

# Rules of the Basler Kantonalbank Pension Foundation Savings 3

## 1. Purpose of the Foundation, subject matter of the rules

The purpose of the Foundation is the promotion of committed, individual pension arrangements through acceptance, investment, and administration of contributions serving exclusively and irrevocably occupational pension arrangements as defined in Article 82 of the Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (Bundesgesetz über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge, [BVG]) and the Ordinance on the Tax Deductibility of Contributions to Recognised Forms of Pension Schemes (Verordnung über die steuerliche Abzugsberechtigung für die Beiträge an anerkannte Vorsorgeformen [BVV 3]).

These rules govern the contractual relationship between the Foundation and the individual pension recipients, which is entered into to achieve this purpose.

## 2. Management of the Foundation, investment

The Foundation is managed by Basler Kantonalbank (hereinafter "the Founder"), which is authorised to transfer this activity to a third party. The pension assets paid into the Foundation form a component part of the assets of the Foundation. These shall be invested in the name of and for the account of the Foundation held by the Founder or by way of its agents via third parties. The Foundation Board shall select suitable investments within the framework of the statutory provisions. It is authorised to delegate authority to invest in whole or in part to the Founder or third parties.

## 3. Data of the pension recipient

The Foundation is authorised to transmit all available data of the pension recipient to the Founder for the performance of its duties. The pension recipient further agrees that the Founder may make use of this data for its own marketing purposes. Moreover, the pension recipient shall acknowledge and consent to the fact that the Foundation may be obligated by law to provide information to authorised third parties.

In addition to the aforementioned provisions, the Basler Kantonalbank Pension Foundation Savings 3 privacy statement applies. It can be viewed on the Founder's website at [www.bkb.ch](http://www.bkb.ch)

## 4. Opening the pension account, payments into the account

The pension account is opened on application by the pension recipient. It is maintained in the name of the

pension recipient and held by the Founder. The basis of every pension agreement shall be the accumulation of savings in individual pension accounts. The pension recipient shall be entitled to determine freely the amount and timing of the tax-privileged contributions to the Savings 3 pension account within the scope of the statutory maximum amount pursuant to Article 7 (1) of the BVV 3.

## 5. Payment of interest

Individual pension assets, which are held in the form of account balances, yield interest at the market interest rate. The current interest rates shall be communicated to the pension recipient in the Founder's client areas and on its website [www.bkb.ch](http://www.bkb.ch). The pension recipients shall acknowledge this type of communication of the current interest rate. If the pension agreement is not terminated in writing within a period of one week from publication of the new interest rate, the new interest rate shall be deemed to have been acknowledged.

## 6. Investment in securities

### 6.1 Securities savings

The pension recipient may at any time instruct the Foundation to invest his/her pension assets wholly or in part in the form of the investment-type savings solution (securities savings) in investments offered by the Foundation. Based on Article 5 of the BVV 3, Articles 49–58 of the Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (Verordnung über die berufliche Alters-, Hinterlassenen und Invalidenvorsorge [BVV 2]) apply by analogy to securities savings.

Furthermore, the Foundation makes use of extensions of the investment possibilities in accordance with Article 50(4) BVV 2. The selected investments as well as the earnings arising therefrom constitute part of the vested pension capital. The investments made shall be held in a pension custody account maintained in the name of the pension recipient. Insofar as accumulation investments are not involved, the income will be credited exclusively to the pension account. The same applies to the credit for a subsequent surrender of the investment. The Foundation accepts no liability for the performance of the investments.

Investments that do not have to be held exclusively within the scope of securities savings based on a pension relationship with the Foundation may, in the event of termination of the pension relationship or in the case of a



partial utilisation, be surrendered or transferred into an unrestricted securities custody account held by the Founder or another bank in the name of the pension recipient or his/her beneficiary. Investments that can be held only within the scope of a pension relationship must be liquidated no later than at the time of total or partial utilisation of the vested pension capital. They cannot be surrendered to the pension recipient or a beneficiary or transferred to a custody account held in this person's name or to pension funds. Should no relevant instructions relating to a partial utilisation of pension assets (including account balance and securities investments) be available, the Foundation will make refunds of all investments in proportion to the existing investments insofar as this is necessary to transfer the partial utilisation, taking into account any existing credit balances in the pension. When an application for distribution is made, the Foundation shall be regarded as having been instructed by the pension recipient or his beneficiary to liquidate the investments needed for this purpose.

### 6.2 Third-party payments

The Founder receives financial compensation (third-party payments) from the fund management for the sales and/or custody of the investment fund "BKB Investment Solution". Third-party payments form part of the effective administration fee indicated in the relevant fund prospectus (prospectus with an integrated fund contract) for the BKB Investment Solution.

