

## General Provisions

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By entering into the Membership Agreement, the company (the “Employer”) and its pension committee shall join the Fondation Banque Cantonale Vaudoise deuxième pilier (the “Fund”) for the purpose of insuring the Employer’s active employees against the economic effects of old age, death, and disability, thereby fulfilling its occupational pension obligations to its employees. These General Provisions and the Fund’s various regulations form an integral part of the Membership Agreement.

By entering into the Membership Agreement, the Employer and its pension committee agree to these General Provisions and the Occupational Pension Fund Regulations.

Membership shall take effect on the date indicated in the Membership Agreement.

### Article 1 Pension committee

The Employer shall create a company pension committee, consisting of at least two members and made up of an equal number of representatives of both the Employer and active employees.

The pension committee shall be responsible for applying the Occupational Pension Fund Regulations. It shall also represent the Employer and its employees in dealings with the Fund.

### Article 2 Fund’s duties

The Fund undertakes to:

- issue Occupational Pension Fund Regulations defining the guaranteed benefits;
- make the Occupational Pension Fund Regulations available to the Employer and the insured members;
- provide administrative, technical, accounting, actuarial, and financial management services in compliance with current legal standards;
- issue annual pension statements to the members; and
- pay benefits in accordance with the Occupational Pension Fund Regulations.

### Article 3 Interest rates

Each year, the Fund shall determine the interest rates applicable to members’ individual accounts for both the minimum portion under the Swiss Federal Act on Occupational Retirement, Survivors’ and Disability Pension Plans (LPP) and the supplementary portion. The minimum interest rate set by the Swiss Federal Council shall be guaranteed at all times for the minimum LPP portion of individual accounts.

Each year, the Fund shall determine the interest rate applicable to the Employer’s free assets (if any), the interest rate applicable to the reserve for the Employer’s future contributions, and the rates applicable to the various technical provisions.

### Article 4 Employer’s duties

The Employer undertakes to:

- create a pension committee in accordance with the Occupational Pension Fund Regulations, inform the Fund of the initial composition of the committee, and notify the Fund immediately of any changes in the committee’s composition;
- ensure that the pension committee signs the Membership Agreement, which defines the pension plan(s) and its/their method of financing;
- notify the Fund, using the forms or electronic systems made available by the Fund, of all employees to be insured, their salaries, and all information necessary for the management of their pensions, in accordance with Article 5 of these General Provisions;
- provide its employees with a copy of the Occupational Pension Fund Regulations;
- inform the pension committee of any information relevant to the company’s occupational pensions; and
- pay all occupational pension contributions to the Fund.

## Article 5 Notifications

Upon entry into force of the Membership Agreement, the Employer shall notify the Fund of all employees subject to occupational pension coverage in accordance with the Occupational Pension Fund Regulations, as well as all information necessary for the management of their occupational pension coverage.

Thereafter, using the forms or electronic systems provided by the Fund, the Employer shall submit the following information no later than 30 days after any change or the occurrence of an insured event:

- new members
- changes in members' marital status
- members whose employment is terminated or who are no longer covered by the pension plan; the Employer shall also indicate whether the termination of employment or change in the degree of gainful employment is health-related
- insured events.

### Notification of admissions:

Although coverage begins on the first day of employment, membership takes effect:

- from the first day of the month, if employment begins during the first half of the month
- from the first day of the following month, if employment begins during the second half of the month.

The Employer shall complete the list of insured members at 1 January, together with their annual reference salary for the reference year, and return it to the Fund no later than 31 January of the current year. The Employer shall also inform the Fund of any changes relative to the previous year. The Employer is responsible for the proper communication to the Fund of information necessary for the management of the Employer's occupational pensions. The Fund shall therefore incur no liability whatsoever should the Employer fail to fulfill its duty to notify. Furthermore, the Fund is bound by the information provided by the Employer. If notified after the stated deadlines, the Fund reserves the right to charge additional fees at the following rates:

Pension fund relationship manager:	CHF 200/hour
Actuary:	CHF 280/hour
Senior manager:*	CHF 350/hour

\*Those employees of the fund administrator who are heads of departments, sectors, services, or groups are considered senior managers.

## Article 6 Benefit recipients at the membership date

The costs of taking over pension benefits and/or cases of incapacity for work shall be financed by the previous pension fund or by the Employer. Such costs correspond to the excess of the mathematical reserves, management fees, and any provisions determined by the Fund for taking on benefit recipients, over the amounts actually received by the Fund for taking over those pension benefits.

