



Occupational benefits

## **Regulations governing basic BPVG occupational benefits cover**

AXA Foundation for Occupational Benefits, Principality of Liechtenstein

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# General provisions

## Objective

### Art. 1

1. The objective of this occupational benefits fund is to protect the insured and their surviving dependents from the economic consequences of loss of earnings due to old age, disability or death.
2. The Regulations guarantee at all times the minimum benefits as set out in the law of October 20, 1987, governing occupational benefits insurance in the Principality of Liechtenstein (BPVG) and the provisions of the gender equality law of March 10, 1999 (GLG).
3. The Foundation is subject to statutory supervision. The deed of foundation governs the organization of the Board of Trustees.

## Occupational benefits fund

### Art. 2

The Foundation manages a separate occupational benefits fund for each employer with which it has concluded an affiliation contract.

Self-employed persons who do not have any employees may also be affiliated to the Foundation.

## Contents of the Regulations

### Art. 3

1. The relationship between the Foundation and the insured or beneficiaries is governed by these Regulations and, as far as the type and amount of occupational benefits and their financing are concerned, by a separate occupational benefits plan for each occupational benefits fund. This occupational benefits plan is an integral part of the Regulations.
2. If the occupational benefits fund or the Foundation is liquidated in part or in full, the provisions of the Regulations on the partial and total liquidation of occupational benefits funds and the Regulations on the partial liquidation of a collective foundation apply.
3. Any claims to surplus participation under the group insurance contract are governed by the separate Surplus participation regulations.

## Registered partnerships

### Art. 4

Within the meaning of the law of March 16, 2011, on same-sex registered partnerships, registered partnerships are treated the same as marriages and partners are treated the same as spouses.

## Definition of age

### Art. 5

The age that applies for enrollment with the occupational benefits fund and the calculation of the contributions and retirement credits is determined by the difference between the current calendar year and the insured's year of birth.

## Enrollment in occupational benefits insurance

### Art. 6

1. All employees and self-employed persons belonging to the group of insured mentioned in the occupational benefits plan are enrolled with the occupational benefits fund. The employer must register all persons to be insured by name.
2. Enrollment in the occupational benefits fund takes place when the conditions of Art. 6.1 are fulfilled. Unless otherwise stated in the occupational benefits plan, this takes place at the earliest
  - on January 1 following the person's 17th birthday for the risks of disability and death
  - on January 1 following the person's 19th birthday for retirement benefits, provided the person is permanently employed.

Transitional provisions: Insured persons born in 1994, 1995 or 1996 are admitted for retirement benefits from January 1 following their 23rd birthday; those born in 1997 or 1998 from January 1 following their 22nd birthday.

If the employment contract is limited to a period of more than 3 months it is deemed to be a permanent contract. If the employment contract is originally limited to a period of less than 3 months and then extended to beyond a period of 3 months, it is deemed to be a permanent contract from the point when it is extended.

Persons who, on enrollment, are already 19 years of age or over 19 years of age and whose employment is limited to a maximum of 3 months are insured only for the risks of disability and death.

3. Individuals who are partially disabled on enrollment in the occupational benefits fund are insured only for that part of the salary that corresponds to the remaining earning capacity. Any thresholds that may be referred to in the occupational benefits plan will be reduced commensurately. Persons with a disability level of 67% or more are not accepted into occupational benefits insurance.

## **Retirement**

### **Art. 7**

#### **1. Retirement age**

The retirement age is governed by the occupational benefits plan. Persons can claim retirement benefits when they reach retirement age.

Retirement benefits can be drawn in full or in part before the official retirement age under the provisions of Art. 7.2, or the occupational benefits insurance can be continued in accordance with Art. 7.3.

The insured person is regarded to have reached retirement age to the extent that retirement benefits are drawn.

#### **2. Early withdrawal of retirement benefits**

Early withdrawal of retirement benefits is possible after the insured person has reached age 60. If the occupational benefits plan specifies the option of drawing benefits after the insured person has reached 58 or 59, the conversion rate determined on the basis of the Foundation's actuarial fundamentals is the rate applied for early withdrawal before the insured person has reached age 60.

Early withdrawal of the complete benefits presupposes the termination of the employment relationship.

A partial early withdrawal is possible only with a commensurate reduction in the level of employment. The provisions under Art. 7.4 apply.

#### **3. Continuation of occupational benefits insurance beyond regular (ordinary) retirement age**

At the insured person's request, occupational benefits insurance may be continued in full or in part until the employment relationship ends, but at the latest until the insured person reaches age 70.

When the insured reaches the regular AHV retirement age, the benefits from the partner's and orphan's pensions as defined in the occupational benefits plan for the period "after reaching ordinary AHV retirement age if the occupational benefits insurance is continued" apply. Disability benefits, death lump sums exceeding the retirement assets, and the annuity certain are no longer insured.

The partial continuation of occupational benefits insurance is only possible by reducing the working hours by at least 20% from a full-time workload. The scope of the occupational benefits insurance that will be continued corresponds to the remaining working hours (level of employment). The provisions of Art. 7.4. apply to the partial withdrawal of retirement benefits.

The entitlement to retirement benefits arises at the insured person's request, but no later than at the end of the employment relationship or when the insured reaches age 70. The provisions of Art. 7.4. apply to the partial withdrawal of retirement benefits.

#### **4. Partial withdrawal of retirement benefits (partial retirement)**

The following applies for each partial withdrawal of retirement benefits:

- The withdrawal must be proportionate to the reduction in level of employment.
- The reduction in level of employment must be at least 20% of full-time employment.
- The reduced level of employment cannot be increased again in connection with additional partial withdrawals of retirement benefits.
- The partial withdrawal is made from the portion of occupational benefits cover in excess of the statutory minimum benefits and – where this is insufficient – from the minimum benefits pursuant to the BPVG.
- Only one partial withdrawal is possible per calendar year.