The amount of third-party payments is calculated according to the total investment volumes of the relevant sub-funds of the BKB Investment Solution. The third-party payments received by the Founder in relation to the amount invested by the pension recipient in the relevant sub-fund of the BKB Investment Solution are payable quarterly and comprise the following percentage shares:

BKB Investment Solution	
Income (CHF) -V-	0.88 % p.a.
Balanced (CHF) -V-	0.90 % p.a.
Growth (CHF) -V-	0.87 % p.a.
Sustainable Income (CHF) -V-	0.82 % p.a.
Sustainable Balanced (CHF) -V-	0.84 % p.a.
Sustainable Growth (CHF) -V-	0.74 % p.a.
Sustainable Equities (CHF) -V-	0.71 % p.a.
Rule-based (CHF) -V-	0.77 % p.a.

Third-party payments may provide an incentive to consider financial instruments for which the Founder generally receives third-party payments or for which it receives higher amounts of third-party payments. A possible conflict of interest is taken into account in order to avoid disadvantaging the pension recipient. The Foundation and Founder ensure that their services meet qualitative criteria, and that these are not connected with third-party payments.

**The pension recipient acknowledges and agrees that the Founder will retain third-party payments it receives in connection with the BKB Investment Solution: He/she waives surrender of such payments vis-à-vis both the Founder and the Foundation in the knowledge of the potential third-party payments.**

If requested, the pension recipient will be provided with detailed information on the total amount of third-party payments pertaining to him/her.

### 7. Statements

The Foundation shall prepare annually a report on the pension recipient's asset status as well as a confirmation for tax purposes for the relevant tax authorities.

### 8. Fees

The Founder may demand normal bank fees and charges for the management of the bank and securities account as well as for the administration of pension assets and debit these from the pension account. The administration, transaction and processing fees can be viewed on the Founder's website, [www.bkb.ch](http://www.bkb.ch)

### 9. Assignment, pledging and offset

Assignment, pledging, and offsetting of pension assets prior to their maturity are invalid. The exceptions regulated by law shall remain reserved:

- pledging within the framework of the promotion of home ownership (cf. Article 12),
- assignment in whole or in part and/or judicial award of the pension assets in the case of divorce or judicial dissolution of a registered partnership.

### 10. Orderly payment of retirement benefits

Pension assets may be paid at the earliest five years before reaching the reference age. They are payable at the latest on reaching this age. If the pension recipient demonstrates that he/she is still gainfully employed, the withdrawal may be deferred for a maximum of five years after reaching the reference age. Applications for payment shall be made to the Foundation in writing in good time. If the Foundation does not receive explicit instructions regarding payment from the pension recipient upon reaching the reference age, the Foundation shall be authorised to make payment in favour of the pension recipient by the transfer of the assets to a standard savings account held by the Founder.

### 11. Premature payment of retirement benefits

A premature payment of retirement benefits to the pension recipient is permissible and requires the simultaneous cancellation of the pension agreement if the pension recipient:



- a) applies the sum paid for purchase into a tax-exempt pension institution or for another recognised form of pension provision;
- b) receives a full state disability pension and no additional insurance to cover risk of incapacity has been concluded;
- c) commences self-employment as the principle source of income which is then no longer subject to a compulsory occupational pension, and commencement of self-employment took place no more than one year previously;
- d) discontinues his/her previous self-employment and commences another form of self-employment as the main source of income, and the commencement of the other form of self-employment took place no more than one year previously;
- e) leaves Switzerland permanently.

In the case of a pension recipient who is married or living in a registered partnership, payments in accordance with letters c) to e) require the written consent of the spouse or registered partner.

### **12. Promotion of home ownership**

Total or partial early withdrawal and/or total or partial pledging of the pension assets or the entitlement to pension benefits in connection with owner-occupied residential property is permissible up to five years before reaching the reference age pursuant to statutory provisions.

In the case of a pension recipient who is married or living in a registered partnership, the early withdrawal or pledging requires the written consent of the spouse or registered partner.

### **13. Beneficiaries in the event of death**

In the event of the death of the pension recipient, the following persons shall have a claim to the pension capital in the following order of priority:

- a) the surviving spouse or registered partner;
- b) the direct descendants as well as the natural persons who have been supported by the pension recipient to a significant extent, or the person with whom the pension recipient lived in a long-term relationship without interruption in the last five years prior to his/her death, or the person who is responsible for the maintenance of one or more natural children (in this order of priority);
- c) the parents;
- d) the siblings;
- e) the other heirs.

