKG at the time of the event shall assume the claims of the insured person, their survivors and further beneficiaries pursuant to these Regulations up to the level of the statutory benefits. In other respects, PKG may require the insured person or person entitled to benefits to assign his claims against liable third parties to PKG up to the amount of its obligation to pay benefits.

Art. 54 Precedence of the Pension Regulations

In cases of doubt, the Pension Regulations and the resolutions of the Board of Trustees shall take precedence over the pension plan and the latter shall take precedence over the personal pension certificate.

Art. 55 Payout provisions

Pensions

1. Annual pensions shall, as a rule, be paid out in the form of twelve monthly instalments at the start of each month. Payment shall commence in the month following the month in which entitlement to a salary or any substitute salary expires in whole or in part from the 16th to the end of the month. If entitlement to a salary or any substitute salary expires from the first to the 15th of the month, payment will commence in the same month. The full pension shall be paid out or the full contribution waiver granted in respect of the month in which the pension entitlement or entitlement to the contribution waiver expires.

Lump sum settlement

2. In the event of special circumstances or negligibility pursuant to Art. 37 Para. 3 BVG, pension claims may be settled in the form of a lump sum. Following the lump sum settlement, all further benefit claims vis-à-vis PKG shall lapse.

3. As a rule, lump sum settlements and lump sums payable at death shall be paid out in the form of a single sum.

Reimbursement obligation

4. Benefits which have been paid out without justification must be reimbursed. They may be offset by PKG against further benefits.

Art. 56 Adjustment in accordance with inflation

1. Current pensions may be adjusted by means of a resolution of the Board of Trustees in accordance with the reserves and the generated returns.

2. The obligation to adjust current pensions in accordance with statutory requirements shall be waived for as long as these exceed the minimum BVG benefits.

Art. 57 Offsetting, limiting and reduction of benefits

1. Benefits determined in accordance with the Regulations may be subject to change.

Taking third-party benefits into account

2. Third-party benefits shall be given precedence in every case, and shall be offset. All benefits being drawn at the time the question of benefit cuts arises shall be taken into consideration, in particular:

- a. Benefits from Federal Old-Age, Survivors' and Invalidity Insurance or other state social insurance (Swiss or foreign),
- b. Benefits from accident and military insurance,
- c. Benefits from per diem insurance policies for which the employer has paid at least one half of the premiums,
- d. Salary and substitute salary (e.g. daily allowances from unemployment insurance),
- e. Benefits from own or other pension schemes,
- f. Compensation payments made by the employer or any third party,
- g. For disability pensioners the foreseeable earned income or compensation for loss of earned income still achievable,
- h. A share of the pension awarded to the divorced spouse or former partner as a result of a divorce decree or a decree on the judicial dissolution of a registered partnership.

Avoidance of excessive insurance cover

3. PKG risk pensions in conjunction with offsettable third-party benefits pursuant to Para. 2 shall be limited to 90 per cent of the relevant salary at the time of commencement of the incapacity for work pursuant to Art. 20 Para. 1–3, taking account of the minimum statutory benefits. In the case of continued insurance of the previously insured earnings pursuant to Art. 40, the previous relevant salary applies.

I. Common provisions and limits

4. PKG can review the preconditions and scope of a cut in benefits at any time and adjust its benefits if there is a material change in circumstances.

Reductions

- a. PKG does not make up for a refusal to pay benefits or for benefit reductions under accident or military insurance if the latter have imposed their refusal to pay benefits or their benefit reductions pursuant to Art. 21 GSSLA (Federal Act on General Aspects of Social Security Law)], Art. 37 UVG (Federal Act on Accident Insurance), Art. 39 UVG, Art. 65 or 66 MVG (Federal Act on Military Insurance).
- b. PKG may cut its benefits if the insured person or person entitled to benefits was responsible for his own death or disability or the insured person refuses to accept integration measures. The statutory minimum benefits in accordance with the BVG can be refused or cut only if the AHV/IV cuts, withdraws or refuses a benefit.
- c. PKG is also not obliged to compensate a reduction in other benefits when the individual reaches the reference age (in particular pursuant to Art. 20, Para. 2ter and 2quater UVG and Art. 47, Para. 1 MVG) or the reduction of or refusal to provide other benefits as a result of negligence.