Furthermore, a partial withdrawal before retirement age is reached presupposes that the insured person is fully fit for work.

## **Occupational benefits coverage**

### **Art. 8**

1. The coverage is valid worldwide. Coverage commences on the date when the conditions for enrollment pursuant to Art. 6 are fulfilled (start

of insurance) and ends on the date when the insured withdraws from the occupational benefits insurance.

## 2. **Definite coverage**

Occupational benefits coverage is definite and unrestricted with regard to the statutory minimum benefits pursuant to the BPVG.

Coverage for the benefits in excess of these minimum benefits is definite and unrestricted, provided that the insured is fully fit for work when the insurance commences and the benefits under the Regulations do not exceed certain limits determined by the Foundation.

An insured person is not considered fully fit for work under these occupational benefits coverage provisions if, on commencement of the insurance coverage, they

- are forced to remain fully or partially absent from work for reasons of health
- receive daily benefits as a result of an illness or accident
- are enrolled in a government disability insurance plan
- draw a pension on account of complete or partial disability, or
- can no longer be fully employed in a position commensurate with their training and abilities for medical reasons.

## 3. **Provisional occupational benefits coverage**

The Foundation will inform the insured if certain benefits can only be insured provisionally, and request that the insured provides additional information on the state of their health. If necessary, the Foundation may request additional information from a physician or require a medical examination.

If an occupational benefits claim arises while insurance coverage is provisional, the Foundation pays in principle the benefits as described in these Regulations. In the portion exceeding the statutory minimum benefits, benefits will be reduced by half if the claim arises in connection with an illness, physical defect or the consequences of an accident that occurred or existed before the provisional insurance coverage commenced.

Based on the documents submitted, a proviso for the risks of disability and death for reasons relating to health can be applied.

If the insured person is subject to a proviso, the disability and death benefits to be insured

that are in excess of the statutory minimum benefits are reduced by half. The reduction will be lowered by at least one-tenth of the original reduction rate for every insurance year that has expired, so that the insured will be fully insured after 10 years at the latest. A proviso instituted by a previous occupational benefits institution can remain in effect, in which case any period that has expired so far is applied. If incapacity for work or death occurs during the term of the proviso, the restriction on the benefits will remain in effect even after the term of the proviso ends. The benefits restriction, in particular, is valid also for disability cases that can be traced back to incapacity for work occurring while the proviso was in effect.

If the insured person refuses to participate in any parts of the medical examination, the Foundation may reduce by half the disability and death benefits to be insured for this person that are in excess of the statutory minimum benefits. The reduction will be lowered on the same basis as a proviso, meaning that the insured will be fully insured after 10 insurance years at the latest.

The Foundation must inform the insured person in writing whether occupational benefits coverage is granted as usual or with a proviso.

4. In the event of an increase in occupational benefits, the provisions under Art. 8.2 and Art. 8.3 apply mutatis mutandis to the benefits that must be insured additionally.

## 5. **Breach of disclosure obligation**

If the insured person provides incorrect information about their state of health, the Foundation has the right to reduce its insured benefits retroactively to the start of the occupational benefits insurance or to refuse them altogether. The statutory minimum benefits are reserved. The Foundation informs the insured person accordingly in writing within 3 months after learning of the breach of disclosure obligation. The provisions of the Liechtenstein Insurance Contract Act on the breach of disclosure obligation apply in addition.

## **Obligations of the insured**

### Art. 9

1. The insured person must notify the employer (for the attention of the Foundation) within 30 days of any changes in their marital status or if they become liable or cease to be liable to support dependents.

2. Recipients of disability or survivors' benefits must notify the Foundation of any creditable income (e.g. domestic or foreign social benefits, benefits from other pension funds, income from continued employment).

Furthermore, they must report all occurrences that affect the pension relationship. These include in particular

- change in address
- change in bank account
- changes in marital status
- a change in entitlement to pensions in respect of domestic and foreign social insurance providers
- a return to or improvement in the capacity to work
- birth and adoption of children
- completion or discontinuation of a course of training or education by children entitled to a pension
- death of a child entitled to a pension.

The survivors must inform the Foundation immediately if a pension recipient dies.

#### **Foundation's duty to provide information**

Art. 10

1. On enrollment as well as following any changes in benefits, but at least once a year, the insured person receives a pension fund certificate with the currently valid information on their occupational benefits.
2. Upon request to the Occupational Benefits Fund Commission, the Foundation will provide the insured person with further information on the return on capital, the actuarial risk experience, the administrative expenses, calculation of the actuarial reserves, the establishment of reserves, the coverage ratio and the status of their insurance.
3. Every insured person may submit a request to the Occupational Benefits Fund Commission for the Foundation to provide them with all their personal data administered by it and to correct the data if necessary.

#### **Vested benefits brought into the fund**

Art. 11

The vested benefits brought into the fund will be used to increase the retirement assets.

## **Salary definitions**

### **Annual salary**

Art. 12

1. The annual salary is the last known salary subject to AHV contributions adjusted in consideration of any agreed changes for the current year.

Unless other terms are specified in the occupational benefits plan, any occasional remuneration amounts are excluded. Within the scope of these Regulations such amounts include

- one-off, unforeseeable or irregular special payments, gratuities and bonuses,
- gifts for service anniversaries, unless they are paid more frequently than every 5 years.