Entitlement shall be equal where there is more than one entitled person.

The pension recipient shall have the right within the scope of the pension agreement or through a disposition of property upon death:

- to designate one or more of the beneficiaries named in letter b) and to designate their claims in more detail, and
- to change the order of priority of the beneficiaries according to letters c) to e) and to designate the scope of the individual claims of these persons in more detail.

Amendments to the regulations governing the beneficiaries must be submitted to the Foundation during the lifetime of the pension recipient. If there are no rules on beneficiaries, the pension assets are divided equally among the above-mentioned entitled group. Furthermore, the Foundation must be informed in writing if persons in accordance with letter b), with the exception of direct descendants, are to be beneficiaries. The nomination of "other heirs" as beneficiaries assumes that they have the status of (other) heirs in accordance with letter e), either by appointment as heirs by testamentary disposition (will, inheritance contract) or because they are statutory heirs.

If the Foundation learns before the time the lump-sum death benefit is paid out that the beneficiary has deliberately caused the death of the pension recipient, it will exclude such person from the entitlement. The benefit thereby released will accrue to the next beneficiaries. The Foundation is not obliged to examine the cause of death and the circumstances that led to the death.

### **14. Payment of the benefits**

The pension assets shall become payable automatically upon reaching the reference age or upon the death of the pension recipient. In the remaining cases, maturity occurs upon lodging of an application for payment. Transfer of the credit balance to another pension fund remains reserved. With the exception of early withdrawal within the framework of promotion of home ownership as well as for purchase into a tax-exempt pension institution, the Foundation makes its payments solely in the form of single capital settlements. Evidence of entitlement to payment or of grounds for payment by means of documentation, in particular in the form of official certificates, shall be provided to the Foundation by the pension recipient or the beneficiaries.

If special declarations involving additional expense are necessary (e.g. for pension recipient or beneficiaries with unknown postal addresses, or in connection with a premature payment or early withdrawal within the scope of promotion of home ownership), the costs shall be charged to the pension account.

### **15. Obligation to notify taxation authorities**

The Foundation shall notify the taxation authorities of payments made, provided that this is required by law or official orders of the Federal government and cantons.



#### **16. Change of address and personal particulars, absence of contact and dormancy**

The pension recipient shall notify the Foundation immediately in writing of changes to his/her postal address as well as his/her marital status (including the date of the change). The pension recipient shall accept liability for the consequences of failure to provide this notification.

In the event of absence of contact or dormancy, the Founder shall be obligated to report the business relationship to a central reporting office if contact cannot be restored within the specified period. Furthermore the Founder is authorised to debit the pension account with a special fee as well as the costs for investigations and special handling and for monitoring of assets affected by a lack of contact or dormancy.

#### **17. Communications from the Foundation**

Communications from the Foundation shall be deemed to have been delivered in a legally effective manner if sent in accordance with the latest contact details provided by the pension recipient or if deposited elsewhere according to his/her instructions. The date on the copies held in physical or electronic format by the Foundation shall be considered the mailing date.

If the pension recipient utilises the "E-documents" service or a similarly designated service as part of a Digital Banking agreement concluded with the Founder and which also covers the pension relationship with the Foundation, the Foundation may send the pension recipient all correspondence relating to the pension relationship in electronic form via the Founder's Digital Banking service. The "Terms and Conditions for Digital Banking" of the Founder, as amended, apply by analogy to the pension relationship.

#### **18. Proof of identity and signature**

The pension recipient or the beneficiary shall bear any loss or damage arising from failure to recognise deficiencies in proof of identity and any forgeries provided that the Foundation is not guilty of gross negligence.

#### **19. Amendment of the rules**

Amendments to the rules come into force in accordance with resolutions of the Foundation Board and are communicated to the pension recipient by appropriate means. They become binding for the pension recipient or his legal successors if they do not make use of the option of early termination by changing the pension foundation or moving to another permissible form of maintaining pension protection within one month. Vested rights of the pension recipient shall remain unaffected.

#### **20. Other provisions**

In all other respects, the Founder's Terms and Conditions, which can be viewed on its website [www.bkb.ch](http://www.bkb.ch), shall apply.

#### **21. Applicable law and place of jurisdiction**

The legal relationship between the pension recipient and the Foundation shall be subject exclusively to Swiss law. The place of fulfilment and exclusive place of jurisdiction for all types of proceedings is Basel-Stadt. The Foundation may also take action against the pension recipients in the court of his/her domicile or any other competent court.

#### **22. Commencement**

Amendments to the version of the Foundation rules dated 1 January 2024 come into effect on 1 January 2025.

Basel, January 2025

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