



AXA Foundation
for Occupational Benefits

Occupational benefits

General Terms and Conditions for the Affiliation Contract (GTC)

AXA Foundation for Occupational Benefits, Winterthur

(Edition 2023)

Who is the occupational benefits provider?

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The occupational benefits provider is AXA Foundation for Occupational Benefits, Winterthur. It is has been entered in the register of occupational benefits providers.

The Foundation is a semi-autonomous occupational benefits institution and manages the pension assets on its own responsibility.

It has entered into a group insurance contract with AXA Life Ltd in order to reinsure the risks of death and disability.

It manages its retirement benefits and associated reversionary survivors' benefits on its own account. Retirement benefits and any associated reversionary survivors' benefits that were already in effect with this Foundation before January 1, 2019, as well as any survivors' benefits that are currently in effect that have replaced these retirement benefits, are reinsured with AXA Life Ltd.

The Foundation manages a separate occupational benefits fund for each employer.

Who is responsible for the administration of the Foundation and distribution?

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The Board of Trustees has allocated responsibility for the administration of the Foundation and the distribution of pension products to AXA Life Ltd.

Notices received from AXA Life Ltd are deemed to be notices from the Foundation.

What is the occupational benefits fund commission?

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The occupational benefits fund commission (OBC) is the governing body of the occupational benefits institution. It consists of at least 2 members. An equal number of employer and employee representatives must be appointed.

Who and what is insured?

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The persons to be insured, the type and scope of the occupational benefits, the amount and distribution of contributions and the rights and obligations of the beneficiaries are defined in the occupational benefits fund regulations and occupational benefits plan.

Acceptance of current pensions requires a written agreement between the Foundation and the previous occupational benefits institution. In addition, acceptance of disability cases and effective survivors' benefits to be reinsured requires the approval of AXA Life Ltd.

What obligations does the Foundation have?

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In particular, the Foundation has the following obligations:

- It manages occupational benefits for the affiliated employer in accordance with the legal and regulatory provisions.
- It keeps the necessary accounts for the employer and/or its occupational benefits institution. The employer may not receive any reimbursements from any of these accounts. This does not apply to any excess contributions that may have been paid. The account interest rates are determined by the Foundation and may be adjusted at any time.

What obligations does the employer have?

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In particular, the employer has the following obligations:

- It is responsible for the establishment of an occupational benefits fund commission (OBC) formed on the basis of equal representation. The election procedure and the tasks and responsibilities of the occupational benefits fund commission are set out in the organizational regulations of the occupational benefits fund commission.
- It is required, in particular, to notify the Foundation without delay of all changes such as new hires and employees leaving, deaths, name changes, changes in marital status, salary changes and all other changes that affect the occupational benefits relationship (e.g. partial liquidation, significant reduction in the workforce), and, within 3 months, of any incapacitated employees.
- It must notify the Foundation of any change in the industry code (NOGA code).

How are contributions invoiced and paid?

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Contributions are calculated per calendar quarter and billed to the employer in arrears, with payment due 30 days after invoicing.

The additional cost contributions invoiced to the employer pursuant to the cost regulations are payable within 30 days from the date of the invoice. In the event of full or partial termination of the contract, the cost contributions are due as of the date of termination of the contract.

The contribution account must be balanced at the end of the calendar year. Any balance in favor of the employer is carried forward. If the account shows a balance in favor of the Foundation, a reminder is sent for the outstanding amount. The employer will be billed for additional costs for payment reminders and collection processes as set out in the cost regulations.

If the contributions are not paid on time, the employer will owe interest to the Foundation, the amount of which will be determined by the Foundation.

The employer is considered to have acknowledged the correctness of contribution invoices and reminders if it does not object in writing within 20 days after receipt thereof.

If the Foundation is underfunded, it can levy restructuring contributions from the employer and insured persons.

When can the affiliation contract be terminated?

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The affiliation contract can be terminated by giving written notice 6 months before the date on which it expires.

If the contract is not terminated at least 6 months before the end of its term, it will be tacitly renewed for another year with the same notice period.