2. The effective annual salary that applies to the pension is defined in the occupational benefits plan, in compliance with the statutory minimum provisions.
3. The employer/self-employed person must notify the Foundation of the annual salary by January 1 or on the enrollment date. Salary changes during the year are taken into account from the date of the change and result in a modified annual salary in accordance with Art. 12.1.
4. If the insured worked for the employer for less than one year (e.g. seasonal and temporary staff), the annual salary is deemed to be the salary the insured would have received if they had worked for an entire year.
5. For insured persons whose level of employment and income fluctuate substantially, the average annual salary for the occupation group in question is used. Where applicable, these rates are set out in the occupational benefits plan.
6. An insured who also works for one or more other employers may not insure the income received from these employers under these Regulations.

### **Insured salary**

Art. 13

1. The insured salary is defined in the occupational benefits plan. If necessary, the Foundation will bring any thresholds and, in particular, minimum and maximum amounts set out in the occupational benefits plan into line with the statutory provisions.

Here, the salary up to three times the maximum AHV retirement pension is deemed to be the mandatorily insured portion of salary pursuant to the BPVG. Temporary pay supplements can be excluded, and income components that fluctuate over time covered by means of appropriate flat-rate amounts.

2. If an insured's annual salary temporarily decreases due to illness, accident, unemployment, maternity leave or similar reasons, the previous insured salary continues to be insured for as long as the employer is obliged to continue payment of salary in accordance with the ABGB. The insured may, however, request the reduction of the insured salary.
3. The occupational benefits plan may stipulate that any threshold amounts, in particular minimum and maximum amounts for part-time employees, will be determined in accordance with their working hours (level of employment status).
4. If an insured person's salary reduces by not more than half after they have reached age 60 without their having claimed partial retirement benefits early as defined in Art. 7.2, the insured may request to continue the insurance with the current insured salary until they reach ordinary retirement age as defined in the occupational benefits plan. Continued insurance of the current insured salary assumes that the insured is fully fit for work.

#### **Insured salary in the event of disability**

Art. 14

1. If an insured is fully unfit for work, the salary earned immediately prior to the commencement of the incapacity for work remains valid for insurance purposes.
2. If an insured person is partly unable to work, the insurance is divided into an "active" part and a "disabled" part. For the purposes of dividing the salary, the insured person's salary immediately prior to the onset of the incapacity for work will serve as the basis. The split is carried out based on the benefits level as defined in Art. 20.5. Any thresholds that may be referred to in the occupational benefits plan will be reduced commensurately.

The salary underlying the "disabled" part of the insurance remains constant.

The salary underlying the "active" part of the insurance is regarded as the annual earned income in accordance with the insured's gainful employment. The same applies for persons who were partially unfit for work on enrollment with the occupational benefits fund.

#### **Unpaid leave**

Art. 15

1. If the unpaid leave lasts no longer than one month, the coverage and contribution obligations of the insured person and the employer remain fully in force.
2. If the unpaid leave lasts longer than one month, but less than 24 months, the insured person has the following options at the start of the unpaid leave:
  - a) Unchanged continuation of insurance  
Coverage continues unchanged during the unpaid leave. The contributions defined in the occupational benefits plan, plus a supplement for accident cover, must be paid in full and without interruption. The employer can charge this to the insured person in full.
  - b) Continuation of risk cover  
The insured disability and death benefits insured immediately prior to the unpaid leave remain fully in force. No savings contributions will be levied for the period of unpaid leave. The other contributions defined in the occupational benefits plan, plus a supplement for accident cover, must still be paid. The employer can charge this to the insured person in full.
  - c) Interruption of risk cover  
During the period of interruption, there will be no entitlement to disability benefits and death benefits exceeding the retirement assets. In the event of death, there is an entitlement to a lump-sum death benefit in the amount of the available retirement assets. No savings, risk, or cost contributions are levied during the period of interruption.
  - d) Withdrawal (exit)
3. Prior to the start of the unpaid leave, the employer shall inform the Foundation in writing as to which option the insured person has chosen and whether the employer will pay the employer contributions or charge the contributions to the insured person in full.



4. Any insured person starting a period of unpaid leave lasting more than 24 months will be treated as having withdrawn as of the start of the unpaid leave.
5. Any extension of an ongoing period of unpaid leave beyond 24 months will be treated as a withdrawal (exit) as of the date of extension.

# Occupational benefits

## Overview of benefits

Art. 16

The occupational benefits plan sets out which of the following benefits are insured:

- a) on reaching retirement age:
  - retirement pension Art. 18
  - retired person’s child’s pension Art. 19
- b) in the event of disability:
  - contribution waiver Art. 21
  - disability pension Art. 22
  - disabled person’s child’s pension Art. 23
- c) in the event of death:
  - partner’s pension Art. 26
  - orphan’s pension Art. 27
  - lump sum payable at death Art. 28
  - annuity certain Art. 29

## Retirement assets

Art. 17

1. Retirement assets accrue for each insured person.
2. The retirement assets are increased by:
  - the retirement credits, without interest,
  - vested benefits brought into the fund,
  - single contributions or additional benefits,
  - interest.

The amount of the retirement assets of an insured person may not exceed 5% of the assets managed by the Foundation.

The retirement assets are reduced by partial pay-outs as a result of divorce

3. The amount of the annual retirement credits is determined based on the occupational benefits plan.
4. Insured persons are entitled to annual interest on their retirement assets (base interest rate).
5. In the event of enrollment, withdrawal, retirement, or death during the year, there is a pro rata entitlement.

6. Interest is calculated on the retirement assets as at the end of the previous year. Changes in the retirement assets during the year are taken into account on a pro rata temporis basis (e.g. vested benefits brought into the fund, purchases of benefits, or partial pay-outs as a result of divorce).
7. Taking into account the financial situation of the Foundation, the Board of Trustees may decide to pay supplementary interest on retirement assets for the persons insured with the Foundation as at December 31.
8. Each year, the Board of Trustees decides the interest rates to be paid on the retirement assets and provides information on the applicable interest rates in each case.

