



Insurance Conditions

# SmartFlex pension plan for tied pensions (Pillar 3a)

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Any references to “AXA” below relate to AXA Life Ltd.

Any references to “application” below relate to the proposal signed by the policyholder.

Any references to “you” below generally relate to the policyholder. “We” refers to AXA.

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# Insurance Conditions

## Part A Our insurance benefits

These insurance conditions apply to the following insurance:

- SmartFlex pension plan (fixed-sum insurance);
- supplementary insurances: term life insurance (fixed-sum insurance), occupational disability pension (property and casualty insurance) and premium waiver in the event of occupational disability (property and casualty insurance).

**The benefits described below are insured if they are listed in the policy.**

### A1 At maturity

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The benefit that we pay you when the contract ends at maturity corresponds to the contract capital of your pension plan. This comprises your total return-oriented and safety capital. The information on how the closing balance of your contract capital is worked out can be found in Part C.

### A2 In the event of death

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#### A2.1 Pension plan

- With a minimum lump sum payable on death:  
If the insured person dies while the insurance coverage is in place, we pay out the current contract capital, increased by 1 %, or if higher, the minimum lump sum payable on death listed in the policy.
- With premium refund:  
If the insured person dies while the insurance coverage is in place, we pay out the current contract capital, increased by 1 %, or if higher, the paid-in premiums, increased by 10 %.
- Without a minimum lump sum payable on death:  
If the insured person dies while the insurance coverage is in place, we pay out the current contract capital.

For any additional payments and transfer funds, we pay out the accrued capital, increased by 1 %.

#### A2.2 Term life insurance

If the insured person dies while the insurance coverage is in place, we pay out the lump sum payable on death listed in the policy.

### A3 In the event of occupational disability

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#### A3.1 Disability pension

If the insured person becomes occupationally disabled, we pay a pension after expiration of the waiting period. If you have determined that the commencement date for the pension is later than the commencement date of the insurance, we pay a pension after expiration of the waiting period and at the earliest on the contractually specified commencement date for the pension.

We pay the pensions according to the disbursement schedule selected in advance. We provide all benefits in Switzerland, less any AXA credit balances. The beneficiary is responsible for any fees that are incurred.

#### A3.2 Premium waiver

If the insured person becomes occupationally disabled, AXA applies the premium waiver to the contract after expiration of the agreed waiting period.

#### A3.3 Description of occupational disability

The insured person is deemed to be occupationally disabled if temporarily or permanently unable to carry out their profession or a reasonable form of employment as the result of illness or accident and therefore suffers a loss of earnings. An occupation is considered reasonable if it is suited to the insured person's skills and abilities, even if they must be retrained in order to acquire the necessary expertise.

#### A3.4 Entitlement to benefits

You are entitled to benefits in the event of occupational disability, provided that:

- insurance coverage was in effect at the beginning of incapacity for work or occupational disability, and
- incapacity for work or occupational disability continues uninterrupted beyond the agreed waiting period.

The waiting period begins at the earliest on the date on which the insured person sought medical treatment.

#### A3.5 Scope of indemnity

Our benefit payments depend on the degree of occupational disability:

- If the degree of occupational disability is  $\frac{2}{3}$  or more, you are entitled to full benefits.
- If the degree of occupational disability is  $\frac{1}{4}$  or more, the amount of benefits corresponds to that degree.
- If it is less than  $\frac{1}{4}$ , there is no entitlement to benefits.

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**A3.6 How the degree of occupational disability is determined**

We calculate the degree of occupational disability of gainfully employed persons on the basis of their loss of earnings. We compare the income that an insured person earned before becoming occupationally disabled against the income that they earn or could earn afterwards in a stable labor market. The difference, expressed as a percentage of the previous income, determines the degree of occupational disability.

If the insured person is partially employed, we measure the degree of occupational disability based on their loss of earnings. We also look at the extent to which the person is limited in their usual tasks and activities.

If the insured person is not gainfully employed or is a child, we look at how far the person in question is limited in their usual tasks and activities.

We also carry out this type of analysis for self-employed persons if we cannot determine their loss of earnings using an income comparison.

We may take into account inquiries, calculations and decisions by the Federal Disability Insurance (IV/DI) and the Federal Accident Insurance (UVG/AIA) regarding the insured person's degree of occupational disability. However, these are not binding.

If it is not possible to determine occupational disability, we provide the benefits temporarily based on the illness- or accident-related incapacity to work that we have established.

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**A3.7 Degree of occupational disability changes**

If the degree of incapacity to work or occupational disability changes or if incapacity to work or occupational disability no longer applies, we adjust the benefits. The adjustment is made on the first day of the month after the date on which incapacity to work or occupational disability has changed, unless the claims are already time-barred when asserted. If excess benefits are paid, they will be offset or reclaimed.

If you have chosen an occupational disability pension where the pension payments end later than the insurance coverage, the following applies: We will consider an increase in occupational disability that sets in after insurance coverage ends but before the agreed period of pension payments ends only if this increase has the same cause.

