

## Regulations on Vested Benefits

### Preliminary Remarks

The term *account holder* as used in these regulations refers to both men and women.

A partner registered in accordance with the Federal Act on Registered Partnerships of June 18, 2004 is treated the same as a spouse.

### 1 Purpose

The vested benefits account is set up to maintain and continue occupational benefits insurance coverage.

The vested benefits account is governed by the provisions of the Federal Act on Vesting in Pension Plans of December 17, 1993 (FZG) and the Ordinance on Vesting in Pension Plans of October 3, 1994 (FZV).

### 2 Conclusion and Execution of the Agreement

The Credit Suisse Vested Benefits Foundation – 2nd Pillar, hereinafter referred to as the *Foundation*, invests in its name with its custodian bank, Credit Suisse (Switzerland) Ltd. or another legal entity of UBS Group in Switzerland (“the Custodian Bank”) the assets held in the vested benefits account of the account holder, and has the assets assigned as the entitlement of the account holder. The Foundation can appoint Credit Suisse (Switzerland) Ltd., Credit Suisse AG, another legal entity of UBS Group, or a third party (“the Administrator”) with administration of the pension accounts and safekeeping accounts, in each case granting them right of substitution.

### 3 Customer Care and Support

#### 3.1 Customer Care and Support in General

Credit Suisse (Switzerland) Ltd., Credit Suisse AG, or another legal entity of UBS Group (“the Bank”) perform customer care and support.

If the account holder has a banking relationship with Credit the Bank, if possible their pension relationship is managed as part of their banking relationship. If they wish to waive this, they must inform the Foundation. Customer care of the pension relationship will then take place independently of the banking relationship. Address instructions or other such notifications regarding the pension relationship must then take place separately for this relationship.

#### 3.2 Customer Care and Support regarding Investments in Securities

The Bank shall ensure that the account holder is informed about the risks and costs of an investment in securities. Before the account holder can invest in securities offered by the Foundation, they must make use of the risk disclosure or product-specific advice offered by the Bank is guided

solely by the information provided by the account holder to the Bank at the time the advice is given and it uses this information to make an investment recommendation.

Taking into account their financial circumstances, their knowledge and experience as an investor, their investment objective, their investment horizon, and the risk profile determined from the information they have provided, the account holder makes the final investment decision with the selected investment strategy himself.

The account holder is aware that their securities order will not be permitted if their investment decision exceeds the investment recommendation made by the Bank.

If the account holder's investment decision is lower than the investment recommendation made by the Bank, the securities order will be executed and the account holder will accept the lower yield potential.

### 4 Online Banking

If the account holder has an online banking relationship (with or without e-documents) with the Bank in accordance with the relevant provisions, the pension relationship may be displayed within online banking. The displaying of the pension relationship can be restricted or cancelled at any time.

### 5 Customer Data

The Foundation is obliged to treat as confidential all personal data of the account holder made known to them as part of the pension agreement.

#### 5.1 Data Exchange and Disclosure

The Foundation publishes its guidelines on processing customer data and all related information online (at [www.credit-suisse.com/RechtlicheHinweise](http://www.credit-suisse.com/RechtlicheHinweise)). Changes are also published online. Please check this content regularly.

#### 5.2 Data Exchange and Disclosure

The account holder authorizes the Foundation to transmit all data within the context of the pension relationship to Credit Suisse (Switzerland) Ltd., Credit Suisse AG, and other legal entities of UBS Group in Switzerland. Data may be transferred in particular for business purposes to improve i) UBS Group's understanding of the account holder's overall relationship with the Foundation and other legal entities of UBS Group, ii) UBS Group's understanding of the needs

and preferences of the account holder, and iii) UBS Group's comprehensive range of products and services. If the account holder has a banking relationship with the Bank, the Bank is permitted to communicate all information and documents necessary for the care and management of the pension relationship to the Foundation (e.g. account data, changes of address, signature image or death documents).