## Retirement benefits

### Retirement pension

Art. 18

1. Entitlement to a retirement pension arises when the insured person reaches retirement age. All or part of the retirement pension may be withdrawn early or the occupational benefits insurance may be continued past retirement age pursuant to Art. 7.

Disabled persons become entitled to a retirement pension if they have reached the retirement age pursuant to the occupational benefits plan at the start of the incapacity for work that caused the disability.

2. The amount of the annual retirement pension is based on the retirement assets that have accrued at the retirement date; in the case of a partial withdrawal, based on the corresponding portion and the conversion rate valid at that time. A reduced pension conversion rate applies in the case of early withdrawal; a higher pension conversion rate applies if coverage is continued past the retirement age. The Board of Trustees determines the conversion rate.

For disabled persons whose disability pension is replaced by a retirement pension, the conversion rate that is valid on the conversion date for the age in question applies.

3. The conversion rate is calculated using recognized actuarial methods. The underlying parameters in the calculation are: the long-term

interest trend forecast, mortality tables taking account of longer-term trends in mortality, and reversionary benefits.

The conversion rate is defined by the Board of Trustees and can be found in the Appendix.

The Foundation provides information each year on the amount of the conversion rate.

4. Entitlement to a pension lapses upon the death of the insured person.

### Retired person's child's pension

Art. 19

1. Entitlement to retired person's child's pension arises if the insured person receives a retirement pension and has eligible children pursuant to Art. 46.
2. The entitlement to a pension lapses if the conditions for eligibility pursuant to Art. 46 are no longer fulfilled or if the insured person dies.
3. The amount of the annual retired person's child's pension is specified in the occupational benefits plan.

## Disability benefits

### General provisions

Art. 20

#### 1. Incapacity for work, occupational disability, disability

These terms are defined as follows as far as they pertain to the disability benefits:

- Incapacity for work is the full or partial inability – on account of physical, mental or psychological health problems – to perform any reasonable function in one's current profession or field of work. If the incapacity for work lasts for an extended period, a job in another profession or with another remit may also be considered reasonable.
- Occupational disability is the complete or partial loss of the insured person's ability to pursue gainful employment in the relevant balanced labor market due to an impairment of their physical, mental, or psychological health that is not remedied by appropriate treatment and rehabilitation.
- Disability is defined as full or partial occupational disability that is permanent or that

lasts for an extended period. Minors who are not working are regarded as occupationally disabled if the impairment of their physical, mental, or psychological health is expected to lead to the total or partial inability to earn a living (occupational disability). Persons of age who were not gainfully employed before their physical, mental, or psychological health was impaired and who cannot be reasonably expected to pursue gainful employment are regarded as disabled if they can no longer work in their field.

The Foundation has the right to request additional information and proof or to obtain these itself. If necessary, it can oblige the insured person to undergo an examination by its medical experts. The Foundation will bear the costs.

## 2. Conditions for entitlement

Entitlement to an exemption from contributions as defined in Art. 21 assumes that the insured's incapacity for work is at least 40% and that they were insured under these Regulations at the time of the onset of the incapacity for work.

Entitlement to disability benefits as defined in Art. 22 and Art. 23 assumes that the insured person is at least 40% disabled under the disability insurance scheme (IV) of the Principality of Liechtenstein and was insured under these Regulations at the time of the onset of the incapacity for work, the cause of which led to their disability.

## 3. Waiting period

The waiting period is the minimum effective period of incapacity for work that must elapse before the insured person is entitled to receive benefits. This waiting period is specified in the occupational benefits plan.

The disability pension and disabled person's child's pension are granted from the date on which the entitlement to daily sickness benefits expires, but no earlier than from the time entitlement to an IV pension begins.

## 4. Level of disability

The level of disability is determined on the basis of the relationship between the income from employment which the insured could earn in a stable labor market by performing a job that may be reasonably expected from them after they have become disabled, received medical treatment and been reintegrated into the workforce, and the income from employment which they could have earned if they were not disabled.

The level of disability corresponds to the degree of disability established by the Liechtenstein disability insurance scheme (IV).

## 5. Calculation of benefits

Benefits are paid as follows:

Level of incapacity for work/disability in %	Level of benefits in %
0 – 39	0
40 – 49	25
50 – 66	50
From 67	100

## 6. Duty to cooperate

If an insured person withdraws from or resists any reasonable treatment or efforts to reintegrate them into the workforce that promise a significant improvement in their earning capacity or open up new job possibilities, or if they do not of their own accord contribute as much as can be reasonably expected of them to this process, the benefits will be reduced or refused temporarily or permanently in observation of Art. 1.2.

## Waiver of contributions

Art. 21

1. Entitlement to a contribution waiver arises after the waiting period defined in Art. 20.3 ends.
2. Entitlement ceases if the insured's incapacity for work drops below 40%, the IV office rejects its obligation to pay benefits or discontinues benefit payments, or if the insured reaches retirement age as defined in the occupational benefits plan at the time incapacity for work set in, or dies.

## Disability pension

Art. 22

1. Entitlement to a disability pension arises on expiry of the waiting period pursuant to Art. 20.3. There is no entitlement to a disability pension for as long as the insured receives daily benefits from the IV.
2. Entitlement to a disability pension ceases if the IV office discontinues its benefits or if the insured person resumes work, reaches retirement age as defined in the occupational benefits plan at the time the incapacity for work set in, or dies.
3. The amount of the annual full disability pension is specified in the occupational benefits plan.