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**A3.8 Relapse**

There is a claim to benefits without a new waiting period under the following conditions: the insured person becomes unable to work or occupationally disabled again by at least  $\frac{1}{4}$  from the same cause (i.e. if the insured person suffers a relapse) within one year of having regained  $\frac{3}{4}$  of their capacity for work. If the insured person becomes unable to work or occupationally disabled again at a later date, this is deemed to be a new event with a new waiting period.

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**A3.9 Offsetting third-party benefits**

AXA calculates the entitlement to benefits by taking account of:

- unemployment benefits, incapacity or occupational disability benefits from third parties (particularly of Swiss and foreign state, occupational and private insurance schemes) and
- earned income that the insured person continues to receive.

If all the benefits together exceed the loss of earnings that the insured person has suffered, AXA reduces its benefits accordingly.

However, if not more than CHF 40,000 in occupational disability pensions is insured jointly under a Pillar 3 plan, no reduction is made. In order to determine this amount, the benefits insured with AXA are added to those of the other insurers.

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**A4 Conditions for providing benefits**

We provide the insurance benefits as part of the insurance coverage granted (Part B "Your insurance coverage") as soon as we have received and checked all necessary documentation and have recognized the entitlement to benefits (further explanations can be found in Part E "Your obligations as policyholder").

## Part B

### Your insurance coverage

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#### B1 Territorial validity

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##### B1.1 Principle

The insurance coverage is valid worldwide. Restrictions apply only if expressly included as such in the policy and its riders or in the Insurance Conditions.

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##### B1.2 Relocation abroad

If you or an insured move your domicile or place of residence abroad, AXA reserves the right to

- limit the possibilities for adjustments and limit the options
- or to adjust the insurance contract or individual insured benefits or to make them premium-free or to terminate them.

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##### B1.3 Occupational disability benefits

AXA grants insurance coverage to the insured person if they permanently or temporarily reside in Switzerland, a country bordering Switzerland or in a country listed in the policy.

If the insured person relocates their permanent or temporary residence to another country, this insurance is canceled including any current benefits 12 months after such relocation if you have not agreed an extension of the insurance with AXA in the meantime.

Section B1.2 remains reserved.

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#### B2 Provisional insurance coverage while the application is being reviewed

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##### B2.1 Start

If your application is still being reviewed on the requested insurance start date, you already benefit from provisional insurance coverage.

Provisional insurance coverage begins as soon as AXA receives your application, but not before the start date indicated on the application.

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##### B2.2 Duration

Provisional insurance coverage lasts for up to 2 months from the date on which AXA receives your application. It ends early:

- if AXA defers the application (e.g. because it is not yet able to make a decision due to ongoing medical treatment) or rejects it;
- if you reject changes suggested by AXA;
- if you have received the policy and the insurance coverage thus becomes definitive.

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##### B2.3 Scope

The provisional insurance coverage exists for insurance contracts that are financed through regular premiums. It covers all insurance benefits according to our last proposal, apart from the premium waiver. The insurance coverage applies at most up to the following amounts:

- in the event of death up to CHF 200,000;
- in the event of occupational disability, until CHF 200,000 has been paid.

The insurance does not cover illnesses or accidents as a result of which the insured person was subject to medical treatment or medical supervision at the time the application was received. There is also no insurance coverage in the event of death if this was caused by suicide.

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#### B3 Definitive insurance coverage

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##### B3.1 Start

Insurance coverage starts:

- as soon as AXA has accepted your application and you have either paid the first premium or received the policy;
- but not earlier than on the requested insurance start date.

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##### B3.2 Duration

Insurance coverage lasts for every insured benefit until the date listed in the policy.

Insurance coverage for a specific benefit ends early:

- generally in the event of termination of the contract or an insured benefit;
- for death benefits following the death of the insured person;
- for occupational disability benefits 12 months after the insured person has relocated their permanent or temporary residence from Switzerland to another country for which there is no cover.

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#### B4 Right of withdrawal

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You can withdraw your application within 14 days of the date on which it was signed. The withdrawal must be sent to AXA in writing.

If you wish to increase the amount of an insurance currently in force, the right of withdrawal applies only to the changes.

The insurance coverage will end as soon as we have been made aware of the withdrawal.

We refund the return-oriented capital that has already been invested at the countervalue of fund units. Section C3.2 applies mutatis mutandis to the sale of fund units.

## **B5 Gross negligence**

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We will not reduce the insurance benefits if the insured event was caused by gross negligence.

## **B6 Benefit restrictions**

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### **B6.1 In the event of death**

In the event of death through suicide, AXA will only pay out any existing contract capital if suicide took place in the first 3 years after the start of insurance or after the reactivation of a paid-up policy.

The same applies in the event of suicide in the first 3 years after an increase in insurance benefits, to the extent of this increase.

### **B6.2 In the event of occupational disability**

You are not entitled to benefits in the event of occupational disability if occupational disability has occurred:

- as a result of attempted suicide or a deliberate act of self-mutilation;
- as a result of a normal pregnancy;
- as a result of participation in riots, political unrest or warlike events in Switzerland or abroad;
- as a result of carrying out, preparing or participating in a criminal offense;
- as a result of an accident if accidents are not insured. An accident is defined as a sudden, unintentional, injurious impact of an unusual external factor on the human body. The following physical injuries are always regarded as an accident: broken bones if they are not clearly attributable to an illness, sprained joints, meniscus ruptures, muscle strains, torn tendons, ligament injuries, eardrum injuries.