In accordance with the legal stipulations applicable to the Foundation, Credit Suisse AG, Credit Suisse (Switzerland) Ltd., and other legal entities of UBS Group in Switzerland, information on any existing pension relationships may be disclosed to third parties on request.

This authorization remains in place after the account holder's death and incapacity to act.

### **5.3 Use of Data**

The Foundation, Credit Suisse AG, Credit Suisse (Switzerland) Ltd., and other legal entities of UBS Group in Switzerland are permitted to use data received through customer care and support for marketing activities, to compile statistics, or for other purposes set out in Art. 5.2. An email address used or provided by the account holder may also be used in connection with the vested benefits relationship.

### **5.4 Authorized Representative**

If the account holder has appointed an authorized representative for the banking relationship under which his/her pension relationship is managed with the Bank, the pension relationship may be displayed to the authorized representative and related information provided to him/her. Powers of attorney over the banking relationship that are confined to individual accounts or safekeeping accounts are exempt from this rule.

The rule set out in the previous paragraph also applies to authorizations in online banking.

## **6 Receipt of Capital**

The previous employee pension fund or vested benefits institution transfers the vested benefits to the Foundation.

Subsequent payments are possible, provided that these represent vested benefits from an occupational pension fund or retirement capital from another vested benefits institution. Any unlawfully transferred vested benefits capital is returned to the previous occupational benefits institution.

The account holder him/herself may only make payments into the account if a payment represents the repayment of advance withdrawals or realized pledges under the promotion of home ownership scheme pursuant to Art. 30d of the BVG.

## **7 Forms of pension provision**

### **7.1 Vested benefits account**

Vested benefits accounts are closed as of December 31 every year.

### **7.2 Investment in securities**

#### **7.2.1 Description**

If instructions are received from the account holder, the capital received by the Foundation can be invested in one of the available investment groups or in other investment products (e.g. collective investments, certificates, structured products). All investment products offered by the Foundation meet the statutory requirements stipulated by the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (BVV 2). The Foundation buys the required number of units in the investment product selected by the account holder on the latter's instructions and behalf.

Incomplete, incorrect, or unclear instructions will not be executed.

Units in the investment group may be subscribed and redeemed daily, at the current asset value plus any premiums or discounts.

#### **7.2.2 Risks and Liability**

The Board of Trustees decides which investment products are offered by the Foundation. The account holder has no claim to either interest payments or maintenance of capital value on the vested benefits invested in units of an investment product. The account holder bears the investment risk. The account holder is aware that investments in securities may also incur losses due to market fluctuations. Any such losses are borne by the account holder, and the Foundation cannot be held liable.

The account holder is responsible for selecting the particular investment product. This selection is dependent on the individual risk profile, the specific investment goals, and the respective investment horizon, among other factors.

The account holder is additionally responsible for updating the selected investment strategy in the event of changes in his/her living situation (e.g. divorce, shorter investment horizon).

#### **7.2.3 Changes within investment products**

Investment products may be subject to change (especially changes to the investment guidelines, costs, and benchmark composition). These changes are made unilaterally without consent from the invested account holders. The latest information can be found in the fact sheet published each month for the corresponding investment product. The Foundation does not provide the account holder with express communication in this regard.

#### **7.2.4 Investment product switch**

In the event of a switch, it is not possible to sell the existing investment product and to purchase the new investment product on the same trading day. The exact sales proceeds are always determined before the purchase order is issued. This creates a delay between the sale of the existing investment product and the purchase of the new investment product. The account holder does not participate in any price gains in the new investment product that occur during this delay period, and he/she does not participate in any price declines.

#### **7.2.5 Cancellation of orders**

Any buy and sell orders issued are binding. No entitlement to have these canceled by the Foundation exists.

#### **7.2.6 Trading days**

Investment product claims are assigned and withdrawn each bank working day. The assignment and withdrawal of claims may be temporarily suspended on holidays in Switzerland and elsewhere, including on December 24 and December 31.