### **Disabled person's child's pension**

Art. 23

1. Entitlement to a disabled person's child's pension arises at the same time as the claim to a disability pension, provided that the insured has eligible children pursuant to Art. 46.
2. Entitlement to the pension ceases if the conditions for eligibility pursuant to Art. 46 are no longer met, the IV office suspends its pension benefits, the insured resumes work, or reaches retirement age as defined in the occupational benefits plan when incapacity for work set in, or dies.
3. The amount of the annual disabled person's child's pension is specified in the occupational benefits plan.

### **Change in the level of disability**

Art. 24

If the level of disability changes, the case is re-examined and the entitlement to benefits adjusted, if necessary. If, as a result of a reduction in the level of disability, the benefits paid out were too high, these benefits must be repaid.

## **Death benefits**

### **General provisions**

Art. 25

- Entitlement to death benefits arises if the insured
- was insured under these occupational benefits fund Regulations at the time of their death or on the occurrence of the incapacity for work, the cause of which led to death; or
  - was at least 20% but not more than 40% disabled as the result of a congenital defect at the time when they started working and was insured for at least 40% at the time that the level of the incapacity for work, the cause of which led to death, increased; or
  - became disabled while still a minor and was therefore at least 20% but not more than 40% disabled at the time when they started working and was insured for at least 40% at the time that the level of the incapacity for work, the cause of which led to death, increased; or
  - received a retirement or disability pension from the Foundation at the time of death.

### **Partner's pension**

Art. 26

The occupational benefits plan specifies whether spouses and unmarried partners or exclusively spouses are beneficiaries, and whether the partner's pension falls under basic or extended coverage.

#### **1. Basic coverage**

Entitlement to a partner's pension arises when the insured dies and

- is survived by a spouse who, at that time
  - a) is responsible for the maintenance of one or more children, or
  - b) has reached the age of 45 years and the marriage/life partnership lasted at least 5 years.
- or is survived by an eligible partner pursuant to Art. 26.5 who, at the time
  - a) is required to pay support for one or more joint children, or
  - b) has reached the age of 45.

If neither of these conditions pursuant to a) or b) are met, a single lump-sum settlement will be paid in the amount of 3 annual pensions.

Entitlement to a pension lapses if the eligible person marries or dies.

#### **2. Extended coverage**

Entitlement to a partner's pension arises when the insured dies and is survived by a spouse or an eligible partner pursuant to Art. 26.5.

Entitlement to a pension lapses if the eligible person marries prior to reaching the age of 45 or if that person dies. In the event that the eligible person marries prior to reaching the age of 45, a single lump-sum settlement will be paid in the amount of 3 annual pensions.

#### **3. Amount of the partner's pension**

The amount of the partner's pension is governed by the occupational benefits plan.

#### **4. Reduction of the pension**

The pension is reduced by 1% for each year or part of a year by which the eligible person is more than 10 years younger than the deceased.

The pension is furthermore reduced if the marriage or beginning of the joint household and domicile of the partner occurred after the deceased reached the age of 65, and the reduction amounts to 20% for each year or part thereof in excess of this threshold.

No pension is paid on the portion of the occupational benefits cover in excess of the statutory minimum benefits if the insured married after having reached the age of 69 or if the conditions for a life partnership entitling the partner to a pension were met after the insured reached the age of 69 or if they, at the time of the marriage or beginning of the life partnership entitling a partner to a pension, had reached the age of 65 and suffered from a serious illness of which they were aware and which caused their death within two years following the marriage or beginning of the life partnership entitling a partner to a pension.

#### 5. Requirements for entitlement of the unmarried partner

The entitlement of an unmarried partner to a partner's pension requires there to be a life partnership entitling the partner to a pension. The surviving partner has no entitlement if they already receive a spouse's pension or partner's pension from a domestic or foreign benefits institution.

A life partnership entitling a partner to a pension exists if, at the time of death:

- a) both partners are unmarried and not related to each other, and
- b) they are not registered within the meaning of the law governing same-sex registered partnerships, and
- c) both life partners lived in a domestic partnership in the same household and domicile without interruption for five years immediately prior to the death of the insured. If the insured is divorced, the earliest date of the beginning of the life partnership is the date on which the divorce of the insured became final and binding;  
or  
the insured supported the surviving partner to a significant degree;  
or  
the surviving partner is required to pay support for one or more joint children.

#### Orphan's pension

Art. 27

1. Entitlement to an orphan's pension arises if the insured person dies and leaves behind eligible children pursuant to Art. 46.
2. The entitlement to an orphan's pension lapses if the conditions for eligibility pursuant to Art. 46 are no longer fulfilled.

3. The amount of the annual orphan's pension is specified in the occupational benefits plan.

#### Lump sum payable at death

Art. 28

1. Entitlement to the lump sum payable at death arises if the insured dies before reaching retirement age pursuant to Art. 7.
2. The amount of the lump sum payable at death is set out in the occupational benefits plan.

#### 3. General order of beneficiaries

The following persons are entitled to the lump sum payable on death:

- a) the insured person's spouse;  
if none:
- b) eligible children in accordance with Art. 46;  
if none:
- c) the natural persons that the insured person supported to a significant extent and the person with whom the insured had formed a partnership as defined in Art. 26.5; persons already receiving a spouse's pension or a partner's pension from a domestic or foreign benefits institution have no entitlement to a lump sum payable on death;  
if none:
- d) the children of the insured who are not entitled to a pension under Art. 46;  
if none:
- e) the insured person's parents;  
if none:
- f) the insured person's siblings.

If none of the above-mentioned persons under a) to f) exist, half of the lump sum payable on death will be paid to the other legal heirs to the exclusion of the community.

Beneficiaries in the same category will receive equal parts of the death lump sum.

#### 4. Special order of beneficiaries

The insured person may draw up a special order of beneficiaries designating which of the eligible persons mentioned in b) to f) are entitled to which share of the death lump sum. Here, the sequence in the order of the beneficiaries can be changed.