Limits on statutory minimum entitlements

5. Only a statutory minimum entitlement exists
 - a. between entry and written confirmation of inclusion of the insured person,
 - b. in the event of a health exclusion or a breach of the duty of disclosure in accordance with Art. 15; this does not apply to entitlement to the lump sum payable at death in the amount of the available retirement assets. The pension protection acquired with the transferred termination benefits is not reduced by a health exclusion,
 - c. to survivors' benefits for divorced spouses (Art. 20 BVV 2),
 - d. in the event of PKG being obliged to provide an advance benefit, or in the case of disputed circumstances,
 - e. to benefits in BVG pension plans,
 - f. to benefits for which no provision is made in these Regulations,
 - g. in the event of a breach of the duty of cooperation.

Multiple marriages

6. If several spouse and/or life partner benefits are due, a sum equivalent to a single spouse or life partner benefit shall be divided equally between the spouses and/or life partners. This consequently means that each surviving spouse or life partner shall receive a reduced spouse's or life partner's benefit, independently of the other surviving spouses and/or life partners.

J. Financing and purchase

Art. 58 PKG revenues

The following serve to cover the benefits and the costs associated with administration:

- a. the assets of PKG and the generated revenues,
- b. the ordinary contributions,
- c. the extraordinary contributions in accordance with the cost regulations,
- d. the deposits made by the insured persons,
- e. the voluntary grants.

Art. 59 Ordinary contributions

1. The ordinary contributions comprise the effective retirement credit and contributions towards the risk, administration and security fund costs, as well as towards adjusting the pensions in line with inflation.

Contribution obligation

2. The contribution obligation begins upon inclusion and ends upon death, departure or the commencement of the retirement pension, notwithstanding Art. 27.

Amount

3. The composition and amount of the ordinary contributions are defined in the pension plan. The contributions may be adjusted by PKG in the event of changed conditions.

Contribution payment

4. The contributions of the insured persons shall be deducted from their income and remitted to PKG by the employer on a quarterly basis. The contributions of the employer correspond at least to the sum of the contributions of the insured persons. In respect of contributions which are not paid punctually, default interest as well as administrative costs for further extraordinary expenses shall be imposed from the respective due date. The default interest rate shall be at least two percentage points above the interest rate on the PKG retirement assets.

Art. 60 Transfer of termination benefits

Termination benefits transferred to PKG shall be used to accrue the personal retirement assets of the insured person.

Art. 61 Occupational pension purchases

1. Active insured persons and their employers may make tax-exempted purchases at any time within the framework of the statutory provisions. The maximum purchase sum corresponds to the difference between the available retirement assets and the possible retirement assets including interest.

2. Purchases may only be made once any earlier withdrawal in the context of promoting home ownership using occupational pension assets has been paid back in full or repayment of the advance withdrawal is no longer permissible by law. Repurchases in the event of divorce or legal dissolution of the registered partnership are exempt from this restriction. Purchases can only be made following full repurchases in the event of divorce or legal dissolution of the registered partnership.

3. Insured persons and their employers may furthermore make purchases in respect of early retirement. In the event of early retirement being waived, the regulatory target benefit may be exceeded by no more than five per cent. If, upon waiving early retirement, insured persons have exceeded the target benefit by more than five per cent, accumulation of the retirement account will be suspended and no further savings contributions will be levied.

