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Pension solutions. Banking. Real estate.

## Distribution Partner Agreement

# Tellco pkPRO

Tellco pkPRO  
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CH-6431 Schwyz  
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pkPRO@tellco.ch  
tellco.ch

valid as of 1 January 2017



## Distribution Partner Agreement

All fields highlighted in yellow must be completed by the Distribution Partner.

Language of correspondence  German  French  Italian  English

between

**contracting partner**

[Yellow highlighted area for contracting partner details]

(hereinafter referred to as the «Distribution Partner»)

and Tellco pkPRO, Bahnhofstrasse 4, 6431 Schwyz (hereinafter referred to as the «Provider»)

### Nature of services to be supplied by the Distribution Partner

#### 1 Whereas

The Provider is a pension fund that operates a mandatory occupational pension scheme as well as a retirement savings plan in excess of the statutory minimum benefits.

Only legal entities or individuals carrying on business as professional insurance brokers may be distribution partners.

The Provider appoints independent third parties, who are not employed by it, to distribute services (distribution partners). These distribution partners arrange affiliation agreements on behalf of clients. The Provider is completely free to decide whether it wishes to enter into an agreement with any client referred by the Distribution Partner. Certain contracting partners also provide relationship management services for clients of the Provider. The terms of cooperation between the parties are set out below.

#### 2 Agreement

##### Obligations of the Distribution Partner

##### 2.1 In general

###### 2.1.1

The Distribution Partner shall exercise due commercial care in safeguarding the interests of the Provider.

###### 2.1.2

The Distribution Partner shall use its best endeavours to promote and distribute affiliation agreements. The Distribution Partner shall maintain an effective organisational structure for this purpose and use appropriately qualified and skilled staff.

###### 2.1.3

The Distribution Partner has access to confidential information and agrees to keep such information strictly confidential throughout the continuation of this Distribution Partner Agreement (hereinafter the «Agreement») and following termination thereof.

In particular, the Distribution Partner shall not exploit any confidential information, disclose confidential information to others, or use any confidential information for its own purposes. The foregoing obligation will continue to apply following termination of this Agreement.

###### 2.1.4

In processing personal data, the Distribution Partner shall ensure that it complies with applicable rules governing personal privacy and data protection, including, but not limited to, the provisions of the Swiss Data Protection Act.

In particular, the Distribution Partner shall ensure that:

- personal data is only processed for the purpose for which such information was collected;
- data are not collected for any purpose other than the performance of obligations under this Agreement;
- data are only deleted, corrected or amended if the information is no longer accurate or is incomplete.

###### 2.1.5

The Distribution Partner shall not collect client funds.

###### 2.1.6

The Distribution Partner shall not issue or amend documents in the name of the Provider, vary any contractual terms, enter into any binding commitments, or make binding promises, on behalf of the Provider, either verbally or in writing.



## 2.1.7

The Distribution Partner shall comply with any directions or instructions issued by the Provider.

## 2.1.8

Upon termination of the Agreement, the Distribution Partner shall, without prior request, return all documents, resources, etc., that have been supplied to it. The Distribution Partner has no contractual right of retention whatsoever in respect of the foregoing items.

## 2.2 Arranging affiliation agreements

### 2.2.1

The Distribution Partner shall arrange affiliation agreements, but is not authorised to conclude transactions.

### 2.2.2

The Distribution Partner shall exercise due care in assisting and managing clients and shall provide such services to the best of its knowledge and belief. In all dealings, the Distribution Partner shall safeguard the interests of the Provider.

### 2.2.3

The Distribution Partner shall ensure that it holds, at all times, the professional qualifications required for the purpose of providing services to the high standard of quality expected by the Provider. The client relationship management responsibilities of the Distribution Partner are set out in appendix 1 hereto.

### 2.2.4

The Distribution Partner shall present to the Provider a copy of its broker of record letter. This broker of record letter includes a waiver by the client of any entitlement to funds paid by the Provider. If no broker of record letter is submitted in written form, the Provider will be entitled to assume that a verbal agreement exists between the Distribution Partner and the client. In such circumstances, the Distribution Partner shall forward any affiliation agreements entered into directly to the Provider.

### 2.2.5

The Distribution Partner shall notify the Provider immediately in writing in the event that any broker of record designation is terminated.

## Obligations of the Provider

### 2.3 In general

The Provider shall support and assist the Distribution Partner to the best of its ability. The Provider shall provide any documents, calculations and relevant information that may be required by the Distribution Partner for the purpose of performing its services.

