

**PERSONALVORSORGESTIFTUNG DER  
FELDSCHLÖSSCHEN-GETRÄNKEGRUPPE**

**2021 REGULATIONS GOVERNING HOME OWNERSHIP  
FUNDING**

Valid from 1 January 2021

<b>AHV</b>	Federal Law on Old Age and Survivors' Insurance, dated 20 December 1946
<b>BVG</b>	Federal Law on Occupational Pensions for Old Age, Survivors and Disability, dated 25 June 1982
<b>FZG</b>	Federal Law on the Transfer of Vested Benefits, dated 17 December 1993.
<b>IV</b>	Federal Law on Disability Insurance, dated 19 June 1959
<b>MV</b>	Federal Law on Military Insurance, dated 19 June 1992
<b>OR</b>	Swiss Code of Obligations (Company Law), dated 30 March 1911
<b>UVG</b>	Federal Law on Accident Insurance, dated 20 March 1981
<b>WEF</b>	Occupational Pension Plan Funding for Home Ownership (in BVG Art. 30 ff and OR Art. 331d ff)

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## ANNEX

1. **GENERAL CONDITIONS**

These pension fund regulations (hereafter "Regulations on Home Ownership Funding") were issued by the Board of Trustees pursuant to Art. 3 of the Articles of Association and Articles 1.6 and 7 of the Pension Fund Regulations, and approved by the supervisory authorities.

They govern the manner in which pension fund benefits or termination benefit may be pledged and the modalities for advance withdrawal of termination benefit to fund the purchase of property.

In cases for which the Regulations on Home Ownership Funding contain no provisions, the Board of Trustees shall apply a rule which meets the purpose of the pension fund and the provisions of the Regulations on Home Ownership funding as closely as possible.

The regulations shall be issued to insured members on request, as well as for exercising claims related to a pledge or advance withdrawal.

**2. HOME OWNERSHIP FUNDING**

**2.1. General, terminology**

**2.1.1. Home ownership funding options**

Home ownership funding may be obtained through the pension fund:

- by pledging the pension benefits or termination benefits;
- by advance withdrawal of all or part of the termination benefit.

Or by a combination of the two above options.

**2.1.2. Home ownership**

Every insured member can use their accrued pension benefit in full or in part for:

- purchasing or building a home (house);
- purchasing shares in a residential property (condominium or owner-occupied apartment);
- repayment of mortgages

**2.1.3. Permissible forms of home ownership**

The following forms of home ownership are permissible:

- ownership;
- co-ownership;
- joint ownership between the insured member and his/her spouse;
- independent, permanent right of construction.

**2.1.4. Tenant interests**

Permissible interests are:

- the acquisition of share certificates in a housing cooperative;
- the acquisition of shares in a tenants' joint-stock corporation;
- the granting of a multiple-party loan to a housing cooperative

In the event that the insured member leaves the housing cooperative, the cooperative's regulations provide for the transfer of pension assets used by the insured member to acquire shares in the cooperative either

- to another housing cooperative or
- another housing association in which the insured member occupies one of the homes, or

- an occupational pension scheme.

The same applies *mutatis mutandis* to other forms of participation.

**2.1.5. Own use**

Own use is defined as use by the insured member at his or her place of residence or customary abode. Insured members who are resident in an EU or EFTA member country are entitled to claim their retirement capital provided the property in the respective country is used by themselves or their family ("own use").

If the insured member can prove that the residence is temporarily unfit for occupation, he or she may rent during this temporary period.

**2.1.6. Requirements and proof**

If the insured member requests advance withdrawal or a pledge of assets, he or she must provide the pension plan with proof that he or she meets the requirements.

If the insured member is married, advance withdrawal or a pledge of pension benefits is only permissible with the written consent of his or her spouse. If such consent cannot be obtained or is refused, the insured member is entitled to take action under civil law.

**2.2. Pledge**

**2.2.1. Pledge requirements and amount**

Up to three years before their entitlement to retirement benefits comes into force, insured individuals may pledge their claim to pension benefits or an amount up to the level of their termination benefit to fund the purchase of a home for their own use.

Insured members above the age of 50 may at most use as a pledge the termination benefit to which they would have been entitled at age 50 or half of the termination benefit at the time of pledging.

Pledging is also permissible for the purpose of acquiring share certificates in a housing cooperative or similar shares if the insured member is using the home co-funded through such shares for his or her own use.