4. The pension benefits resulting from the purchases may not be drawn in lump sum form for three years.

5. The purchase may be financed in the form of a one-off deposit or in the form of annual contributions.

K. Organisation

Art. 62 Governing and management bodies

The governing and management bodies of PKG are:

- a. the Board of Trustees and its committees;
- b. the pension commissions (Art. 5) and
- c. the Executive Board

Art. 63 Organisational and Election Regulations

The principles of the organisation, the responsibilities and duties of the governing bodies and the composition and election of the members of the Board of Trustees are governed by the Organisational and Election Regulations..

Art. 64 Auditing

1. The statutory auditor complies with the duties pursuant to Art. 52c BVG. The auditor's report shall be presented to the supervisory authority.

2. The pension insurance expert complies with the duties pursuant to Art. 52e BVG. He shall draw up a written report.

Art. 65 Duty of confidentiality

The members of the Board of Trustees and all persons responsible for management, administration, auditing or supervision shall be bound by a duty of confidentiality.

Art. 65a Data protection

1. PKG passes on the insurance-related data of its insured persons and beneficiaries to other pension schemes and insurance schemes, insofar as this is necessary for the purpose of fulfilling purposes relating to occupational pension plans. PKG may transfer the processing of the data by agreement to third parties in Switzerland and abroad, provided that legal data protection rules guarantee appropriate protection of the data and the third-party processors are subject to the statutory duty of secrecy or undertake to comply with it.

2. PKG is entitled to provide aggregated data about the beneficiaries to the employer. No conclusions can be drawn from this aggregated data about individual insured persons or beneficiaries.

3. In particular, the provisions of BVG apply with regard to the processing of personal data, the inspection of files, the duty of confidentiality, the disclosure of data as well as administrative and mutual assistance. Over and above this, the provisions of the Data Protection Act (DSG/FADP) apply.

L. Transitional and final provisions

Art. 66 Disability pensions

In the case of disability pensions, the transitional provisions lit. f pertaining to the BVG amendment shall apply.

Art. 67 Partial liquidation

Any partial liquidation shall be performed in accordance with the provisions of Art. 53 b–d BVG, Art. 27 g and h BVV 2 (Ordinance No. 2 to the BVG) and the separate PKG regulations pertaining to partial liquidation.

Art. 68 Transitional provisions

pertaining to Art. 28 and 29: The survivors' pensions already paid out on 1 January 2008 shall cease at the end of the month during which the beneficiary dies, marries, enters into a new life partnership or receives a lump sum settlement. If the spouse's retirement pension promised in accordance with the previous regulations on 1 January 2008 is higher than the survivors' pension, the higher retirement pension shall be paid out from the reference age of the deceased person.

pertaining to Art. 6: In the case of inability to work the cause of which results in disability or death, and which occurred before the Pension Regulations, as amended, and the pension plan, as amended, entered into force, the benefits are calculated based on the Pension Regulations and pension plan which were valid when the inability to work set in.

Art. 68a Transitional provisions concerning pension entitlement

1. In the case of persons receiving a disability pension born in 1966 or earlier whose pension entitlement arose before 1 January 2022, pension entitlement is based on the pension fund provisions in force up to 31 December 2021.

2. In the case of persons receiving a disability pension born in 1967 and later whose pension entitlement arose before 1 January 2022, the previous pension entitlement shall remain in force until the degree of disability in the occupational benefit scheme changes by at least 5 percentage

points as a result of a revision to disability insurance (IV). However, if the change in pension entitlement results in pension entitlement decreasing despite an increase in the degree of disability or in pension entitlement increasing despite a reduction in the degree of disability, the previous pension entitlement shall continue to apply.

3. In the case of persons receiving a disability pension born in 1992 and later whose pension entitlement arose before 1 January 2022, pension entitlement shall be determined by 1 January 2032 at the latest in accordance with Art. 25 para. 2. If pension entitlement decreases as a result, the previous pension entitlement shall remain in force until the degree of disability in the occupational benefit scheme changes by at least 5 percentage points as a result of a revision to disability insurance (IV).

