

Annex for application for early withdrawal

Important provisions

1. Permitted use

The pension savings capital may be used for the following purposes:

- Acquisition or construction of owner-occupied residential property
- Amortisation of mortgage loans
- Investments leading to an increase in value
- Acquisition of share certificates in housing cooperatives or of similar participating interest.

Not permitted, however, is the financing of livelihood or of mortgage interest.

2. Definition of “owner-occupied”

The term “owner-occupied” refers to residential property at the member’s place of residence or place of usual abode (in Switzerland or abroad) that is occupied by said member. The use of pension assets for holiday homes or secondary homes is not permitted.

3. Claim

Members must submit the required documents to the pension fund to provide evidence of the use they intend to put the advance withdrawal to. Advance withdrawal is only possible every five years.

4. Minimum and maximum amount

The minimum advance withdrawal amounts to CHF 20,000.00 (exception: acquisition of share certificates).

Up to the age of 50, the maximum advance withdrawal is consistent with the termination benefit. Above the age of 50, it equals the termination benefit at age 50 or 50% of the termination benefit in cases whereby the latter is higher.

5. Approval of spouse/registered partner/certificate of civil status

Advance withdrawals may not be claimed without the written approval of the spouse or partner.

6. Terms of payment

Advance withdrawals may be claimed every five years up until three years before retirement. The pension fund is under obligation to pay out the claimed advance withdrawal after six months at the latest. The pension fund shall pay the advance withdrawal directly to the creditor (seller, builder or lender).

The funds are transferred directly to the creditor, to a mortgage or building account, or to the account of the seller, developer or lender.

7. Note in the land register

To safeguard the pension purpose, the pension fund is obliged to enter a sales restriction in the land register specifying that the advance withdrawal must be paid back to the pension fund in the event of a sale of the residential property. According to the law, a sale is also defined as the granting of rights that are similar to a sale in economic terms.

8. Taxation of the advance withdrawal

The advance withdrawal is subject to direct taxation by the federal government and the cantons. Different tax rates apply. The relevant information can be requested from the responsible tax authority or other responsible authorities.

9. Possible pension gap

In some cases, the advance withdrawal of pension funds may lead to a reduction of pension benefits. The member may close this pension gap on a private basis and at their own expense.

10. Repayment of the advance withdrawal

The member is entitled to repay the advance withdrawal to the pension fund until retirement age is reached. The repaid advance withdrawal may not be deducted from taxes. However, the taxes (excluding interest) paid at the time of the advance withdrawal may be reclaimed (three-year period must be observed). The obligation to repay the withdrawal arises upon the sale of the residential property or generally once the property is no longer owner-occupied.

11. Voluntary buy-in and advance withdrawal

In accordance with relevant laws, buy-ins and the interest earned is not available for capital withdrawals for three years. We would like to inform you that, in accordance with the relevant laws and from a tax perspective, the entire savings capital is blocked for capital withdrawals for those three years. As an active member, you are personally responsible for determining and bearing the tax consequences of a buy-in or any capital withdrawal.

12. Necessary enclosures

The application for an advance withdrawal will be reviewed if the documents are complete. Therefore, please send us the following enclosures:

Re. A: Construction financing agreement, construction plans, building permit, notarised purchase agreement (property)

Re. B: Service contract, confirmation of financing, notarised purchase agreement (property)

Re. C: Notarised purchase agreement, confirmation of financing

Re. D: Land register extract, mortgage agreement, confirmation of residence

Re. E: Regulations of the building cooperative, tenancy agreement, copy of share certificates

Re. F: List of investments with order confirmation, extract from the land register, confirmation of residence

13. Costs

- The member is responsible for covering the cost of notarisation of the notarised signature.
- The member is responsible for covering the cost of entering the notation in the land registry.
- The advance withdrawal application will be processed free of charge.