If none of the eligible persons mentioned in a) to f) exist, the insured person may stipulate which of the legal heirs are to receive which portion of half of the death lump sum.

A special order of beneficiaries is possible only if the purpose of the occupational benefits plan is achieved more effectively as a result. A request for such must be submitted to the Foundation in writing.

The insured person may revoke a special order of beneficiaries at any time. In this event the general order of beneficiaries will be automatically reinstated.

5. If the entitlement of the individual beneficiaries is not described in detail, beneficiaries in the same category will receive equal parts.
6. The lump sum payable at death does not form part of the deceased's estate.

### **Annuity certain**

Art. 29

1. Entitlement to an annuity certain arises if the insured dies before reaching retirement age. The persons who are eligible are set out as defined in Art. 28.3.
2. Entitlement ceases at the point when the insured person would have reached retirement age as defined in the Regulations in force at the time of death.
3. The amount of the annual annuity certain is specified in the occupational benefits plan.

## **General provisions governing occupational benefits**

### **Guarantee Fund**

Art. 30

1. As prescribed by law, the Foundation is affiliated with the Guarantee Fund.
2. The occupational benefits plan describes the financing of the contributions to the Guarantee Fund.

### **Repayment of benefits received wrongfully**

Art. 31

Benefits received wrongfully must be repaid by the benefit recipient.

### **Coordination with accident insurance**

Art. 32

1. If the occupational benefits plan limits the fund's liability to pay benefits to cases of illness, the insured will not be entitled to benefits for as long as – after the occurrence of the insured event – daily benefits are paid by the statutory accident insurer for the Principality of Liechtenstein. If the daily benefits are followed by pension benefits from the statutory accident insurer for the Principality of Liechtenstein, the spouse's, orphan's, disability, and disabled person's child's pensions due under these Regulations will be limited to the statutory minimum. The provisions pursuant to Art. 33.1 remain reserved.
2. The restrictions as set out in Art. 32.1 do not apply to insured persons who are not subject to statutory accident insurance and were registered as such separately.
3. Extended accident cover may be agreed in the occupational benefits plan.

### **Correlation with other insurance benefits**

Art. 33

1. The Foundation will reduce the disability and survivors' benefits if these benefits together with the creditable income pursuant to Art. 33.2 exceed 90% of the earnings presumed to have been forgone. The estimated lost income corresponds to the total earned and replacement income that the insured person would have received if the injuring event had not occurred.
2. Included here as effective benefits from other insurers within the meaning of Art. 10 (1) of the Liechtenstein ordinance on occupational pension provision in the Principality of Liechtenstein are pensions from domestic or foreign social security plans and occupational benefits institutions. This does not include lump-sum benefits, care allowances for persons unable to look after themselves, or lump-sum settlements, nor does it include benefits from insurance policies the insured person took out voluntarily and funded by themselves. The effective benefits to which the survivors are eligible are cumulated.
3. The Foundation will reduce its benefits to the same extent if AHV/IV reduces, withdraws or withholds a benefit because the eligible person has caused the death or disability through gross negligence or resists the IV's integration efforts. Benefit reductions or refusals by the accident

insurance due to the culpable causation of an insured event are not compensated.

4. The Foundation may require the applicant for a surviving dependents' or disability benefit to assign to it claims for compensation which the applicant is entitled to make against liable third parties, up to the amount of its obligation to pay benefits under the applicable regulations.

### **Payment of occupational benefits**

Art. 34

1. Pension benefits as due under the Regulations are due for payment 30 days after the Foundation has received all the information it needs in order to establish eligibility for such a payment.
2. Pensions that are due are paid monthly in advance on the first day of each month.

If benefits become payable during the course of a month, the corresponding amount will be paid on a pro rata basis.

If a survivors' pension replaces a current pension, the new pension will be paid for the first time at the beginning of the following month.

### **3. Review of entitlement to benefits**

The Foundation can request proof of entitlement to benefits at any time. In the absence of such proof, the Foundation will cease paying benefits.

### **4. Default interest**

If the Foundation is in arrears with paying pension benefits, it incurs default interest based on the rate of interest that applies when calculating the retirement assets.

### **Withdrawal in the form of a lump sum**

Art. 35

1. The insured may choose to draw part or all of the retirement pension in the form of a lump sum. A corresponding declaration must be submitted before the first pension payment is due.

Any claims to pension benefits will lapse to the extent of the lump-sum payment. The Foundation will notify the insured and their spouse of such accordingly.

If the insured is married, a partial or full lump-sum withdrawal of the retirement pension

requires the spouse's written approval. The insured may appeal to a court if they are unable to obtain such a statement or if it is refused.

2. The eligible spouse or partner may request a lump sum instead of a survivors' pension. A corresponding declaration must be submitted before the first pension payment is due.

The lump-sum payment equals the cash value of the pension due, less 3% for each full year and part of a year by which the eligible claimant is younger than 45. It amounts to at least 4 annual pensions, but not less than the accrued retirement assets.

3. If, at the time the pension is drawn, the annual retirement pension or the disability pension payable in the event of full disability amounts to less than 10%, the spouse's or partner's pension to less than 6%, and any child's pension to less than 2% of the minimum AHV retirement pension, a lump sum will be paid instead of a pension.