Art. 68b Transitional provisions to Art. 27 para. 2

The contribution-free continuation of retirement provisioning in the event of disability shall be adjusted in line with pension entitlement.

Art. 69 Restructuring measures

1. In the event of insufficient cover pursuant to Art. 44 BVV 2, the Board of Trustees in conjunction with the expert for occupational provisioning may impose reasonable measures to rectify this situation. The principle of proportionality must be observed.

2. If necessary, the following, for example, may be performed:

- a. Restructuring contributions may be levied, whereby the restructuring contribution of the employers must be at least as high as that of the insured persons,
- b. Restructuring contributions may be levied from pensioners, whereby the respective restructuring contribution may not be higher than the amount by which the current pensions have been voluntarily raised over the last ten years,
- c. The statutory minimum interest rate used to calculate the minimum statutory retirement assets may be undercut by 0.5 per cent for a maximum of five years,

L. Transitional and final provisions

- d. The interest rate for calculating the termination benefit pursuant to Art. 17 FZG may be reduced for the duration of insufficient cover to the rate at which the retirement assets earn interest; interest already credited will not be subject to cuts,
 - e. Advance withdrawals to repay mortgage loans may be refused.
3. The employer can also be obliged to pay restructuring benefits for pensioner portfolios once all active insured persons attributable to the employer have departed.

Art. 70 Amendments to the Regulations

1. The Board of Trustees may amend these Regulations at any time. They must take account of the statutory provisions and the purpose of the foundation.
2. If provisions are missing from the Pension Regulations, the Board of Trustees or the Management Committee must make an arrangement which corresponds to the pension provisioning purpose.

Art. 71 Disputes

In the event of disputes, these shall be settled by the court which Art. 73 of the Swiss Occupational Pensions Act (BVG) declares to have jurisdiction.

Art. 72 Liability

The assets of PKG shall be exclusively liable for the aforementioned liabilities. PKG accepts no liability for any consequences whatsoever arising from a breach of obligations by the member enterprises, insured persons or persons entitled to benefits, and reserves the right to assert any losses that it incurs in this regard and to claim back any benefits which have been wrongfully rendered.

Art. 73 Dissolution and liquidation

In the event of the dissolution or liquidation of PKG, the procedures followed shall be in accordance with the provisions of the Foundation Deed and the law.

Art. 74 Entry into force

These Regulations shall come into force on 1 January 2026 and replace those of 1 January 2024.

Appendix I to the Pension Fund Regulations

Pension conversion rates

from 2025	age	men					women
			Born in 1960 and older	Born in 1961	Born in 1962	Born in 1963	
	58	4,15 %					4,15 %
	59	4,30 %					4,30 %
	60	4,45 %					4,45 %
	61	4,60 %				4,6375 %	4,60 %
	62	4,75 %			4,8250 %	4,7875 %	4,75 %
	63	4,90 %		5,0125 %	4,9750 %	4,9375 %	4,90 %
	64	5,05 %	5,20 %	5,1625 %	5,1250 %	5,0875 %	5,05 %
	64,25	5,0875 %	5,2375 %	5,20 %	5,1625 %	5,1250 %	5,0875 %
	64,50	5,1250 %	5,2750 %	5,2375 %	5,20 %	5,1625 %	5,1250 %
	64,75	5,1625 %	5,3125 %	5,2750 %	5,2375 %	5,20 %	5,1625 %
	65	5,20 %	5,35 %	5,3125 %	5,2750 %	5,2375 %	5,20 %
	66	5,35 %	5,50 %	5,4625 %	5,4250 %	5,3875 %	5,35 %
	67	5,50 %	5,65 %	5,6125 %	5,5750 %	5,5375 %	5,50 %
	68	5,65 %	5,80 %	5,7625 %	5,7250 %	5,6875 %	5,65 %
	69	5,80 %	5,95 %	5,9125 %	5,8750 %	5,8375 %	5,80 %
	70	5,95 %	6,10 %	6,0625 %	6,0250 %	5,9875 %	5,95 %

The Board of Trustees may bring the pension conversion rates into line with changed interest and life expectancy rates at any time.