**2.2.2. Notification to the pension fund**

The pledge must be notified to the pension fund in writing to be valid.

**2.2.3. Pledgee**

Written consent must be obtained from the pledgee if the pledge amount is affected

- when a termination benefit is paid out in cash;
- when pension benefits are paid out;
- when part of the termination benefit is transferred to a spouse's pension fund as part of a divorce settlement.

If the pledgee refuses to give his or her consent, the pension fund shall provide the respective amount.

On termination of employment, the pension fund shall inform the pledgee to whom and to what extent the termination benefit has been transferred.

**2.2.4. Collection of pledge**

If the pledge is collected prior to the pension event or prior to cash payment, the provisions governing advance withdrawal shall apply.

**2.3. Advance withdrawal**

**2.3.1. Requirements and amount**

Up to three years before the entitlement to retirement benefits comes into force, insured individuals may request an amount to fund the purchase of a home for their own use.

For this purpose insured persons may withdraw the following amounts:

- up to age 50, up to the level of the termination benefit;
- above age 50:
  - up to the termination benefit to which they would have been entitled at age 50, or
  - half the termination benefit at the time of withdrawal.

**2.3.2. Minimum amount, multiple advance withdrawals**

The minimum amount which may be withdrawn in advance is CHF 20,000.--. This minimum amount does not apply to purchases of share certificates in a housing cooperative or similar participation.

A request for advance withdrawal can be made every five years.

**2.3.3. Reduction of benefits**

Advance withdrawal results in a reduction in the retirement savings capital and hence in the benefits payable on reaching retirement age.

**2.3.4. Payment**

Upon presentation of the relevant receipts and documents and with the consent of the insured members, the pension fund shall pay the advance withdrawal amount directly to the vendors, builders, lenders or, in the case of shares in a cooperative housing association or similar shares, to the authorised entities.

The pension fund shall pay the advance withdrawal amount no later than six months after the insured member has submitted his or her claim.

In the event of underfunding, the pension plan can limit the amount to be paid out in advance and adjust the timing of such payment, or refuse payment entirely if such funds are being withdrawn in advance in order to repay mortgages.

If pension plan liquidity is jeopardised by the advance withdrawal, payment of part of the funds requested may be postponed. Such postponed requests are processed in the following order of priority:

1. Insured members who have already purchased a home or are about to;
2. Insured members who are in financial difficulties as a result of purchasing a home;
3. Other insured members, processed according to the date on which they acquired the property: The further back the purchase is, the later the payment is made.

#### **2.3.5. Repayment**

The amount withdrawn must be repaid to the pension plan by insured members or their heirs if:

- a. the property is sold;
- b. rights in this property are granted which are economically equivalent to its sale;  
or
- c. if no pension benefit is due on the death of the insured member.

Insured members may also repay the amount withdrawn at any time subject to the following conditions.

Repayment may be made at any time up to:

- a. the date on which the entitlement to retirement benefits comes into force;
- b. the occurrence of any other insured event; or
- c. cash payment of the termination benefit.

#### **2.3.6. Minimum repayment amount**

The minimum amount for repayment is CHF 10,000.--. If the outstanding amount is less than this, repayment must be made in one go.

#### **2.3.7. Change of residence**

If the insured member is intending to use proceeds from the sale of the property equal to the amount of the advance withdrawal in order to purchase another home, he or she may transfer this amount to a vested benefits institution.

#### **2.3.8. Repayment in the case of reduced value**

The repayment obligation on selling the property is limited to the proceeds from the sale.

Proceeds are defined as the selling price minus the mortgaged debt and taxes charged to the vendor by law. Loan obligations entered into within two years prior to the sale are not taken into account unless the insured member can prove that they were necessary for the purpose of funding the house purchase.

#### **2.3.9. Increase in benefit entitlement on repayment**

Repayment results in an increase in the retirement savings capital and hence in the benefits payable on reaching retirement age. Amounts repaid are assigned to the BVG



retirement savings and the other pension capital in the same ratio as advance withdrawals.

#### **2.3.10. Securing the purpose of pension objective**

Insured members or their heirs may sell the property only subject to the repayment obligation. The definition of a sale also covers the transfer of rights which are economically equivalent to a sale. The transfer of ownership to a beneficiary under pension law is not regarded as a sale, but is subject to the same restriction on right of disposal as the insured member.

