



AXA Foundation for Occupational Benefits,
Principality of Liechtenstein

Occupational benefits

Regulations on the creation of provisions and reserves

AXA Foundation for Occupational Benefits, Principality of Liechtenstein

General provisions

Objective

Art. 1

These regulations set out the rules that apply to the creation of provisions and reserves for the Foundation and its affiliated occupational benefits funds, and are issued by the Board of Trustees.

Consistency

Art. 2

The principle of consistency must be followed when calculating the provisions and reserves.

Pension liabilities

Pension liabilities of active insured persons

Art. 3

The provisions for the pension liabilities for active insured persons correspond to the regulatory retirement assets of the active insured persons.

The regulatory retirement assets of the active insured persons comprise the retirement credits, vested benefits brought into the fund, any purchases of additional benefits, and any single contributions, less any payouts in connection with divorce and lump sums used to finance retirement and survivors' benefits that fall due, plus accrued interest.

Pensioners' liabilities

Art. 4

Pensioners' liabilities correspond to the cash value of the current and reversionary pensions. Pensions paid by the Foundation are calculated in accordance with recognized principles using the technical fundamentals approved by the Board of Trustees. This does not apply to pensions brought into the fund as part of a new affiliation, whose valuation is determined by applying the actuarial interest rate used for calculating the purchase amount.

The liabilities for those pensioners whose current and reversionary pensions are fully reinsured with AXA Life Ltd equal the actuarial reserves for pensions of AXA Life Ltd calculated on the basis of the group life insurance rate.

Actuarial reserves

Reserve for retirement losses

Art. 5

The reserve for retirement losses serves to cover the financing gap between the available retirement assets at the time of retirement and the pension capital needed to cover the pension obligations.

The pension insurance expert must determine the provision that is necessary every year. It is calculated as a supplement on the available retirement assets of all insured persons who are aged 60 or older on the balance sheet date. The supplement is contingent on the difference between the actuarially correct pension conversion rate in accordance with the Foundation's technical parameters and the regulatory conversion rate. The probability that the affected insured persons will draw their retirement benefits as a pension is also taken into account in this Foundation.

Fluctuation reserve

Objective

Art. 6

In order to cover any fluctuations in the value of investments, a reserve for fluctuations in asset value is created. This reserve serves as a hedge against price losses on invested assets and ensures that financial equilibrium is maintained.

Target value

Art. 7

The target fluctuation reserve (target value) is determined in accordance with financial and economic principles, taking into account the investment strategy. The level of security that must be provided and the target value are set out in Annex 2 of the investment regulations.

Final provision

Entry into force

Art. 8

These Regulations enter into force with effect from October 1, 2024, replacing the version of January 1, 2019.