Lucerne, 15. November 2023

Appendix II to the Pension Fund Regulations

Options regarding the prospective survivors' benefits of persons drawing a retirement pension

Art. 1 Principles

1. Upon written request, insured persons may adjust the prospective survivors' benefits to which their survivors are entitled in the event of death as recipients of a retirement pension. They may either choose the amount of the prospective spouse's/life partner's pension in accordance with Art. 36 or insure a vested lump-sum payable at death.

2. The application to adjust the prospective survivors' benefits must be submitted to the PKG in writing and with the consent of the spouse or registered partner before retirement, at the latest before the first pension payment is made. To verify the consent provided by the spouse or registered partner, the PKG requires the officially certified signature of the spouse or registered partner.

3. In the event of partial retirement pursuant to Art. 41 with the receipt of a retirement pension, the same prospective survivors' benefits shall apply to further steps in retirement steps as they were to the first step in retirement.

Art. 2 Prospective spouse's/life partner's pension

1. The standard accrued spouse's or partner's pension for a recipient of a retirement pension is 60 per cent of the retirement pension (Art. 36 para. 4). Insured persons may opt for a different accrued spouse's/life partner's pension of 80 per cent or 100 per cent of the retirement pension. Alternatively, the prospective spouse's/life partner's pension may be reduced to the amount of the spouse's pension under the BVG.

2. The increase in the prospective spouse's/life partner's pension is funded through a reduction in the retirement pension. The reduction in the retirement pension is calculated individually based on the insured person's gender and the age difference with the spouse/life partner.

3. A prospective spouse's/life partner's pension of more than 60 per cent is only eligible if the retirement pension resulting from the reduction is higher than the retirement pension under BVG.

4. If, in the event of the death of the retirement pension recipient, PKG becomes liable to pay benefits to a spouse or life partner other than the spouse or life partner at the time the first retirement pension falls due, entitlement to an increased prospective spouse's/life partner's pension compared with the spouse's/life partner's pension pursuant to Art. 36 para. 4 shall lapse.

5. If the prospective spouse's/life partner's pension is reduced to the level of the spouse's pension under BVG, the retirement pension shall be increased. The increase in the retirement pension is calculated based on the gender, the retirement age and the ratio between the size of the regulatory retirement pension and the retirement pension under BVG of the insured person.

Art. 3 Lump sum payable at death for persons drawing a retirement pension

1. As standard, PKG does not pay a lumpsum payable at the death of a person drawing a retirement pension. However, insured persons may insure a lumpsum payable at death. In this case, a lumpsum payable at the death is paid out if the retirement pension recipient dies before reaching the age of 75.

2. The amount of the lump-sum payable at death corresponds to the retirement pensions theoretically outstanding when the retirement pension expires up to the age of 75. If entitlement to a spouse's or partner's pension arises after the person drawing a retirement pension dies, the lumpsum death benefit is reduced by 60 per cent.

3. The lump-sum death payable at death shall be paid out in the following order of priority, irrespective of the right of inheritance:
 - a. the surviving spouse,
 - b. the surviving partner in accordance with Art. 36 para. 2,
 - c. the person who is responsible for the maintenance of one or more joint children,
 - d. the natural persons who have been given significant support by the person drawing a retirement pension, provided a written declaration of beneficiary was submitted during the person's lifetime,
 - e. the children,
 - f. the parents,
 - g. the siblings,
 - h. the other legal heirs to the exclusion of the community.
4. The insurance for the prospective lump sum payable at death is funded through a reduction in the retirement pension. This amounts to 3 per cent of the retirement pension for men and 2 per cent for women in accordance with Art. 35.
5. The insurance for the prospective lump sum payable at death is only eligible if the retirement pension resulting from the reduction is higher than the retirement pension under BVG.