## **B7 Persons entitled to conclude a tied pension**

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Only persons who earn an income from gainful employment that is subject to AHV/AVS may conclude insurance contracts for a tied pension (Pillar 3a).

If both spouses or registered partners are gainfully employed, each must sign a separate insurance contract for their pension.

# Part C

## The contract capital of your pension plan

### C1 Composition of your contract capital

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The contract capital of your pension plan comprises return-oriented and safety capital. The premium is divided based on your choice of premium split. At least 20 % goes into the return-oriented capital, at least 10 % into the safety capital. Acquisition and administrative expenses will be debited monthly from the safety capital and the return-oriented capital on the basis of the premium split selected. We deduct risk and fund management costs monthly from the return-oriented capital.

### C2 Your safety capital

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#### Composition of your safety capital

Safety capital includes:

1. the premiums invested in it;
2. protected investment income and surpluses, if you have chosen the “Earnings protection” option;
3. those parts of your return-oriented capital that are gradually protected in your safety capital under the “Contract maturity management” option based on the chosen model before the contract ends;
4. reallocations from return-oriented capital that you have initiated.

We pay interest at a fixed rate on the component under point 1 of the safety capital (“fixed” refers to the technical interest rate which is contractually guaranteed). We pay interest on the components under points 2, 3 and 4 at a rate that is normally redefined every year. This interest rate may not fall below -2% p.a.

The “Contract maturity management,” “Earnings protection” and “Reallocation of capital” options are described in Sections D3.2, D3.3 and D3.4.

### C3 Your return-oriented capital

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#### C3.1 Composition of your return-oriented capital

Your return-oriented capital corresponds to the counter-value of fund units, resulting from:

1. the premiums invested in them according to your chosen investment theme;
2. any surpluses and investment income distributed from the funds, unless you have chosen the “Earnings protection” option;
3. the reallocations you have initiated from the safety capital.

#### C3.2 Buying and selling fund units

##### Buying fund units

We invest your premiums in the funds we have selected within 5 working days as per maturity according to the premium split and investment theme you have specified. However, the premiums are invested at the earliest after the application has been accepted.

If funds cannot be traded within the 5-day deadline, we invest them on the next possible trading day.

To calculate the number of fund units, we use the issue prices valid on the investment date, to which any statutory charges, issue fees and issue commissions as well as any fund dealing costs are added. We convert fund issue prices in a foreign currency into the policy currency using the exchange rate valid on the investment date.

##### Selling fund units

If AXA sells fund units, it values them as follows:

- 5 working days before the contract ends;
- within 5 working days after it learns of the death of the insured person;
- within 5 working days after you have activated your options or notified us of your surrender request.

Any funds that we cannot trade within the 5-day deadline are sold on the next possible trading day.

To calculate the value of the fund units, we use the redemption prices valid on the valuation date, from which any statutory charges, redemption fees and redemption commissions as well as any fund dealing costs are deducted. We convert fund redemption prices in a foreign currency into the policy currency using the exchange rate valid on the valuation date.

#### C3.3 Fund information

You will find information on your investment theme at [AXA.ch](https://www.axa.ch) or via your personal access to the AXA online portal. The prospectus, key information for investors (KIID), or the simplified prospectus can be obtained free of charge from AXA Life Ltd., P. O. Box 300, CH 8401 Winterthur.

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**C3.4 Exchanging funds**

If a fund is liquidated, merged or closed for new investments, AXA reserves the right to replace it with another fund in the same asset class and to invest the assets or new investments into one or several new funds chosen by AXA.

Furthermore, AXA reserves the right to exchange existing funds at any time for objective reasons.

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**C3.5 Investment risk**

The benefits from the return-oriented capital upon maturity, surrender or death depend on the performance of the funds and cannot therefore be guaranteed. The policyholder bears the investment risk.

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**C3.6 Owner of the fund units**

AXA is the owner of the fund units for the entire contract term.

# Part D

## Possible changes and options for your contract

### D1 Supplementary insurance guarantee

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#### D1.1 Events for which an increase is possible

With supplementary insurance, you are entitled:

- to increase the death benefit of your pension plan and
  - your additional term life insurance
- without AXA having to review the professional, personal and health circumstances of the insured person.

You may apply for the increase within 3 months on the following occasions:

- every time that the threshold for tax-deductible contributions to tied pensions is increased, provided the last supplementary insurance was taken out within the last 9 years;
- if the insured person gets married or has their partnership registered;
- if the insured person is legally divorced or the registered partnership is legally dissolved;
- if the insured person starts their own business;
- if the insured person buys their own home to live in;
- if the insured person has a baby or adopts a child.

#### D1.2 Restrictions

You are not entitled to increase your death benefit without a review of the insured person's professional, personal and health circumstances if:

- the insured person has reached the age of 60;
- the insured person is wholly or partially occupationally disabled at the time of the application or when the increase comes into effect;
- the pension plan does not have a minimum lump sum payable on death or has a guaranteed premium refund.

Furthermore, an increase may not have a later end-date than the original insurance.

