

## Regulations of the “Fondation de libre passage” (vested benefits)

These regulations were issued by the Foundation’s Governing Board on 15 November 2006 on the basis of article 5 of the articles of association of the “Fondation de libre passage de la Banque Cantonale de Genève” and, in particular, of the Federal Act of 17 December 1993 on the Vesting of Occupational Old Age, Survivors’ and Invalidity Benefits (LFLP), the Ordinance of 3 October 1994 on the Vesting of Occupational Old Age, Survivors’ and Invalidity Benefits (OLP), the Ordinance of 3 October 1994 on the Promotion of Home Ownership using Occupational Pension Benefits (OELP) and the Ordinance of 18 April 1984 on Occupational Old Age, Survivors’ and Invalidity Pension Provision (OPP2).

### Article 1 - Purpose

The purpose of the vested benefits account is to maintain the pension cover acquired in the context of occupational pension planning.

A complementary insurance contract to cover the risks of death and invalidity may be concluded.

### Article 2 - Opening a vested benefits account

At the request of the occupational pension client, the “Fondation de libre passage de la Banque Cantonale de Genève” (hereafter the Foundation) will open at the Banque Cantonale de Genève (hereafter BCGE) an individual vested benefits savings account in the name of the “Fondation de libre passage de la Banque Cantonale de Genève”. The Foundation has the right to inform BCGE and its subsidiaries of the client’s occupational pension assets and to exchange with them information necessary to manage the account.

Other than interest, only the following may be paid into this account:

- the vested benefits from a previous pension fund or vested benefits institution;
- the amounts transferred following a divorce, pursuant to art. 22 et seq. LFLP;
- the reimbursed amounts of early payments obtained to finance the purchase of residential property in compliance with art. 30a et seq. LPP or realisation of pledged assets.

If occupational pension clients already have an individual vested benefits savings account and need once again to transfer a termination benefit from a pension fund, they can either pay the termination benefit into the existing individual vested benefits savings account or open a separate individual vested benefits savings account into which the termination benefit can be paid. The Foundation’s Governing Board may refuse an application to open an account without providing a reason for such a refusal and reserves the right to close an account if no payment has been made until 31 December of the year following the year in which it is opened.

### Article 3 - Investment choice of the occupational pension client

#### a) Savings account

Occupational pension clients may choose to pay all or part of their vested benefits into their vested benefits savings account, which bears interest at a rate set by the Foundation’s Governing Board in line with the savings remuneration rate offered by BCGE. Interest payments are credited on 31 December of each year and are capitalised.

#### b) Collective investment fund units

Occupational pension clients may also choose to invest in one or several sub-funds of the Synchrony LPP Funds, in accordance with the attached investment regulations, provided that they have sufficient vested benefits.

Occupational pension clients have been informed that they bear the investment risk.

### Article 4 - Investments by the occupational pension client

The Foundation opens savings accounts at BCGE in its own name but on behalf of the occupational pension client. Pursuant to art. 37a, para. 5 of the Swiss Federal Law on Banks and Savings Banks, the Foundation’s debts are considered to be deposits from each of the occupational pension clients; they are privileged deposits, independently of the other deposits made by each occupational pension client, up to a limit of 100,000 francs per creditor.

The Foundation shall offer clients only those sub-funds of collective investment funds that comply with OPP2. The Foundation’s Governing Board bases its selection of funds on the fund prospectuses and the reports of the custodian bank.

### Article 5 - Old-age benefits

Occupational pension clients are entitled to the old-age benefit when they attain the age entitling them to LPP old-age benefits (set retirement age). The benefit is paid to them on request.

On written request, they may receive this benefit a maximum of five years early or postpone it by a maximum of five years with respect to the LPP retirement age. The old-age benefit is then equivalent to the total pension assets acquired at the agreed date.

Occupational pension clients receiving 100% of the federal invalidity benefit may, on request, receive all the acquired occupational pension assets, provided that they do not have any additional cover against the risk of invalidity.

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### Article 6 - Death benefit

In the event of the death of the occupational pension client before the old-age benefit is payable, the pension assets shall be paid to the following beneficiaries:

1. the survivors pursuant to arts. 19, 19a and 20 LPP;
2. the persons for whose needs the deceased cared in substantial form, or the person who lived jointly with him/her uninterruptedly for at least five years preceding his/her death, or who must care for one or more joint children;
3. the children of the deceased who do not fulfil the conditions of art. 20 LPP, otherwise the parents, otherwise the brothers and sisters;
4. the other legal heirs, except for public bodies.