## 2.4 Advisory and relationship management fee for arranging affiliation agreements

### 2.4.1

The Provider shall pay an annual advisory and relationship management fee, on a recurring basis, in respect of each affiliation agreement. The Distribution Partner will generally be free to determine the level of fee. In determining fee levels, the Distribution Partner shall apply the following parameters, or combinations thereof:

- Savings credits;
- Risk premiums;
- Administration costs;
- Total premiums;
- Pensionable salary;
- Retirement savings capital;
- Fixed amount for each insured party.

If the Distribution Partner does not provide any indication as to the level of fee, the following rates and parameters will apply:

- 4.0% of the risk premium collected plus;
- 0.1% of the available retirement savings capital.

In the case of lump-sum premiums, for example in respect of affiliation agreements with companies operating in the temporary staffing sector, catering and hotel industry, associations, etc., the advisory and relationship management fee will be determined by the Provider.

### 2.4.2

The maximum fee rate is equivalent to 0.5% of the reported annual salary per insured person.

The terms hereinafter set forth also apply in respect of the advisory and relationship management fees described in clause 2.4.1 and 2.4.2:

### 2.4.3

In special circumstances, the Provider reserves the right not to pay any brokerage fee, or only to pay a reduced fee on an individual contract basis, which must be agreed prior to entering into, renewing or amending any distribution agreement, or in the event that another distribution partner agrees to act, within 30 days of the Provider receiving the applicable authorisation. The Provider may determine unilaterally whether «special circumstances» apply and its decision is final. The Distribution Partner shall, in all circumstances, accept any such unilateral decision.

Such circumstances include, in particular:

- Decisions pertaining to business policy;
- Pensions solutions for professional associations;
- International insurance contracts;
- Novation of an existing agreement to another distribution partner, where fees have already been paid.

### 2.4.4

As a general rule, the Provider shall disclose the fees agreed in any quotations, arrangement or contract documents.



The Provider may unilaterally adjust the fees described in clauses 2.4.1 and 2.4.2 as at 1 January of a given year. It shall give the Distribution Partner notice of any such adjustment by registered letter by 30 September of the previous year at the latest. The Distribution Partner may initiate an adjustment to the fee in advance, to take effect on 1 January of the year in question.

#### 2.4.5

The fees include value added tax, where applicable.

#### 2.4.6

The right to claim fees is subject to all of the following conditions:

- No prior payment has been made in consideration of arranging the affiliation agreement;
- The complete set of documents pertaining to the affiliation agreement have been submitted and are duly signed by the client;
- The affiliation agreement has been concluded by the Provider, which is completely free to decide whether or not to enter into any agreement arranged. If the Provider opts not to enter into an affiliation agreement, the Distribution Partner shall not have any claim or right to brokerage fees, damages, etc.
- The premiums invoiced have been received.

#### 2.4.7

The fees will be calculated annually and will be transferred to the Distribution Partner by no later than 31 March of the calendar year in question.

The calculation includes all affiliation agreements that have been arranged by the Distribution Partner, or are under management, prior to 31 December of the previous year, have been processed no later than the date on which the calculation was made and for which the requisite documents have been submitted (affiliation agreement, salary declaration, health questions, etc.).

The fees will be payable 30 days after the calculation has been made.

If the total fee due in respect all existing clients is less than CHF 100 for the year, the Provider is entitled to carry the balance forward to the following accounting period.

#### 2.4.8

There is no entitlement to payment of the fees:

- a) in the event of the termination of an affiliation agreement at the end of the month;
- b) in respect of all affiliation agreements of the Distribution Partner in the event that this Agreement is terminated;
- c) if the broker of record designation between the Distribution Partner and the client is terminated.

If more than one distribution partner is entitled to fees within the same calendar year, such entitlement will be determined on the basis of the total advisory and relationship management fees actually collected or calculated (for lump sum premiums) in respect of each agreement and will be calculated pro rata temporis.

Any entitlements to fees accruing prior to the date of termination of this Agreement will continue to apply. However, no further claims may be made and, in particular, there is no entitlement to compensation in respect of clientele.

#### 2.4.9

If a new broker of record letter is submitted in respect of a contractual relationship by another distribution partner of the Provider, which is due to commence within the legal notice period applying to the existing broker of record letter (overlapping period), the new broker of record letter will, for the purposes of claiming fees, be deemed to take effect and supersede the previous broker of record letter on the commencement date, but no earlier than the first day of the month following the date on which the Provider receives the broker of record letter. The Provider shall inform the current Distribution Partner immediately in the event of any change in the broker of record designation.

### 2.5 Duration and termination of the Agreement

This Agreement comes into legal effect on the date of execution by both parties hereto and supersedes all prior agreements between the parties.