The permissible threshold for deducting the premium from income tax may not be exceeded.

#### D1.3 Maximum increase in insurance benefits

The following applies to the maximum increase:

- For every increase, you can increase the insurance death benefits by up to 40% of the capital that is insured in the event of death on that date.
- Overall, the death benefit of your pension plan must never be more than 110% of the premiums of your pension plan that are to be paid in over the entire contract term.
- The total from the increase of all existing term life insurance and asset-accruing insurance with us may not exceed CHF 75,000 per calendar year.

#### D1.4 Consequences of an increase

- In the event of an increase, we recalculate the premium of your term life insurance on the basis of the new starting age for the residual insurance duration. We apply the calculation principles to the increase that apply at the time of the change.
- The risk costs of your pension plan taken from your contract capital every month rise.
- If we agreed more onerous conditions that applied to the original insurance, these will also apply to the increase. We calculate additional premiums according to the new starting age.
- If you have taken out supplementary insurance for premium waiver, this will be automatically adjusted to the new premiums in the event of an increase.

#### D1.5 Medical treatments at the time of an increase

The following applies to benefits in the event of occupational disability:

If, at the time of the application for supplementary insurance, the insured person is undergoing medical or therapeutic treatment for a health problem that results in total or partial incapacity to work or occupational disability within 3 months of the application, AXA only exempts you from the payment of premiums in the previous scope. The same applies to subsequent cases of incapacity to work or occupational disability with the same cause.

The following applies to supplementary term life insurance: If, at the time of the application for supplementary insurance, the insured person is undergoing medical or therapeutic treatment for a health problem that results in death within 3 months of the application, AXA will provide the death benefit in the previously insured scope and refund the premium paid for the supplementary insurance.

### D2 Modification of the premium split

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You can modify the premium split on each date when the next premium becomes due. Your existing total return-oriented and safety capital is unchanged. The benefits of your pension plan are adjusted through the premium split modification. If you adjust the premium split in favor of the safety capital, we will use the calculation principles for the difference that apply at the time of the modification.

## D3 Adjustment of return-oriented and safety capital

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The terms and conditions listed under Section C3.2 apply to the purchase and sale of fund units for all adjustments to your return-oriented and safety capital.

### D3.1 Changing the investment theme

You can change your investment theme according to the available investment themes.

### D3.2 Choosing contract maturity management

If you use the “Contract maturity management” option, AXA gradually protects your return-oriented capital in the safety capital based on the chosen model before the contract ends.

AXA specifies the intervals and potential periods of contract maturity management.

### D3.3 Protecting earnings

If you use the “Earnings protection” option, AXA protects any surpluses and investment income distributed from the funds in the safety capital. This excludes cost and risk surpluses in the return-oriented capital. These are always reinvested in the return-oriented capital. You have the choice of activating/deactivating this option for the entire contract term. If you do not choose this option, AXA uses the investment income distributed from the funds and any surpluses to buy additional fund units for the return-oriented capital.

### D3.4 Reallocation of capital

You can reallocate amounts from your return-oriented capital into the safety capital (details can be found in Section C2). A minimum proportion must remain in the return-oriented capital to fund your contract costs. You can also reallocate into the return-oriented capital any capital from protected earnings that are contained in the safety capital.

## D4 Pledging and assignment

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### D4.1 Pledging of claims

You can pledge the claims from the insurance contract prior to maturity solely under the statutory provisions on the promotion of home ownership (WEF).

If you have pledged your contract, you must confirm the pledgee’s agreement to us in the following cases:

- upon premium reductions;
- upon contract amendments that expose the insurance contract to greater market risk: modification of the premium split (D2), change contract maturity management (D3.2), activation or deactivation of earnings protection (D3.3) and reallocation of capital (D3.4).

### D4.2 Assignment of claims

Under statutory provisions, you can assign the claims from the insurance contract before maturity if the matrimonial property regime is canceled (e.g. upon divorce or legal dissolution of the registered partnership). In this case, you can continue the insurance with the same premium. To do so, AXA reduces the benefits by taking account of the assigned surrender value.

## D5 Suspension of premium payments

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You can apply to pay no premium, or a reduced premium, for 1 year. To do so, your contract must have sufficient contract capital. Your supplementary insurances remain in place for the duration of the premium suspension or reduction. The benefits of your pension plan at maturity or in the event of death may be reduced.

## D6 Applying to reduce the premium for an occupational disability pension

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If the education level of the insured person rises, you can apply to us to reduce the premium for occupational disability insurance from the next maturity date. This applies on the condition that the insured person:

- has attained a higher level of education (basic schooling including apprenticeship) or
- has gained a higher professional qualification (e.g. a degree from a university of applied sciences) or university degree and a corresponding premium reduction is not yet taken into consideration in the contract.

Please send us a copy of the degree certificate.

## D7 Conversion of the contract into a paid-up policy

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You can convert your insurance contract into a paid-up policy with reduced benefits.

The requirement for conversion is that you apply for this as long as insurance coverage is in place.

If, in case of conversion into a paid-up policy, the contract capital is less than CHF 2,000 after future costs have been taken into account, AXA will instead pay you a disbursement of the surrender value.