Key terms and abbreviations

Active insurance period	Insurance period as an active insured person
Active insured persons	<p>Insured persons, including those unable to pursue gainful employment who are in an existing employment relationship, for whom the employer and possibly also the employee pay risk and/or savings contributions until the waiting period for a contribution waiver expires.</p> <p>Also includes insured persons continuing insurance cover in accordance with Art. 44.</p>
Actuarial date	Relevant date for administrative processing of the provisioning
Age	Difference between current calendar year and year of birth
AHV	Federal retirement and survivors' insurance (AHV/OASI)
BVG	Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG/LPP)
BVV 2	Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2/OPP 2)
Duty of cooperation	A person who claims or draws disability benefits is obliged to participate actively in health checks (e.g. visits to doctors), medical follow-up checks (e.g. expert opinions) and reasonable reintegration measures (e.g. integration measures, retraining).
FZG	Federal Law on Vesting in Pension Plans (FZG/LFLP)
Inability to work	Full or partial inability to perform reasonable work in previous occupation or field of responsibilities due to impairment of physical, mental or psychological health. In the case of extended duration, reasonable work in another occupation or field of responsibilities shall be taken into consideration.
Insurance year	Calendar year
Insured annual salary	Basis for the calculation of the benefits and contributions (in accordance with the pension plan)
Insured person/insured persons	Persons for whom the employer and possibly also the employee pay risk and/or savings contributions or persons who receive disability, death or retirement benefits or are exempt from making contributions

IV	Federal Disability Insurance (IV/AI)
Membership/membership agreement	Basic agreement between the member enterprise and PKG stipulating the rights and obligations
MVG	Federal Act on Military Insurance (MVG)
PartG	Federal Act on the Registered Partnership between Same-Sex Couples (PartG/SSPA)
Passive insured persons	Insured persons who receive disability, death or retirement benefits or are exempt from making contributions
Pension certificate	Personal certificate detailing the salary, contributions and benefits
Pension conversion rate	Relevant percentage rate for a retirement asset when determining the amount of the annual pension
Pension plan	Basic document which defines the benefits and contributions agreed with PKG
Probable retirement benefit	Projected retirement benefit at the time of retirement (not guaranteed)
Promotion of home ownership	Opportunity to finance residential property for own use by deploying occupational pension assets
Purchase/supplementary finance	Opportunity to make tax-exempt supplementary payments into the pension fund
Reference age	Age specified in pension plan at which an entitlement to retirement benefits arises
Reported or relevant annual salary	Probable AHV annual salary or pursuant to Regulations/pension plan
Retirement	Actual ending of gainful employment when retirement benefits become due; may occur before or after the reference age
Retirement assets/capital	Individual retirement account of the insured person/person entitled to a pension
Retirement benefit	Retirement pension or retirement capital

Key terms and abbreviations

Retirement credit	Annual credit on the retirement account, the amount of which is stipulated in the pension plan
Retirement provisioning	Savings process with respect to retirement
Risk contribution	Annual contribution for risk provisioning and administrative costs
Risk provisioning	Insurance against the economic consequences of death and disability
Savings contribution	Annual contribution to finance the retirement credit
Security fund	Foundation which safeguards the statutory benefits of pension funds that have become insolvent and provides grants in the event of unfavourable age structures
Termination/vested benefit	Entitlement to the acquired retirement assets upon departure from PKG (e.g. in the event of a change of position of employment)
UVG	Federal Act on Accident Insurance (UVG/AIA)
WEF	Ordinance on Use of Pension Assets for Encouragement of Home Ownership (WEF/OEPL)
ZGB	Swiss Civil Code (ZGB)

The German version of the pension regulations, approved by the Board of Trustees, shall prevail in case of doubt or ambiguity.



PENSIONSKASSE FÜR KMU