This Agreement will continue in force indefinitely. Either party may terminate this Agreement by giving three months' notice in writing to the end of a calendar year.

### 2.6 Concluding provisions

#### 2.6.1

No amendment to this Agreement or appendixes 1 and 2 hereto is effective unless it is in writing.

#### 2.6.2

This Agreement is governed by and construed in accordance with Swiss law.

The place of jurisdiction is 6430 Schwyz.

Place, Date

Tellco pkPRO

Place, Date

Distribution Partner



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## Appendix 1 – client relationship management responsibilities of the Distribution Partner

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### Client relationship management responsibilities of the Distribution Partner

(in accordance with clause 2.2.3 of the Distribution Partner Agreement)

#### Obligation to provide information

- Providing information to clients regarding statutory, product-related and administrative changes and developments
- Providing information and guidance to staff

#### Advisory responsibilities

- Designing pension solutions
- Reviewing the pension plan on an ongoing basis and making adjustments as necessary
- Providing quotations
- Visiting clients on a regular basis  
(at least once per year and client)
- Reviewing pension solutions on a regular basis and making adjustments as necessary
- Conducting balance sheet reviews
- Attending performance reviews
- Initial point of contact for queries from clients and insured parties
- Providing advice to individual insured parties
- Assisting the pension fund commission in setting criteria for the allocation of non-committed funds

#### Administrative duties

- Checking documents submitted by clients for completeness prior to forwarding to the Provider
- Reviewing client and other documents prepared by the Provider (personal official documents, lists of insured parties, rules and regulations, contracts, etc.), forwarding the documents promptly to clients and explaining these to clients if necessary
- Obtaining, receiving, checking and immediately forwarding, in suitable format, lists of staff (as Excel files) and all documents required for the purpose of preparing quotations or implementing the pension fund
- Receiving and passing on client requests (applications relating to promotion of home ownership, buy-in calculations, etc.)
- Providing assistance to the Provider in relation to dunning



## Appendix 2 – information regarding the Distribution Partner

### Information for the purpose of calculating fees

#### Distribution Partner / individual responsible

Mr       Ms

Surname	<input type="text"/>	First name	<input type="text"/>
Street	<input type="text"/>	Postcode, Place	<input type="text"/>
Telephone	<input type="text"/>	E-mail	<input type="text"/>

#### Recipient of fees

Bank details for fee transfers

Bank/Post	<input type="text"/>		
Street	<input type="text"/>	Postcode, Place	<input type="text"/>
IBAN	<input type="text"/>		

#### Account name

(complete only if account holder is not the Distribution Partner)

Mr       Ms

Surname	<input type="text"/>	First name	<input type="text"/>
Street	<input type="text"/>	Postcode, Place	<input type="text"/>
Telephone	<input type="text"/>	E-mail	<input type="text"/>

#### Additional information

As «Distribution Partner», you are acting in the capacity of:

Legal entity (business/company)      Legal form

Self-employed individual  
Please provide a one-off confirmation from your compensation office of your affiliation as a self-employed person (provider of insurance advisory services).

An individual (employee)  
You are subject to the requirement to pay into the old age and survivors' insurance (AHV; OASI), unemployment insurance (ALV) and family allowance (FAK) schemes (employer/employee contributions will be deducted from gross remuneration). You receive a salary statement on an annual basis. Please provide your home address, insurance number and date of birth for this purpose.

Street	<input type="text"/>	Postcode, Place	<input type="text"/>
Insurance No.	<input type="text"/>	Date of birth	<input type="text"/>

#### Relationship management and advisory fee

The following standard rates apply in respect of the clients managed by me/us:

<input type="text"/>	% of risk premium (standard: 4.0%)	<input type="text"/>	% of average retirement savings capital available (Standard: 0.1%)
<input type="text"/>	% <input type="text"/>		

(Max. of 0.5% of reported annual salaries; if no information is available, the standard rates will be applied.)



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## Appendix 3 – self-certification

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In accordance with Article 48k(2) of the Swiss Occupational Pensions Ordinance (OPO 2; Article 53a(b) of the Swiss Occupational Pensions Act), brokers transacting pensions business must inform clients at the time that initial contact is initiated of all fees received in respect of their brokerage services.

### **Certification**

**We hereby certify that both clients previously referred to the Tellico pkPRO pension scheme and any clients referred in future have been and will be informed that we are entitled to receive, and have already received, relationship management and advisory fees in respect of affiliations arranged with pension fund Tellico pkPRO under our brokerage / cooperation agreement with Tellico pkPRO.**

Place, Date

Signature(s) and stamp