If the insured sum of your supplementary term life insurance after conversion is less than CHF 25,000, the insurance coverage will end. AXA integrates the settlement value into your pension plan which in turn increases its maturity benefit. If your pension plan is canceled, we pay out the settlement value to you.

The surrender value / settlement value is paid out as follows: AXA transfers the amount to your occupational pension (Pillar 2) or into a tied pension in your name (Pillar 3a). If the requirements for disbursement under Section D8 are met, we pay out the surrender value / settlement value to you.

Supplementary insurances for an occupational disability pension and premium waiver in the event of occupational disability lapse and insurance coverage ends.

If we already provide occupational disability benefits, we will continue to pay these up to the previous scope.

You can find details on the conversion value in Section G3.

## **D8 Surrender or termination of the contract**

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Your pension plan can be surrendered.

Your supplementary insurances may be terminated but cannot be surrendered.

A tied pension is a form of life insurance that gives you certain tax advantages. You can therefore only terminate them early and withdraw the surrender value if one of the following requirements applies:

- a) You become self-employed after previously having been employed and are therefore exempt from mandatory occupational benefits insurance.
- b) You are discontinuing your previous form of self-employment and starting another form.
- c) You move abroad permanently.
- d) You use the surrender value to purchase additional insurance benefits in a tax-exempt staff occupational benefits institution or another officially recognized pension scheme.
- e) You draw a full disability pension from the Federal Disability Insurance and have no occupational disability pension insured with us.
- f) You will reach the regular AHV/AVS retirement age in less than 5 years.
- g) The surrender value of your policy is less than one annual premium.

Every 5 years you can also withdraw the surrender value under the statutory provisions on the promotion of homeownership with occupational benefits (WEF). In such a case, the insurance may continue with the same premium, but benefits will be reduced by taking into account the amount of the surrender value withdrawn.

If you are married or live in a registered partnership, you can surrender the policy only with the consent of your spouse or registered partner.

The statutory provisions applicable at the time of termination or surrender apply.

You can find details on the surrender value in Section G2.

## **D9 Transfer or payment of supplementary capital into Pillar 3a**

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You can make supplementary payments into your contract up to the statutory maximum annual threshold. You can transfer available capital from a tied pension into your contract. AXA can specify minimum amounts and limits.

The benefits of your pension plan are adjusted through supplementary payments and transfers. The amount of your guaranteed lump sum payable on death from the pension plan remains the same.

The supplementary payment is divided into the return-oriented capital and safety capital, according to the premium split you have requested. At least 20% goes into the return-oriented capital, at least 10% into the safety capital.

We apply the calculation principles to the supplementary capital that apply at the time of the change.

Section C3.2 applies to the buying and selling of fund units.

## **D10 Making full use of the 3a limit automatically**

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If you choose the “Make full use of the 3a limit” option, we adjust the premium of your pension plan and your insurance benefit every time that the threshold for tax deductible contributions for contributions to tied pensions is increased. The premium will be adjusted automatically by the increase in the statutory maximum annual threshold. If you subsequently include this option during the contract term, a review may be required of the professional, personal and health circumstances.

## Part E

# Your obligations as policyholder

### E1 Obligation to pay premium

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#### E1.1 Premium payment

The first premium is due on receipt of the invoice; the subsequent premiums are due always on the date shown on the premium statement.  
If there is a claim, AXA offsets unpaid premiums against insurance benefits.

#### E1.2 Consequences of not paying premiums on time

If a premium is not paid on time as per the due date, you will receive a reminder.  
If the outstanding premium is not paid within the payment term of 14 days given in the reminder, the consequences of default occur when this term expires.

For the pension plan this means the following:

- If the contract capital is at least CHF 2,000 after taking future costs into account, AXA converts your pension plan into a paid-up policy with reduced benefits.
- If the contract capital is less than CHF 2,000 after taking future costs into account, the term life insurance will end. The pension plan is canceled and we will pay out the surrender value to you.
- AXA sells any purchased fund units for which the premium was not yet paid at the current redemption price.

For the supplementary term life insurance this means the following:

- AXA converts the term life insurance into a paid-up policy with reduced benefits if the conversion value is at least CHF 25,000.
- If the conversion value is less than CHF 25,000, the insurance coverage will end. AXA integrates the settlement value into an existing pension plan which in turn increases its maturity benefit. If your pension plan is canceled, we pay out the settlement value to you.

The other supplementary insurances lapse and insurance coverage ends.

If we already provide occupational disability benefits, we will continue to pay these up to the previous scope.

You can find details on the conversion value in Section G3.

#### E1.3 Reinstate insurance

If you pay all outstanding premiums and reminder fees within a year of the due date of the first premium subject to a reminder and all additional premiums due since the conversion date, AXA can reinstate the policy on the previous terms and conditions without a review of the professional, personal and health circumstances.

The policy is not reinstated:

- if you have not already paid the first premium;
- if the insured person has since died or has become unable to work.

### E2 Obligation to report trips abroad

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You must inform us promptly if you or the insured person will be going abroad or emigrating for longer than 12 months.

If you fail to inform us about a trip abroad within 12 months of the departure, there is no longer any insurance coverage for occupational disability insurance and any occupational disability benefits lapse.  
In all other respects, section B1 applies.