#### **7.2.7 Sale of investment in securities for legal reasons**

By law, an investment in securities is (partially) sold in the following cases and without explicit order of the account holder:

- a) for the realization of a pledge;
- b) if the new pension fund calls the capital in for a corresponding purchase;
- c) for a court order as a result of a divorce or if a registered partnership is dissolved by a court.

A sale by law may result in the investments in securities having to be sold at an unfavorable time and the account holder thereby making a loss.

#### **7.2.8 Remuneration**

The investment products are credited to a vested benefits account with the Custodian Bank held in the name of the Foundation. In relation to the provision of services, the Bank may receive retrocessions, payments, fees, commissions incl. trailer fees, reimbursements, discounts, rebates, distribution remuneration, inducements and other monetary or non-monetary benefits (collectively referred to hereinafter as "remuneration") from third parties (including other banks and legal entities within UBS Group). Remuneration is usually measured as a percentage of the total investment volume for an investment product held by the bank. In the case of collective capital investments, including products from investment foundations, the compensation collected by the bank may move within the following bandwidth: 0% to a maximum of 2% per year. The maximum amount of

remuneration per client is calculated by multiplying the maximum percentage rate by the value of the investment volume in the respective product category. The Bank may receive the full annual remuneration as per the bandwidth described above even in incomplete years. If, in the absence of a corresponding agreement, there is a statutory duty to surrender this remuneration to the Foundation and the account holder, respectively, the account holder waives the right to receive such remuneration, in particular if the corresponding remuneration exceeds the costs for the services rendered by the Bank, the Custodian Bank, and the Administrator to the Foundation. Mandatory statutory requirements remain reserved.

### **8 Obligation to Notify and Communication**

The Foundation sends the account holder a confirmation of the opening of the vested benefits account and the purchase of the securities. Subsequently, in January of the following year, the account holder receives an annual statement of his/her vested benefits account and/or safekeeping account as per December 31 every year.

In cases where benefits are paid incorrectly because the insured person has allowed unauthorized parties to gain possession of these documents and/or the information contained therein, the foundation is liable only if the case involves gross negligence or intent.

The account holder must inform the Bank for the attention of the Foundation, or inform the Foundation directly, of any changes in circumstances, including for example changes in address, name, and civil status, in writing. If the account holder is married, he/she must inform the Foundation of the date of marriage. The Foundation accepts no liability for anything that happens as a consequence of receiving insufficient, late or incorrect information pertaining to the account holder's address or personal data.

Changes in name or marital status must be confirmed by an official document.

All correspondence from the account holder must be in one of the national languages or in English.

Communications from the Foundation or from the Bank on behalf of the Foundation will be deemed to have been duly served if they have been sent to the last address notified by the account holder.

Dormant vested benefits are transferred to the Security Fund ten years after the account holder reaches the AHV reference age. In the case of vested benefits, the Foundation issues a statement of the termination benefits for the account holder. It provides the pension fund or vested benefits institution with the relevant data for the transfer.

## 9 Retirement Benefits

The account holder is entitled to retirement benefits. In general, retirement benefits are paid out when the account holder reaches the AHV reference age.

The benefits may be paid out at the earliest five years prior to the AHV reference age, and they must be drawn at the latest five years after this date. If the account holder informs the Foundation that he/she is still in gainful employment, he/she can postpone withdrawal for a maximum of five years after reaching the AHV reference age.<sup>1</sup> The account holder must request payment of the retirement benefits in writing by submitting the applicable form to the Foundation.

The retirement benefits can be paid to the account holder at an earlier date if the account holder receives a full disability pension from the Federal Disability Insurance (IV).