The constraint on right of disposal must be noted in the land register. The pension fund must report payment of the advance withdrawal or collection of the pledge on pension assets at the same time as reporting the constraint on right of disposal.

The notice may be deleted:

- a. when the entitlement to retirement benefits comes into force;
- b. following the occurrence of any other insured event; or
- c. upon cash payment of the termination benefit; or
- d. if proof can be furnished that the amount invested in home ownership has been transferred to the insured member's pension fund or a termination benefits institution.

Shares and similar participation certificates must be deposited with the pension fund prior to repayment or the occurrence of an insured event or cash payment.

Prior to withdrawing funds in advance or pledging pension assets, insured members resident abroad must prove that they have used the occupational pension plan funds to purchase a home.

The obligation and entitlement to repayment exist until the entitlement to retirement benefits comes into force, until another insured event occurs, or until cash payment.

#### **2.3.11. Divorce**

If spouses are divorced before an insured event occurs, the advance withdrawal is regarded as a vested benefit and shared in accordance with Article 123 of the Civil Code, Articles 280 and 281 of the Civil Procedure Ordinance and Articles 22-22b FZG.

### **2.4. Obligations of the pension fund**

#### **2.4.1. Information**

The pension fund undertakes to inform insured members on request, upon advance withdrawal of funds or in the event of a pledge, about:

- a. the retirement savings capital available for their home ownership;
- b. the reduction in benefits related to advance withdrawal or realisation of a pledge;
- c. the option of filling the gap made by advance withdrawal or pledge realisation to top up pension protection against disability or death;

- d. the tax obligation related to advance withdrawal or pledge realisation;
- e. the existing entitlement to reimbursement of taxes paid as well as the deadline to be observed in the event of repayment of the advance withdrawal or repayment following collection of a pledge.

If the pension fund limits advance withdrawal due to underfunding, it shall inform insured members whose payment has been limited or refused as to the extent and length of the measure.

**2.4.2. Termination; notifying the new pension fund**

The pension fund shall, without being requested, inform the new pension fund whether and to what extent the termination or pension benefit has been pledged or funds withdrawn in advance.

It must also inform the new pension fund of the date of the advance withdrawal and the amount of vested benefits acquired up to this date (including proportion of BVG retirement capital).

**2.4.3. Notifying the Federal Tax Administration**

The pension plan must report the advance withdrawal or collection of the pledged termination benefit as well as the repayment of such to the Federal Tax Administration within thirty days, using the designated form.

**3. FINAL AND TRANSITIONAL PROVISIONS**

**3.1. Secrecy**

Individuals who are involved in carrying out and supervising the business of the pension plan are subject to a duty of secrecy with regard to the personal and financial circumstances of insured members, beneficiaries and employers.

**3.2. Duty to inform and notify, dissemination of information, data security**

Insured members, beneficiaries and employers are obliged to disclose truthfully to the pension plan all such information as is required for the insurance cover.

Changes which affect the pension plan relationship must be reported immediately by insured members, beneficiaries or employers.

The pension plan accepts no liability for the consequences arising from non-observance of the aforementioned obligations.

Insured members acknowledge that the organs entrusted with carrying out, verifying or supervising the business of the pension plan, are authorised to process or have processed all personal data, including particularly confidential data and personal profiles, which they require in order to fulfil their assigned tasks according to the law and the regulations.

**3.3. Legal disputes, court of jurisdiction**

Legal disputes between the pension plan, employer, insured members and beneficiaries which arise from the application of these regulations are the responsibility of the cantonal court of insurance. The place of jurisdiction shall be the Swiss headquarters or domicile of the respondent or the location of the company where the insured person was employed.

**3.4. Amendments to the regulations**

These regulations may be amended by the Board of Trustees at any time subject and with due consideration to the legal entitlements of beneficiaries within the boundaries of the law. The legal amendments shall be amended consistently.

Amendments to the regulations must be notified to the supervisory authority.

**3.5. Entry into force**

These regulations were adopted by the Board of Trustees on 11 December 2020 and replace all previous regulations. These regulations shall enter into force on 1 January 2021 and apply to all insured as active members and new members who join the pension fund and belong to the insured group of individuals.

These regulations have been translated into French, Italian and English. In the event of differences between the various language versions, the German version is authoritative.

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