# Withdrawal

## Withdrawal from occupational benefits insurance

Art. 36

1. An insured leaves the occupational benefits fund if they no longer fulfill the conditions for enrollment pursuant to the occupational benefits plan and no pension claim has arisen, and in particular when the insured leaves the company's employment.
  2. The withdrawing insured is entitled to vested benefits, provided that they have accrued retirement assets. Insured persons who have withdrawn have no further entitlements.
- b) the insured person is leaving the economic zone of Liechtenstein and Switzerland for good and will not continue to be insured mandatorily against the risks of old age, death and disability with pension insurance under the legal provisions of a member state of the European Economic Area.
  - c) the insured person becomes self-employed and will not continue to be insured mandatorily against the risks of old age, death and disability with pension insurance under the legal provisions of a member state of the European Economic Area.
3. Cash payment to insured persons who are married requires the written consent of the spouse.
  4. Where vested benefits can neither be transferred to another occupational benefits institution nor paid out in cash, they will be paid as a contribution for a paid-up vested benefits policy with an insurance company approved in Liechtenstein or deposited in an account blocked for pension purposes with a Liechtenstein bank.

## Amount of vested benefits

Art. 37

1. The vested benefits equal the retirement assets accrued up to the date of withdrawal pursuant to Art. 17.
2. Vested benefits become due on the date when the insured leaves the occupational benefits fund. If they cannot be transferred until after this time, interest will be earned. The rate of interest will be reviewed annually and a new rate set if necessary.
3. In the case of partial or full liquidation of the occupational benefits fund or the Foundation, the provisions of the Regulations on the partial and total liquidation of occupational benefits funds and the Regulations on the partial liquidation of a collective foundation also apply.

## Use of vested benefits

Art. 38

1. Vested benefits will be transferred to the new employer's occupational benefits institution in accordance with the insured person's instructions.
2. Insured persons can request to have their vested benefits paid out to them in cash if
  - a) they amount to less than one annual contribution by the insured person.

## Extended coverage

Art. 39

After the insured leaves the occupational benefits fund, coverage against the risks of disability and death remains valid until the insured joins a new pension fund, but not for longer than one month.

## Change in the number of working hours (level of employment)

Art. 40

In the event of a change in the insured's number of working hours, their accrued retirement assets will be retained in full.



# Contributions

## Obligation to contribute

Art. 41

1. The obligation to pay contributions begins on the date of the insured's enrollment with the occupational benefits fund.
2. The contribution obligation ends on the death of the insured person, at the latest when the insured person draws all the retirement benefits or withdraws from the occupational benefits fund early as the result of leaving the company, or because the amount earned is expected to remain below the minimum salary. The right to waive contributions in the event of disability remains reserved.
3. The insured's contributions will be deducted from their salary by the employer and transferred to the Foundation together with the employer's contributions.
4. The employer finances its contributions with its own funds or from contribution reserves set up for this purpose.

## Contribution amounts

Art. 42

The amount and composition of the total expenditure (total contribution) are defined in the occupational benefits plan. The employer must pay at least half of the contributions for each insured person.

The insured must pay all contributions for continuing the insurance of the discontinued salary component pursuant to Art. 13.4, unless the occupational benefits plan defines another arrangement regarding their financing. These contributions are exempt from the shared contributions principle.

In the area of the statutory minimum benefits, the contribution is comprised of the following:

- contribution for retirement benefits: 8% of the insured salary.
- contribution for risk benefits: depends on risk classification and age; equal amount for men and women.

The portions in excess of the statutory minimum benefits are comprised of the difference between total expense minus the aforementioned contribution for the statutory minimum benefits.

Contributions for special expenses are defined in the separate cost regulations.

## Purchase of benefits and contributions

Art. 43

1. Purchases may be made in order to improve pension coverage.
2. Purchases are regarded as all contributions made by the insured person for the purpose of closing gaps in coverage as well as the associated contributions from the employer.
3. The employer may make contributions to the insured person's occupational benefits plan. Distribution among insureds will be take place using objective criteria.
4. The tax deductibility of such purchases and contributions is subject to the limitations of Liechtenstein tax law.

# Other provisions

## Inalienability of insurance benefits

Art. 44

1. All benefits under these Regulations are intended exclusively for the personal maintenance of the entitled parties.
2. Entitlements and reversionary claims from occupational old age, survivors' and invalidity pension provision, including vested benefits policies and accounts blocked for pension purposes, can be neither assigned nor pledged before the benefits are due.

Claims on the part of the occupational benefits institution that have been recognized or confirmed by a court or claims on the part of the employer that are assigned to the institution and relate to contributions that cannot be deducted from salaries may be offset with pension benefits in respect of an insured person or entitled party.

3. The eligible surviving dependents of an insured person receive the benefits even if they renounce their inheritance. The benefits do not form part of the deceased's estate.

## Divorce

Art. 45

1. On divorce the competent court will decide on the spouse's claims to part of the vested benefits accrued during the marriage.
2. The amount and use of any entitlement to vested benefits to be transferred is based on the legally effective ruling of the court.
3. The retirement assets available are reduced by the amount of the share of vested benefits transferred to the spouse's occupational benefits institution. Insofar as the available retirement assets pursuant to these Regulations determine the pension benefits, these will be reduced accordingly.
4. The insured may purchase additional benefits to make up the sum of the vested benefits transferred. The insured person's occupational benefits will then increase commensurately.

## Children eligible for a pension

Art. 46

1. The children of the insured who are eligible for a pension are
  - their children,
  - their foster children who are entitled to an AHV/IV pension,
  - stepchildren who receive full or primary financial support at the time of their death.
2. The final age at which the child is still eligible for a pension is set out in the occupational benefits plan.
3. Children will be eligible for pension benefits past the final age for as long as they have not completed their education or are at least 67% disabled; however, the pension entitlement does not extend beyond their 25th birthday.
4. Entitlement to the pension lapses if the child dies.

## Personal data

Art. 47

1. Personal data of the insured required for the provision of occupational benefits may be passed on to co-insurers and re-insurers.
2. The Foundation implements the measures necessary to ensure compliance with data protection requirements. The data is used in accordance with the applicable statutory provisions. More information can be found at [AXA.ch/data-protection](https://www.axa.ch/data-protection).