## 10 Death Benefits

If the account holder dies before the retirement benefits fall due, the vested benefits amount is deemed to be a sum payable at death and is paid to the following persons in the order listed below:

- a) the surviving spouse and, to the extent that they have a claim to survivors' benefits in accordance with the BVG, the orphans and foster children and, if applicable, the divorced spouse; if none
- b) natural persons supported to a considerable extent by the account holder or the person with whom the account holder lived in a domestic partnership without interruption during the five years preceding his/her death, or the person responsible for the maintenance of one or more joint children; if none
- c) children who do not have a claim to survivors' benefits in accordance with the BVG; if none
- d) the parents; if none
- e) the siblings; if none
- f) the other legal heirs, to the exclusion of the community.

The account holder has the right to stipulate the amounts to be paid to each of the beneficiaries and to extend the group of people mentioned under a) to include those under b). The account holder also has the right to change the order of beneficiaries under c), d), and e).

If the entitlement of the individual beneficiaries is not described in detail, beneficiaries in the same category will receive equal parts of the sum payable at death.

The account holder must notify the Foundation in writing if

he/she wishes to make changes to the regulatory beneficiary structure or if people meant to be beneficiaries are supported to a considerable extent by the account holder, live in a domestic partnership with the account holder, or are responsible for the maintenance of one or more joint children.

When there is evidence of unworthiness to inherit according to the Swiss Civil Code (SCC), the Foundation reserves the right to deny payment to the persons listed under a) – f).

If the beneficiary is disputed, the Foundation is authorized to deposit the death benefits pursuant to Art. 96 Code of Obligations.

## 11 Transfer of Vested Benefits

The vested benefits can be transferred to an occupational pension fund or a vested benefits institution at any time. Partial transfers are allowed only if the funds are earmarked for the purchase of benefits from an occupational pension fund.

However, the vested benefits can only be transferred to another vested benefits institution.

## 12 Early Cash Payment

Early cash payment of vested benefits is possible if

- a) the balance of the vested benefits account is less than the account holder's annual contribution to his/her previous pension fund;
- b) the account holder permanently leaves the Switzerland/Liechtenstein economic area; cash payment of the BVG vested benefits, i.e. the mandatory portion, is no longer possible when leaving Switzerland permanently if the account holder continues to be insured against the risks of old age, disability and death in accordance with the legislation of an EU (or EFTA) member state;
- c) the account holder takes up self-employment in Switzerland and is no longer subject to the mandatory insurance. Payment is possible within one year after taking up self-employment.

## 13 Payment of Benefits

Benefits are paid only in the form of a lump sum. Payment falls due 30 days after receipt of the complete application. If collection assistance proceedings are pending against the account holder, the consequences of default will not take effect as long as the office for collection assistance has not released the due claims for payment. The benefit amount equals the balance of the vested benefits account plus

may postpone payment of these benefits until December 31, 2029, but for no more than five years after reaching the AHV reference age.

---

<sup>1</sup> Account holders who would normally have to draw their retirement benefits in accordance with para. 9 in the years 2024–2029 because they have reached or passed the reference age and who are no longer in gainful employment

interest and/or the proceeds from the sale of units in investment products. Benefits that were paid incorrectly or unlawfully must be repaid to the foundation.

#### **14 Withdrawal of Benefits**

1. In order to withdraw vested benefit assets or retirement benefits, the account holder must, depending on the situation, submit the relevant form containing exact information about the reason for the payment and the payment instructions and listing the documents required to substantiate the payment. The account holder must have the spouse or registered partner cosign according to the requirements in the withdrawal request and must have certified the spouse's or registered partner's signature on the form. All forms are available from the Foundation. All formal prerequisites set out in the forms constitute an integral part of these regulations.
2. When paying vested benefits and retirement benefits, the Foundation will usually sell the units in investment products within five working days of approving the account holder's application for payment. Upon the death of the account holder, the order will be issued as soon as the Foundation has been informed of the death in a civil status document.
3. The Foundation reserves the right to request any further certificates it may deem necessary to verify the situation.