Unless an agreement is reached between the previous pension fund and the Fund concerning taking on benefit recipients, these recipients shall not be included in the Fund.

## Article 7 Insufficient coordination

Disability benefits paid by the Fund prior to the end of the contractual waiting period and required under the LLP shall be invoiced separately to the Employer.

These benefits may be due, inter alia, as a result of insufficient coordination with the Employer's income-replacement insurance if a member resigns or is dismissed before the end of the contractual waiting period specified for payment of the disability pension.

## Article 8 Management fees

For its administrative, technical, accounting, and financial management fees, the Fund shall receive an annual amount calculated on the basis of the aggregate pensionable salaries of employees declared by the Employer. However, these fees shall in no case be below CHF 500.00 per calendar year for each pension plan included in the Membership Agreement.

For self-employed members insured without their staff, these fees shall be set at a flat fee of CHF 500.00 per calendar year, regardless of the amount of the pensionable salary declared.

In the event that the Employer becomes insolvent, and with the pension committee's consent, these costs may be taken by the Fund out of the Employer's free assets and out of any unused technical provisions. Where benefit recipients join the Fund or are kept in the Fund after the departure of active members, the Fund reserves the right to invoice management costs for these recipients in the form of a one-off amount equivalent to future management costs.

## Article 9 Contributions

Contribution rates, expressed as a percentage of the pensionable salary for retirement savings and death and disability coverage, are defined in Annex A of the Membership Agreement. Contribution rates may be adapted by the Fund in line with changes in the legal rates, the cost of death and disability insurance, and the cost of administrative management.

## Article 10 Payment of contributions

The Employer agrees to pay each month the monthly contributions owed to the Fund, either in the exact amount or in set installments. Each installment shall be equal to one-twelfth of the foreseeable annual contributions determined at the start of the year. Contributions shall be paid no later than the last day of each month; failing this, the Fund shall charge interest on arrears at the rate applied to members' individual accounts for the reference year, but not less than the rate stipulated in Article 73.1 of the Swiss Code of Obligations.

A final contributions statement shall be issued at year-end based on the declared salaries. The Employer shall inform the Fund of any changes within 30 days, failing which the statement shall be considered accepted. Any outstanding amount owed to the Fund, shown on the final contributions statement, shall be paid within 30 days following receipt of the statement; failing this, the Fund shall charge interest on arrears from the due date, at the rate applied to members' individual accounts for the reference year, but not less than the rate stipulated in Article 73.1 of the Swiss Code of Obligations.

The Fund reserves the right to charge interest on arrears if the final contributions statement cannot be generated because of the Employer's failure to meet the deadlines for submitting the necessary information. Any credit balance shown on the final statement shall be carried over to the following year or may be reimbursed to the Employer on request.

The Employer may, at its discretion, make payments in advance. Such payments, in the same way as a credit balance, do not bear interest.

## Article 11 Acknowledgement of debt

The Employer acknowledges that it is liable for the contributions calculated on the salaries it has declared or, failing that, on the last known salaries, and that it is the sole debtor in this respect. This declaration is equivalent to an acknowledgement of debt within the meaning of Article 82 of the Swiss Federal Act on Proceedings for Debt and Bankruptcy.

## Article 12 Termination

Ordinary termination shall take place if the Employer transfers its occupational pension plan(s) to another pension fund, if the Employer ends its business activities, if the Employer goes into liquidation as a result of bankruptcy, or if the Employer is no longer required to provide compulsory insurance coverage (i.e., no staff).

Either party may terminate the Membership Agreement no later than 30 June for the end of the calendar year. Notice of termination must be given in writing.

Termination of the Membership Agreement by the Employer is deemed valid if it is:

- signed by the Employer and all members of the pension committee,
- accompanied by a certificate from the new pension fund stating that it will take on the Employer's pension recipients at 31 December of the year of termination, and
- received by the Fund no later than 30 June for the end of the calendar year.

The Fund may terminate the Membership Agreement at any time if outstanding annual contributions are not paid following payment recovery proceedings. In this case, any damage caused by the termination shall be borne by the Employer, who expressly agrees to this clause.

Should the Membership Agreement be terminated, the aggregate capital deriving from the Membership Agreement at the effective date of termination shall be transferred to the new pension fund and the regulations on partial liquidation shall be applied as appropriate. The interest rate applicable between termination and the payment date shall be the minimum LPP interest rate set by the Swiss Federal Council.

The aggregate capital deriving from the Membership Agreement at the effective date of termination shall be determined after taking into account the charges inherent in the management of the Employer's occupational pensions, the dissolution costs, the charges for current pensions, and any costs of taking over pensions.