The occupational pension client may specify at any time the right of each of the beneficiaries and include within the group of persons defined in point 1 above those mentioned in point 2, by sending the Foundation a written instruction. In the absence of an instruction, the distribution between several beneficiaries of the same category shall be made in equal shares.

### Article 7 - Payment of the benefits

When the occupational pension matures, the benefits will be paid in the form of capital within 30 days of the Foundation's receiving all the necessary documentary evidence. The amount of the benefit corresponds to the balance of the vested benefits savings account and/or the product of the sale of the collective investment fund units.

However, the pension client may wish to remain invested in the Synchrony LPP Funds once the conditions for the payment of his retirement benefit have been met. In this case, and at his request, his class “B” units are sold and the proceeds of the sale, after deduction of any withholding tax, are invested in the purchase of class “A” units, which are transferred to a securities custody account opened with BCGE.

The occupational pension client must instruct the Foundation regarding the transfer of the old-age benefits in writing and in good time.

### Article 8 - Early payment

Occupational pension clients may demand cash payment of the entire pension assets:

- when they leave Switzerland definitively (subject to art 25 et seq. LFLP);

- when they establish their own business and are no longer subject to obligatory occupational pension planning.

Occupational pension clients may use part or all of their pension assets to:

- purchase or build residential property,
- acquire shares in residential property,
- repay mortgage loans in accordance with the conditions set by the OEPL.

Payments for the promotion of home ownership can only be requested every five years and/or a maximum of five years before the normal AVS retirement age.

### Article 9 - Consent of spouse or partner

If the occupational pension client is married or in a registered partnership, the request for payment of old-age pension benefits in accordance with art. 5 or the request for early payment in accordance with art. 8 must also be signed by the spouse or partner. The signature of the spouse or partner must be officially authenticated.

The occupational pension client must enclose all the necessary supporting documents with his application. If he is not married or living in a registered partnership, he must also provide a certificate of marital status no older than one month.

The Foundation reserves the right to ask for all the evidence that it deems necessary to confirm the occupational pension.

### Article 10 - Changing vested benefits institution

Occupational pension clients may at any time pay the pension assets into a pension fund, change the vested benefits institution or continue their pension planning in another form.

### Article 11 - Assignment, pledging

Any assignment or pledging of the occupational pension client's assets by the client is prohibited. However, pledging for the purpose of purchasing residential property, using the occupational pension, may be excepted. It must fulfil the conditions set out in art. 331d, para. 5 of the CO.

### Article 12 - Information for occupational pension clients

The Foundation will send each occupational pension client confirmation that the vested benefits account has been opened. Confirmation will be sent for each purchase or sale of collective investment fund units.

At the beginning of the year, the Foundation will send occupational pension clients a statement of their account and/or their vested benefits portfolio. It will also report on the amount of vested benefits at age 50, as well as the amount of vested benefits at the time of a marriage.

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If so requested by occupational pension clients, the Foundation will send them other information relating to their accounts, in particular the amount available to finance the purchase of residential property for their own needs.

The communications addressed to the occupational pension client are considered to have been duly received when they are sent to the last address known to the Foundation.

### **Article 13 - Obligations of the occupational pension client or beneficiaries**

Occupational pension clients are required to notify the Foundation in writing of any change of address, name or status, and of the date of their marriage. They must enclose any necessary documentary evidence.

The Foundation accepts no responsibility for the consequences that may arise from insufficient, late or omitted information on this subject.

Dormant (forgotten) vested benefit assets will be paid into the compensation fund 10 years after the standard age of retirement.

### **Article 14 - Tax obligations**

In accordance with art. 19 of the Swiss Federal Law on Withholding Tax, the Foundation will declare pension capital payments to the tax administration.

Persons domiciled abroad are subject to taxation at source on amounts paid by the Foundation.

### **Article 15 - Fees**

The Foundation may deduct bank fees and administrative charges from the vested benefits. If necessary, collective investment fund units may be sold to cover these fees. The fee schedule is sent to the occupational pension client when the account is opened.

The Foundation reserves the right to modify this schedule at any time; the current schedule is available on request from the Foundation.