### E3 Obligation to report tax liability abroad

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You must inform us immediately if you are liable to pay tax abroad.

### E4 Reporting obligation and obligation to cooperate in the event of death

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If the policyholder or an insured person dies, AXA must be informed promptly. Death cases must be substantiated through the official death certificate.

In order to clarify which persons have a claim to the death benefits, AXA can request relevant documentation. AXA is also entitled to request further information or details about the circumstances of death.

## **E5 Obligations in the event of occupational disability**

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### **E5.1 Reporting obligation**

AXA must be notified within 4 months at the latest after the start of medically certified incapacity to work or restrictions in usual tasks and activities. If reporting is delayed, the waiting period is extended accordingly. In order to avoid overinsurance, the reporting obligation also applies as soon as the insured person reduces or ends their professional activities or if the benefits from occupational disability that can be expected from a third party increase significantly.

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### **E5.2 Obligation to cooperate when claiming benefits**

If you make a claim for insurance benefits, you must prove to us that you are entitled to benefits. The beneficiary bears the cost of providing proof.

AXA can request the following documentation:

- the duly completed notification form;
- detailed reports of the doctors and therapists consulted about the start, cause, nature, scope, course and likely duration of the health problems and their effects on bodily and mental functions as well as on state of mind;
- certificates from doctors or therapists on the degree of incapacity to work in the most recent gainful employment and the degree of restriction of usual tasks and activities;
- documents showing the education, profession, working career, the last job and the changes that have occurred since the start of incapacity to work;
- registration, any preliminary decisions, instructions and expert opinions if registration with the Federal Disability Insurance (IV/DI) has already taken place;
- any instructions, decisions and expert opinions if you have filed a claim with other insurers (e.g. accident insurance).

AXA can request further information and proof, such as on professional circumstances, income from gainful employment or business performance.

All documentation must be submitted in either German, French, Italian or English.

The insured person must release the doctors, therapists and schemes consulted from their duty of confidentiality. At AXA's request, the insured person is obligated to undergo examinations and assessments by doctors, therapists or experts in Switzerland specified by AXA. If the insured person is abroad, they must return to Switzerland at their own expense and bear the cost of any translations required.

### **E5.3 Obligation to cooperate in the review of an ongoing claim**

AXA is entitled to review at any time whether and to what extent a claim to benefits exists. The obligations to cooperate laid down in Section E5.2 apply *mutatis mutandis*.

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### **E5.4 Obligation to cooperate if the health condition or income levels change**

Any change in the insured person's health condition or income levels must be reported to AXA promptly. The obligations to cooperate laid down in Section E5.2 apply *mutatis mutandis*.

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### **E5.5 Obligation to minimize damage**

The insured person is obligated to actively try to improve their health condition and make every effort to be reintegrated. AXA is entitled to order reasonable measures and make the provision of benefits dependent on whether these are carried out.

## **E6 Consequences of failure to meet obligations**

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Failure to meet the obligations to report, to cooperate or to minimize damage means that AXA is not obligated to provide benefits. It can suspend or reduce benefits if, despite written requests and reference to the consequences, the policyholder or insured person does not meet the specified obligations.

## Part F

### Beneficiary clause

#### F1 Designation of beneficiaries

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As policyholder, you can give AXA a written beneficiary designation specifying who we should pay out insurance benefits to.

Beneficiary clause applies to insurance benefits and any surpluses.

A tied pension is a form of life insurance that gives you certain tax advantages. Appointing beneficiaries therefore requires you to comply with the statutory provisions. Please consider: The last valid version of Art. 2 BVV3 applies in the event of a claim.

#### F2 Standard beneficiary clause

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Under Art. 2 of the Ordinance on the Fiscal Deduction of Contributions to Recognized Pension Plans (BVV3), the following order of beneficiaries applies:

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**F2.1 At maturity or in the event of occupational disability**  
Benefits at maturity, upon surrender or in the event of occupational disability are paid to you as the policyholder.

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**F2.2 In the event of death**

a) We pay benefits in the event of death to the spouse or registered partner of the insured person.

b) If the insured person was unmarried or no longer married or did not live or was no longer living in a registered partnership at the time of their death, we pay out insurance benefits equally among the following persons:

- the insured person's direct descendants as well as
- natural persons to whom the insured person gave substantial support, and
- the person with whom the insured person lived in a domestic partnership without interruption during the last 5 years before their death or is responsible for the maintenance of one or more joint children.

c) If, in the event of the death of the insured person, the persons under a) and b) do not exist, the following persons are entitled to claim the insurance benefits:

- the parents, if none
- the siblings, if none
- the insured person's remaining heirs.

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**F2.3 Changing the standard beneficiary clause**  
Pursuant to Art. 2 BVV3, the following applies:  
You cannot nominate any other person as a beneficiary for benefits pursuant to F2.1.  
Beneficiary clause pursuant to F2.2 letter a) cannot be changed. You can appoint one or more persons from among the other persons listed under b) as beneficiaries and specify their claims. Among the persons listed under c), you may change the order of the beneficiaries and specify their claims. Please inform us if you wish to make an arrangement of this kind.