#### **15 Transfer of Some or All of the Benefits**

1. If an account holder instructs the Foundation to transfer some of the vested benefits, which can be done only if he/she purchases additional retirement benefits, divorces or makes an advance withdrawal to finance home ownership, the Foundation sells only the amount invested in investment groups required to cover the partial amount as requested.
2. If the account holder joins a new occupational pension fund (e.g. when he/she starts a new job), the vested benefits must be transferred. The account holder must inform the Foundation if he/she joins a new occupational pension fund.  

A form is not required for a transfer to a new occupational pension fund, but the application must be signed by the account holder and a payment slip for the new occupational pension fund must be enclosed.
3. The new occupational pension fund may also instruct the Foundation directly to transfer the vested benefits.

#### **16 Assignment and Pledging**

Claims to benefits can be neither legally assigned nor pledged before they fall due. Art. 17 remains reserved.

#### **17 Promotion of Home Ownership**

The account holder may make an advance withdrawal of or pledge his/her vested benefits up to the statutory maximum to purchase residential property for own use. The advance withdrawal and pledge of retirement assets are governed by the legal provisions as well as the *Regulations on the Use of Vested Pension Accruals for Home Ownership*.

#### **18 Divorce**

In the event of divorce, the court may rule that part of the vested benefits accrued by the account holder during the course of the marriage must be transferred to the spouse and deducted from claims under divorce law that are intended to protect retirement assets.

The Foundation transfers these funds to the occupational pension fund or vested benefits institution of the spouse in accordance with the divorce decree.

Until proof that the pension entitlements of the entitled spouse have been satisfied, the Foundation reserves the right to demand additional documents to assess the situation. For as long as such additional documents are not received, the Foundation may reject a payment request made by the account holder.

#### **19 Fiscal Treatment**

The vested benefits and income earned on this capital are exempt from tax until they fall due. The benefits are taxed in accordance with the provisions of federal and cantonal law. When the Foundation pays benefits, it must comply with the provisions of the Federal Act on Withholding Tax and notify the relevant tax authorities of withdrawals together with the recipient's address and social insurance number or, in the case of payments to recipients resident abroad, it must deduct the amount of tax at source due. The Foundation may require a confirmation of domicile beforehand in order to determine the place of residence prior to payment. If information about the place of residence is not conclusive, the Foundation is obliged to deduct tax at source in any case.

#### **20 Fees**

1. In order to cover its administrative costs, the Foundation may charge the account holder and the beneficiaries fees and debit their vested benefits account or deduct these fees from a payment. The account holder is responsible for ensuring that his/her vested benefits account at all times shows a sufficient balance for the deduction of fees. If this is not the case, the Foundation is authorized to liquidate any available securities of the account holder to cover the negative balance as if the account holder had given the Foundation corresponding instructions. The fees shall be regulated in a separate fee schedule available from the Foundation.

2. If contact with the account holder breaks off due to missing or incomplete information (see para. 8(3)) and as a result the assets left with the Foundation become contactless, the Foundation shall debit the account holder for the investigation as well as for the special handling and supervision of contactless assets.
3. If contact with the account holder breaks off, the running fees will continue to be charged to the vested benefits account.

## **21 Liability**

The Foundation is not liable to the account holder for any consequences of the account holder's non-compliance with statutory, contractual or regulatory obligations.

## **22 Place of Jurisdiction**

Any disputes arising from this contract can be brought only before a Swiss court. The place of jurisdiction is the defendant's place of residence in Switzerland.

## **23 Entry into Force, Amendments**

These regulations enter into force on February 9, 2024, and supersede all previous regulations.

Amendments to the relevant legal provisions underlying these regulations remain reserved. Any such amendments will apply to these regulations from the date on which they enter into force.

The Board of Trustees is authorized to amend these regulations at any time. Such amendments require the approval of the supervisory authority, and will be notified to the account holder in an appropriate manner.