Charges inherent in the management of the Employer's occupational pensions shall consist of the Employer's outstanding financial obligations to the Fund.

Dissolution costs charged by the Fund shall consist of a flat fee per member leaving the Fund (see fee schedule). If the free assets or other capital must be shared among the members, allocation costs shall be invoiced by the hour (CHF 200/hour for pension fund relationship managers, CHF 280/hour for actuaries, and CHF 350/hour for senior managers). These costs are deducted from the amount to be shared among members.

In the event of termination of this Membership Agreement by one or other of the parties, the mathematical reserves for current pension recipients shall be transferred to the new pension fund. Upon completion of this transfer, the Fund is released from any obligation to the aforementioned pension recipients.

## Article 13 Payment recovery

If the Employer is late in paying its contribution installments or any outstanding amount indicated on the final contributions statement, the Fund reserves the right to:

- send the Employer a reminder;
- inform the pension committee;
- send the Employer a final payment notice;
- inform the supervisory authority pursuant to Article 58a.1 of the Swiss Federal Ordinance on Occupational Retirement, Survivors' and Disability Pension Plans (OPP2);
- institute debt collection proceedings against the Employer, if there is no response to the final payment notice; and
- charge interest on arrears (rate applied to members' individual accounts for the reference year, but not less than the rate stipulated in Article 73.1 of the Swiss Code of Obligations) and any recovery costs.

Any delay in the above procedure shall not commit the Fund in any way with regard to the payment of installments and the payment of the outstanding amount indicated on the final statement, and shall not release the Employer from its payment obligation.

## Article 14 Amendments

In the event of any legal changes, the Fund reserves the right to adapt the Membership Agreement unilaterally by way of an addendum. The Fund shall inform the pension committee of any amendments of this nature.

The pension plan may be canceled by either party for the end of any year, upon three months' notice to the other party. It must then be replaced by a new membership agreement, which will enter into effect at the beginning of the following year. In the absence of a new signed agreement, coverage for the following year shall correspond to the plan in effect prior to the cancellation.

## Article 15 Free assets

The Employer's pension committee may decide on the distribution of the pension plan's free assets, to the extent permitted by law. In this case, the Fund shall submit a statement to the pension committee showing the amount deducted from the free assets and how it has been used.

Free assets are defined as any surplus in the pension plan's capital. It is an additional amount of pension coverage not attributed to the pension assets, technical provisions, or contribution reserves. Free assets shall be used exclusively for occupational pension purposes.

## Fee schedule

at 1 January 2021

### Late notifications and retroactive changes

**CHF 200 per occurrence of each event listed below**

- Notification of an addition of, removal of, or change in a salary given after the final contributions statement has been generated, or pertaining to a fiscal year other than the current one
- Notification of a change in salary given after the vested termination benefit has been paid
- Notification of an incapacity for work given more than two months after the end of the waiting period
- Other changes not pertaining to the current fiscal year
- Transmission of the list of salaries after 31 January
- Letter sent to the AVS office to obtain the lists of salaries

### Charges related to payment recovery procedures

**CHF 200 per occurrence of each event listed below**

- First reminder
- Second reminder
- Setting up a payment plan
- Final payment notice
- Notifying the supervisory authority
- Official order to pay
- Canceling a formal objection
- Continuing debt collection proceedings
- Bankruptcy application
- Withdrawing a bankruptcy application

Fees invoiced by the authorities (debt collection office, courts, etc.) to the Fund will be invoiced additionally to the Employer at cost. The additional fees and legal costs arising in complex cases (for example, for involving external bodies, outside legal assistance, consultations with the authorities, and actuarial calculations) will also be invoiced to the Employer.

### Fees per member in case of termination

CHF 180

but no more than CHF 1,000 per pension plan included in a particular membership agreement.

### Fees relating to home ownership encouragement

Request to withdraw pension assets

CHF 400, charged to the member

Request to pledge pension assets

CHF 200, charged to the member

### Lists drawn up for international accounting standards

CHF 1,000, charged to the Employer

The Fund reserves the right to adjust these amounts at any time.

Fees for tasks not mentioned in the Membership Agreement shall be invoiced at the following hourly rates:

Pension fund relationship manager:	CHF 200/hour
Actuary:	CHF 280/hour
Senior manager:*	CHF 350/hour

\*Those employees of the fund administrator who are heads of departments, sectors, services, or groups are considered senior managers.

*This document is a translation of the original French document; only the French version is authoritative.*