

# Baloise Collective Foundation for Compulsory Occupational Welfare Provision

Addendum to the Prevo Regulations (January 2015 edition)  
Pension settlement in the event of divorce

## 1. Principle

In the event of divorce, the court decides on the settlement of entitlements acquired during the marriage up until the time of the initiation of the divorce proceedings. The withdrawal benefits and pension components are allocated pursuant to Articles 122 to 124e of the Swiss Civil Code.

## 2. Insured persons obligated by the settlement

### 2.1 Active insured persons

The retirement assets are reduced by the amount to be transferred in accordance with the pension plan.

A repurchase is possible.

### 2.2 Recipients of disability pensions

The passive component, i.e. the retirement assets relating to the disability component, is reduced by the amount to be transferred in accordance with the pension plan. In the case of partially disabled persons, the amount is withdrawn from the retirement assets of the active component first.

Any current regulatory disability pension is not reduced as a result of the withdrawal. The compulsory component of this disability pension (statutory disability pension) is reduced arithmetically as follows as of the date the divorce decree takes legal effect: The reduction is equal to the amount withdrawn from the compulsory component of the passive retirement assets multiplied by the compulsory conversion rate underlying the calculation of the disability pension. However, in proportion to the previous compulsory component of the disability pension, the reduction must not exceed the transferred component of the passive withdrawal benefit in proportion to the entire passive withdrawal benefit. If there is a change in the degree of disability of partially disabled insured persons, the reduction amount is recalculated.

At the time of the initiation of the divorce proceedings, any current and anticipated disabled person's children's pensions and any children's pensions replacing them will not be reduced.

The anticipated survivors' benefits are reduced to that extent that they are funded by retirement assets that have been withdrawn and not transferred in again.

A repurchase is only possible for retirement and anticipated survivors' benefits. In the case of partially disabled persons, the repurchase amount will be credited to the retirement assets of the active component first.

## 2.3 Recipients of retirement pensions

The current retirement pension is reduced by the share of the pension allocated to the spouse entitled under the settlement.

At the time of the initiation of the divorce proceedings, any current children's pensions and any orphans' pensions that replace them will not be reduced. Anticipated pensioner's children's pensions and survivors' benefits are calculated on the basis of the reduced retirement pension.

A repurchase is not possible.

## 2.4 Retirement and reaching retirement age during the divorce proceedings

If an active insured person takes up retirement during the divorce proceedings, then the Foundation will reduce the component of the withdrawal benefit to be transferred and the retirement pension. The reduction is equal to the sum of the amounts by which the pension payments would have been decreased until the divorce decree takes legal effect if they were calculated based on the retirement assets reduced by the amount of the transferred withdrawal benefit. Unless there is a court judgement that stipulates otherwise, the reduction is shared equally by both spouses. In addition, the retirement pension is adjusted as of the date the divorce decree takes legal effect on the basis of the retirement assets available after the settlement (Art. 19g, para. 1 FZV).

If a recipient of a disability pension reaches retirement age during the course of the divorce proceedings, the Foundation will reduce the component of the withdrawal benefit to be transferred analogously in accordance with Art. 19g, para. 2 FZV.

## 3. Insured persons entitled under the settlement

### 3.1 Active insured persons

A credited withdrawal benefit, lifelong pension under Art 124a of the Swiss Civil Code or a lump-sum settlement for the life-long pension are credited to the compulsory and non-compulsory components of the retirements assets in the same proportion that they were debited in from the pension provision of the spouse obligated by the settlement.

### 3.2 Recipients of disability pensions

The passive retirement assets increase by the amount credited in accordance with Clause 3.1 of this Addendum. In the case of partially disabled persons, the amount is credited to the retirement assets of the active component.

The current regulatory disability pension is not increased as result of the crediting. In the case of partially disabled insured persons, the credited amount is not taken into account in relation to changes to the degree of disability due to the same illness or injury.

### 3.3 Recipients of retirement pensions

A claim under the settlement against the pension fund of the spouse obligated by the settlement cannot be used to increase the current regulatory retirement pension of the Foundation.

## 4. Transfer of a life-long pension under Art. 124a of the Swiss Civil Code

If the Foundation is required to transfer a lifelong pension under Art. 124a of the Swiss Civil Code, then the spouse entitled under the settlement can make an irrevocable request in writing before the first pension payment for a lump-sum transfer instead of the pension. The funding is calculated based on the technical bases of the Foundation applicable to the retirement pension that is to be shared. With the transfer of the lump sum, all claims of the spouse entitled under the settlement against the Foundation are satisfied.

If the spouse entitled under the settlement has a claim to a full disability pension or has reached the minimum age for an early retirement, then the Foundation will pay the lifelong pension under Art. 124a of the Swiss Civil Code on request.

If the spouse entitled under the settlement has reached retirement age under Art. 13, para. 1 BVG, then a life-long pension is paid to him or her in accordance with Art. 124a of the Swiss Civil Code. On request, the transfer is made to his or her pension provider, provided he or she is still permitted to make purchases of additional pension benefits under the latter's regulations.

No other claims can be derived from the lifelong pension under Art. 124a of the Swiss Civil Code, in particular, no claims to survivors' benefits.

## 5. Promotion of home ownership

If the marriage is dissolved prior to the occurrence of a claim to pension benefits, then the advance withdrawal is deemed a withdrawal benefit.

If an advance withdrawal was made during the marriage, then the outflow of pension assets and loss of interest are debited proportionally from the retirement assets before the marriage and from the retirement assets accumulated during the marriage up until the advance withdrawal.

## 6. Pension paid to the divorced spouse

Upon the death of the insured person, the surviving divorced spouse is entitled to a survivor's benefit under Art. 20 BVV2. The claim is limited to the minimum benefits under the BVG. Furthermore, the pension benefits will be reduced by the amount that they, in conjunction with the survivors' benefits under the AHV, exceed the entitlement under the divorce decree. Survivors' pensions under the AHV are only taken into account to the extent that they are greater than the insured person's claim to a disability pension under the IV or a retirement pension under the AHV.

## 7. Entry into force and amendment of existing provisions

The Addendum enters into force on 1 January 2017 and applies to all active insured persons, pension recipients and other entitled persons. Clauses D10, G9, G10 and I1, sentence 2, of the Prevo Regulations are annulled. This Addendum takes precedence over Clause I4.

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