# Part G

## Technical fundamentals

### G1 Calculation principles

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The calculation principles are shown in the policy.

### G2 Surrender value

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#### G2.1 Calculation of the surrender value

The surrender value of your pension plan is equal to the contract capital less the unamortized acquisition costs and less any interest risk deduction. For regular premium payments, the surrender value is at least  $\frac{2}{3}$  of the contract capital as soon as the premiums have been paid for the first 3 years of the contract. For supplementary payments and 3a transfers, the surrender value is at least  $\frac{2}{3}$  of the contract capital.

#### G2.2 Interest risk deduction

The interest risk deduction depends on how interest rates move from the start of the contract until the surrender date. It is applied to the fixed-income portion of the contract capital. Here a distinction is made between the contract capital augmented by regular premiums and the contract capital augmented by supplementary payments and 3a transfers. In any event, AXA bears the first 5 percentage points of the interest risk deduction. There is no interest risk deduction in the last 5 years of the contract.

#### Interest risk deduction for contract capital generated with regular premiums

Any deduction for interest rate risk is calculated as follows for the fixed-income contract capital that was augmented with regular premiums: AXA multiplies the definitive remaining term on the surrender date by the difference between the seven-year swap rate on surrender and the average interest rate. The definitive remaining term of the insurance is limited and amounts to half of the total contract term at most. The average interest rate in the first half of the contract term corresponds to the mean of the seven-year swap rate since the start of the contract. In the second half of the contract term, the average interest rate corresponds to the mean of the seven-year swap rate during the last  $n$  years prior to the surrender, whereby  $n$  equals half of the total contract term.

#### Interest risk deduction for contract capital generated with supplementary payments and 3a transfers

For the fixed-income contract capital that was augmented by supplementary payments and 3a transfers, AXA calculates the interest risk deduction per supplementary payment and per 3a transfer from the difference between:

- the contract capital augmented with the seven-year swap rate valid on the surrender date until the end of the contract, and
- the contract capital augmented with the seven-year swap rate valid on the deposit date until the end of the contract.

This difference is discounted with the swap rate valid on the surrender date from the end of the contract to the surrender date.

#### G2.3 Partial surrender

For partial surrender, the contract remains in place with reduced contract capital and reduced benefits. As such, the return-oriented capital and safety capital are reduced proportionately to their amount at the time of partial surrender. AXA deducts an amount for interest rate risk from the amount that you withdraw from the fixed-income portion of the contract capital through the partial surrender within the meaning of Section G2.2. After the partial surrender, there must be sufficient contract capital left to fund your contract costs.

### G3 Conversion value

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The conversion value is the new guaranteed benefit of your pension plan and supplementary term life insurance if the contract is converted into a paid-up policy with reduced benefits, i.e. if no further premiums are paid. AXA calculates the conversion value by applying the guaranteed surrender value on the pension plan and the settlement value on the supplementary term life insurance as single premiums without acquisition costs. This is reduced by any outstanding premiums, interest for late payments and reminder fees. If you reduce the originally agreed premium of your pension plan or supplementary term life insurance, these are partially converted into a paid-up policy with reduced benefits. You can find details on conversion in Section D7.

## **G4 Surplus participation and investment income**

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### **G4.1 Insurance eligible for surpluses**

The following insurances are eligible for surpluses:

- the pension plan;
  - term life insurance;
  - occupational disability pension, as long as we do not provide any benefit, i.e. at latest by the end of the waiting period.
- 

### **G4.2 Surpluses**

Surpluses are not guaranteed. They are redefined every year.

Surpluses can arise for the following reasons:

- Income from risk patterns: AXA calculates the premiums based on assumptions such as how many insurance benefits it is likely to pay out in total per year. These calculations tend to be prudent. If fewer claims occur than expected, we can include you in the surplus.
- Income from cost trends: Costs also have to be calculated prudently. Accordingly, we can include you in the difference between calculated and incurred costs.
- Income from investment patterns in the safety capital: If we generate more than the contractually agreed interest with the investments, we can include you in this in the form of an interest surplus.

Positive and possible negative income are offset against each other.

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### **G4.3 Investment income**

Investment income comprises distributions from the funds in the return-oriented capital.

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### **G4.4 Use of surpluses and investment income**

If you have chosen the “Earnings protection” option, surpluses arising in the safety capital and in supplementary insurances eligible for surpluses will be added with interest.

If you have not chosen the “Earnings protection” option, all surpluses and investment income distributed from the funds will be invested in full in your return-oriented capital.

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### **G4.5 Information on surpluses (annual reports)**

AXA informs you annually on the respective surplus participation in an annual report.

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## **G5 Premium adjustment by AXA**

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The agreed premiums for the occupational disability pension are not guaranteed. AXA is entitled to adjust the premiums for your occupational disability pension to the risk pattern of the insured community or risk category (smoker/non-smoker, occupational group, educational category) at the end of each insurance year.

We inform you no later than 30 days before any adjustment. Once notified of the change, you can terminate the occupational disability insurance with effect from the end of the current insurance year, in which case coverage will end at the end of the insurance year. AXA must receive notice of termination at the latest on the last day of the insurance year. If no notice of termination is given, the change is deemed to have been accepted. Occupational disability pensions currently in effect are not subject to adjustment. Any adjustment to a particular scope of coverage is possible only after the benefit case has been concluded.