## Measures in the event of underfunding

Art. 48

The Foundation must at all times provide assurance that it can fulfill its obligations under the Regulations. Should the Foundation nevertheless become underfunded, the pension actuary will formulate suitable remedial measures together with the Board of Trustees.

The following measures in particular may be taken to remedy the underfunding:

- Review/adjustment of the investment strategy
- Reduced or zero interest on retirement assets
- Adjustment of the technical parameters
- Reduction of the conversion rate
- If the above-mentioned measures or other measures do not have the desired effect,

restructuring contributions may be levied from the employer and the insured persons, with the restructuring contribution levied from the employer being at least equal to the sum of the restructuring contributions paid by the insured persons.

### **Amendment of the Regulations**

Art. 49

Any decisions on amendments to these Regulations rest with the Board of Trustees.

### **Occupational benefits plan**

Art. 50

The Occupational Benefits Fund Commission sets out the occupational benefits plan within the limits imposed by the principles applying to the Foundation. In principle, amendments may enter into force at the beginning of a new calendar year.

### **Transfer of benefits if the contract is rescinded in part or in full**

Art. 51

If the affiliation contract is partially or fully rescinded, any benefits to which the insured are entitled and that are affected by this will be transferred to the new occupational benefits institution.

Entitlements include:

- the total amount of the withdrawing insured persons' retirement assets, plus any prorated surplus portion in accordance with the regulations on surplus participation, less any dissolution deduction due under the group insurance contract concluded by the Foundation and any shortfall in accordance with the Regulations on the partial and total liquidation of occupational benefits funds and on the partial liquidation of a collective foundation.
- any additional assets of the occupational benefits fund, namely the entitlements in accordance with the Regulations on the partial and total liquidation of occupational benefits funds or on the partial liquidation of a collective foundation, plus any employer contribution reserves.

If the funds are transferred after the date of dissolution, claims will earn interest at the rate that applies to the calculation of retirement assets.

### **Place of performance**

Art. 52

The place of performance is the place of residence of the eligible person or their representative in the Principality of Liechtenstein or an EU/EFTA country. If no such place of residence exists, benefits are paid at the domicile of the Foundation. Benefits will be paid in Swiss francs.

### **Place of jurisdiction**

Art. 53

The place of jurisdiction for all disputes arising from these Regulations is Vaduz.

### **Entry into force**

Art. 54

1. These Regulations enter into force with effect from January 1, 2025, replacing the version of January 1, 2023.
2. Benefits for insured events that occurred before the new Regulations entered into force are subject to the Regulations and occupational benefits plan in force at the time of the onset of the insured event. The provisions of Art. 54.3 – 54.6 below are reserved.
3. Once the insured person has reached the retirement age as defined in Art. 7, the provisions in the Regulations that apply on reaching retirement age continue to apply to the current retirement benefits and reversionary entitlements to survivors' benefits. No subsequent changes to the Regulations are taken into consideration.
4. The provisions that apply for disability benefits are those that were in place at the time of the onset of the incapacity for work, the cause of which led to disability.
5. If disability benefits end because the insured person has reached regular retirement age, retirement benefits come into effect. The retirement and reversionary survivors' benefits are determined in accordance with the provisions as set out in the Regulations and the rate-relevant provisions that apply in respect of the insured person's age at that time.
6. If disability benefits end because the insured person dies before having reached retirement age, the death benefits are calculated based on the provisions of the Regulations that were

in effect when the incapacity for work began, unless the order of beneficiaries as defined in Art. 28.3 applies. The order of beneficiaries in accordance with Art. 28.3 is subject to the current provisions as set out in the Regulations.

# Appendix to the Regulations

Conversion rates pursuant to Art. 18 of the Regulations:

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## Retirement pension, partner's pension, retired person's child's pension

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Alter	2025	2026	2027	2028
58	4.113%*	4.061%*	3.989%*	3.920%*
59	4.214%*	4.164%*	4.092%*	4.020%*
60	4.319%*	4.270%*	4.200%*	4.130%*

\*Conversion rate pursuant to Art. 7.2

60	5.449%	5.341%	5.235%	5.130%
61	5.550%	5.440%	5.332%	5.230%
62	5.654%	5.541%	5.431%	5.330%
63	5.763%	5.650%	5.540%	5.430%
64	5.878%	5.761%	5.680%	5.570%
65	6.000%	5.900%	5.800%	5.700%
66	6.132%	6.030%	5.930%	5.830%
67	6.273%	6.170%	6.070%	5.970%
68	6.425%	6.320%	6.220%	6.120%
69	6.588%	6.490%	6.390%	6.280%
70	6.763%	6.670%	6.570%	6.460%

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## Retirement pension, partner's pension

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Alter	2025	2026	2027	2028
58	4.146%*	4.099%*	4.026%*	3.954%*
59	4.240%*	4.194%*	4.120%*	4.048%*
60	4.340%*	4.295%*	4.221%*	4.147%*

\*Conversion rate pursuant to Art. 7.2

60	5.482%	5.400%	5.292%	5.187%
61	5.575%	5.492%	5.383%	5.276%
62	5.675%	5.592%	5.481%	5.376%
63	5.781%	5.697%	5.584%	5.483%
64	5.894%	5.808%	5.697%	5.597%
65	6.015%	5.930%	5.819%	5.719%
66	6.144%	6.057%	5.950%	5.849%
67	6.284%	6.195%	6.091%	5.989%
68	6.434%	6.344%	6.242%	6.140%
69	6.595%	6.507%	6.404%	6.302%
70	6.769%	6.684%	6.580%	6.477%