In case of significant changes, the employer has the right to give notice in writing on the affiliation contract by observing a 30-day notice period to the date on which the changes will come into force.

These include:

- a) An increase in risk and cost contributions of at least 10% in 3 years
- b) A reduction in the conversion rate that will lower insured persons' anticipated retirement benefits by at least 5%
- c) Other measures that will lead to at least the same outcome as those described under letters a) and b) above

Significant changes shall be communicated in writing at least 6 months before they come into force. Changes in accordance with letters a) – c) are not deemed to be significant if they are due to a change in the legal basis.

If the employer is in arrears with the payment of contributions, the Foundation may terminate the affiliation contract with immediate effect.

In the cases set out in par. 9.3, termination of the affiliation contract is not possible or is only partly possible.

What are the consequences of termination of the contract?

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9.1

Termination affects the following:

- a) The pension relationships of active and disabled insured persons, subject to the provisions defined in par. 9.2 letter a).
Insured persons who continue their insurance after termination of their employment contract pursuant to the provisions of the occupational benefits fund regulations are deemed to be active insured persons.
- b) Effective retirement benefits and any associated reversionary survivors' benefits as well as effective survivors' benefits that have replaced retirement benefits. Pension shares according to Art. 124a SCC are also deemed to be effective retirement benefits. Excepted from this are any benefits pursuant to par. 9.2 letter c) and – if agreement is not reached with the employer's new occupational benefits insurer – benefits pursuant to par. 9.2 letter d).

9.2

Termination does not affect the following:

- a) Pension relationships of incapacitated insured persons with effective or foreseeable entitlement to exemption from contributions and for whom the longest waiting period of all disability benefits was still in effect on the contract termination date or for whom the documents the Foundation needs in order to establish or reject entitlement to a disability pension are not yet all on file.

These pension relationships will be terminated and transferred to the employer's new occupational benefits institution only as of the date when the person fully regains his or her capacity for work or when the longest waiting period of all disability benefits has expired and the Foundation is in possession of all the documents it needs in order to establish entitlement to a disability pension.

- b) Survivors' benefits arising from the death of an insured person before retirement age.
- c) Retirement benefits and associated reversionary survivors' benefits with this Foundation that were in effect before January 1, 2019, and effective survivors' benefits that have replaced these retirement benefits. These are reinsured with AXA Life Ltd.

- d) During the contract term, new effective retirement benefits and the associated reversionary survivors' benefits, as well as effective survivors' pensions that were replaced by these retirement benefits about whose change the Foundation and the new occupational benefits institution are unable to agree. This provision applies subject to the proviso that the contract was in force for at least 5 years.

9.3

Special provisions relating to termination of the affiliation contract

- a) The contract for active insured persons can be terminated only after the new occupational benefits institution has confirmed in writing that it will accept the disabled insured persons, persons who remain insured under a sector-specific early retirement model and the pension relationships specified in par. 9.1 letter b) on the same terms. The provisions of par. 9.2 letter d) are reserved.

If the Foundation and the new occupational benefits institution are unable to agree on the transfer of pension relationships, the affiliation contract cannot be terminated and remains in effect for the pension relationships of active, incapacitated and disabled insured persons as well as for the effective retirement and survivors' pensions.

- b) The affiliation contract remains in force for insurance relationships pursuant to par. 9.2.

Entitlements in the event of full or partial termination of the contract are derived from the Foundation's regulatory provisions.

If the Foundation or the occupational benefits institution is underfunded, the amount of shortfall is deducted from the claims pursuant to the regulatory provisions.

If the vested benefits are transferred to the new occupational benefits institution after the termination date, the assets will earn interest at the rate set by the Board of Trustees (for the respective assets).

An additional cost contribution to cover the administrative costs in connection with the termination of the contract will be charged in accordance with the cost regulations.

What entitlements and costs result from termination of the contract?

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Where can I find documents and information?

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The documents (regulations, forms, and information sheets) required by the employer to fulfil its duties or exercise its rights are available online as downloads at AXA.ch/bvg.