### **Article 16 - Responsibility**

The Foundation accepts no responsibility with respect to the occupational pension client, or to the beneficiary (beneficiaries) for the possible consequences of any non-adherence by the latter to the contractual and regulatory obligations.

Any damage arising from the use of a forgery or failure to provide proof of identity will be borne by the occupational pension client, other than in the event of gross negligence on the part of the Foundation.

The occupational pension client, or the beneficiary (beneficiaries), may be required to provide the Foundation with proof for any assertions they make.

### **Article 17 - Applicable law and place of jurisdiction**

**Any disputes relating to the application or execution of these regulations are subject to Swiss law.**

Any dispute regarding interpretation or application of these regulations will be referred to the competent courts pursuant to art. 73, para.1 LPP; **the place of jurisdiction for any proceedings is Geneva.**

### **Article 18 - Changes to the legal bases and the regulations**

The provisions of mandatory laws and ordinances take precedence over these regulations and the occupational pension benefits agreement. Subsequent modifications to this legislation will be valid without having been specifically communicated to the occupational pension client.

The Foundation's Governing Board may modify these regulations at any time, with the agreement of the supervisory authority.

Any changes made to the regulations will be brought to the attention of the occupational pension clients.

**This version of the regulations was adopted by the Foundation's Governing Board in its session of 3 October 2022 and is effective from 1 January 2023.**

## Regulations of the “Fondation de libre passage” (vested benefits)

### Additional regulations regarding “Investment in securities”

#### Article 1 - Purpose

The pension client may choose to invest all or part of his pension assets in one or several sub-funds of the Synchrony LPP Funds.

Investments in all sub-funds are made in accordance with the Synchrony LPP Funds regulations (available on request), in compliance with the investment limits of the OPP2.

#### Article 2 - Investment choice and risk

The Foundation’s Governing Board shall determine the sub-funds offered to the client. It shall offer clients only those sub-funds of collective investment funds that comply with OPP2. The Foundation’s Governing Board bases its selection of funds on the fund prospectuses and the reports of the custodian bank.

**The pension client bears the risks of the investment. The vested benefits invested in units of collective investment funds do not entitle the client to a return or to the preservation of the capital value.**

#### Article 3 - Investments

Each pension client shall inform the Foundation in writing of the amounts to be held in the vested benefit savings account and/or to be invested in each of the sub-funds of his choice. Unless otherwise specified, the pension client’s total assets shall be deposited in the client’s vested benefit savings account.

The Foundation buys the units on behalf of the pension client and manages them in his name. The costs are borne by the client.

The pension client may change his investment strategy at any time, subject to written instructions to the Foundation, or he may sell his units in the fund. The pension client is entitled to one allocation change per calendar year free of charge; the costs of any additional changes are borne by the pension client according to the fee schedule applied by the Foundation.

**The pension client’s instructions shall remain valid until the client expressly changes them.**

#### Article 4 - Purchase and sale of collective investment fund units

The Foundation buys and sells units in collective investment funds once a day on normal banking days. The pension client’s buy or sell orders must always be for a whole number of units; they are executed on the execution day following their receipt, provided they can be processed within this period. Otherwise, they are executed the next banking day.

In the case of a pension payout, the Foundation shall sell the units in the collective investment fund on the day following receipt of the necessary documents.

The proceeds from the sale of the collective investment fund units shall be paid into the client’s vested benefit savings account.

However, the pension client may wish to remain invested in the Synchrony LPP Funds once the conditions for the payment of his retirement benefit have been met. In this case, and at his request, his class “B” units are sold and the proceeds of the sale, after deduction of any withholding tax, are invested in the purchase of class “A” units, which are transferred to a securities custody account opened with BCGE. This switch is free of charge.

#### Article 5 - Valuation

In accordance with the regulations of the Synchrony LPP Funds, the purchase price of a unit corresponds to the issue price fixed on the execution day, including costs and accrued income. The sale price corresponds to the redemption price fixed on the execution day, including costs and accrued income.

The unit price is published on the website of the fund management company ([www.gerifonds.ch](http://www.gerifonds.ch)).

#### Article 6 - Use of the proceeds

The net profit of the units of the collective investment fund shall be reinvested annually in the assets of the sub-fund.

#### Article 7 - Exercise of ownership rights

The ownership rights associated with the fund units shall be exercised by the fund management company.

**This version of the additional regulations regarding “Investment in securities” was adopted by the Foundation’s Governing Board at its meeting on 3 October 2022.**