If the premium adjustment causes the current threshold for tax deductible contributions to be exceeded, no premium adjustment is made, but the pension paid in the event of occupational disability is reduced correspondingly instead (benefits adjustment).

# Part H

## Additional provisions

### H1 Fees

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AXA is entitled to levy fees for administrative activities. These fees cover the expense that is not factored into the premium and is caused by the policyholder or beneficiary, e.g. for detailed calculations or re-issuing of documents that were already sent out. We levy fees according to the applicable fee schedule. AXA can either offset these fees against the surrender value of your policy or send you an invoice.

### H2 Changes in payment schedule

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#### H2.1 Pro rata premiums

AXA is entitled to change the payment schedule if it thinks that the installments are too low.

#### H2.2 Payment schedule in case of occupational disability

In the case of policies with monthly premium payments, AXA is entitled to change the frequency to quarterly payments in the event of a benefit case.

### H3 Disbursements

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Disbursements are only made to accounts in Switzerland in the policy's currency.

### H4 Communicating with AXA

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You can receive information, notices and documents on the AXA online portal to which you have personal access. Upon request, we will send the documentation by mail to the most recent address on file in Switzerland or the Principality of Liechtenstein. This can incur a fee. Please let us know about any change of address. If you move abroad (except to the Principality of Liechtenstein), you must provide us with a postal address in Switzerland.

#### AXA's address

AXA Life Ltd., General-Guisan-Strasse 40, P. O. Box 300, CH 8401 Winterthur.

### H5 Data protection

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AXA uses and protects your data in accordance with the applicable statutory provisions. Information can be found at [AXA.ch/data-protection](https://www.axa.ch/data-protection).

### H6 Applicable law and place of jurisdiction

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This insurance is subject to Swiss law. AXA Life Ltd. is a corporation established under Swiss law. A plaintiff can take legal action against AXA Life Ltd. before a competent court in Winterthur or at their domicile in Switzerland or the Principality of Liechtenstein.

# Part I

## War and unrest

Sections I1 to I4 apply to all life insurance companies doing business in Switzerland.

### I1 Military service without warlike activities

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Military service in times of peace constitutes active service with the aim of maintaining Switzerland's neutrality and preserving peace and the status quo internally, both of which exclude warlike activities, and is thus included as such and without restrictions under the Insurance Conditions.

### I2 War or warlike activities with participation of Switzerland

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#### I2.1 War contribution

If Switzerland wages war or becomes involved in warlike operations, a single war contribution is owed from the beginning of the war and is due one year after the war ends. Whether the insured person participates in the war or is in Switzerland or abroad is of no consequence. The war contribution serves to cover any loss caused directly or indirectly by the war, provided such loss concerns insurances that are subject to these conditions. With the agreement of the Swiss supervisory authorities, the company assesses the war damage, the available reserves, the amount in war contributions, and the possibilities of repayment – if necessary by reducing its insurance benefits.

#### I2.2 Deferral of benefits

If insurance benefits are due before the amount of the war contribution has been established, the company is authorized to defer a reasonable part of the payment for up to one year after the war ends. The company, in agreement with the Swiss supervisory authorities, determines the portion of the benefits to be deferred and the interest rate that will apply to this portion.

#### I2.3 Beginning and end of the war

The Swiss supervisory authorities determine the dates to be used for defining the beginning and end of the war within the meaning of the conditions above.

### I3 War or warlike activities without participation of Switzerland

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If the insured person participates in a war or warlike activities in which Switzerland is not involved and dies during such a war or within 6 months after a peace treaty is signed or hostilities end, the company must pay the actuarial reserve calculated on the date of death, at maximum the insured death benefit.

### I4 Amendment proviso

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The company reserves the right to amend the conditions of Sections I1 to I3 as they apply to the insurance with the agreement of the Swiss supervisory authorities. Furthermore, statutory and official measures approved by the authorities in connection with a war remain expressly reserved.

### I5 Coverage upon occupational disability

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If Switzerland is not involved in a war or warlike activities, there is no insurance coverage for any occupational disability coverage if the insured person:

- takes part in a war or warlike activities;
- has an accident or falls ill as a result of civil unrest of any kind.

Exception: AXA will grant coverage if the beneficiaries can prove that the insured person did not act on behalf of the agitators or participate in an inflammatory capacity.

### I6 Coverage in case of death by accident

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For any benefit for death by accident, there is no insurance coverage if the insured person's accident was caused by a warlike event. If the insured person was surprised by the outbreak of war outside of Switzerland, the insurance coverage lapses just 14 days after it first arose. If the insured person becomes a victim of an aircraft hijacking, we pay the full benefits, even if the aircraft is hijacked in a country engaged in warlike events.

We will not pay benefits if the insured person becomes victim to a hijacking that takes place more than 48 hours after a war erupts:

- involving Switzerland or a neighboring state, or
- in which the United Kingdom, the Russian Federation, the US, or the People's Republic of China is involved, irrespective of whether only individual countries are at war with each other or one of them is at war with a European country.



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