Terms and conditions

(general contractual provisions applicable to the affiliation agreement)

Tellco pk

Tellco pk
Bahnhofstrasse 4
P. O. Box
CH-6431 Schwyz
t +41 58 442 50 00
pk@tellcopk.ch
tellcopk.ch

Valid as of 1 January 2025

Table of contents

1. General provisions

1.1. Purpose of the agreement

The employer affiliates with the foundation for the purposes of providing employee benefits insurance (retirement, survivors' and disability benefits) for the group of persons identified in the pension plan.

The foundation is entered in the register of occupational pension funds and is regulated by the OPA and foundation supervisory authority for Central Switzerland (Zentralschweizer BVG- und Stiftungsaufsicht – ZBSA).. The foundation establishes a separate pension provider for the employer's employee benefits insurance. It maintains the necessary accounts for the employer or its pension provider, in particular a contribution account, retirement savings accounts, a reserve account for fluctuations in asset values and, if appropriate, an account «Non-committed funds». At the employer's request, the foundation may open additional accounts, in particular a reserve account for employer's contributions.

To ensure its compliance with the obligations set forth in the Swiss Federal Act of 25 June 1982 on Occupational Old Age, Survivors' and Invalidity Pension Provision (hereinafter the "OPA" – Bundesgesetz vom 25. Juni 1982 über die berufliche Alters-, Hinterlassenen- und Invalidenvorsorge; BVG) and the regulatory obligations, the foundation can enter into collective insurance contracts with one or more insurance companies

1.2. Occupational pension benefits

The insurance covers the group of persons identified in the Pension Fund Regulations and the pension plan. Members of the pension fund also include pension recipients for whom the foundation is responsible in accordance with Articles 18 and 23 of the OPA or who have reached the retirement age as an insured person of the pension fund and who are entitled to claim retirement benefits.

The following persons, who at the start of the affiliation relationship:

- are recipients of a retirement, survivors' or full disability pension;
- are recipients of a partial disability pension in line with their disability, including any changes to the degree of disability due to any reason whatsoever;
- are anticipated to be incapacitated for work for more than three months until they regain permanent, full capacity to work;
- are incapacitated for work, where the existing incapacity to work results in disability or death;

shall only be members of the pension fund if so provided under a separate takeover agreement.

Upon entry into force of the affiliation relationship or the establishment of a pension relationship with the foundation, persons who are incapacitated for work or disabled persons shall only be accepted into the pension fund and insured in respect of the salary commensurate with their capacity for work or activity.

The nature and scope of the pension benefits to be provided by the foundation are described in the Pension Fund Regulations and the pension plan.

1.3. Principles

The rights and duties of the employer and the foundation are set forth in the following provisions and documents:

- Foundation deed
- Organisational regulation
- Fees and Charges Policy
- Pension fund regulations
- Reserve Regulations
- Partial Liquidation Regulations
- Statement of Investment Policy
- Data Privacy Statement

The foundation provides the employer with the legal bases. It may adopt binding additional legal bases and amend existing legal bases at any time by resolution of the competent body. The applicable documents are available at https://www.tellco.ch/download-center/.

enovetic ag manages the business of the foundation. Any notices given to enovetic ag are also deemed to have been given to the foundation. (Note: this does not apply in relation to Tellco Bank Ltd.)

1.4. Pension fund regulations

The group of persons to be insured, the type and scope of the employee benefits, the contribution amounts and the rights and obligations of the beneficiaries are defined in the pension fund regulations. The pension fund regulations guarantee at all times the minimum benefits provided for in the OPA.

1.5. Pension fund commission

The Board of Trustees is responsible, with the cooperation of the employer, with regard to the provision of occupational pension benefits, for the establishment of a pension fund commission, which is jointly managed by an equal number of employee and employer representatives. . The employer also ensures that new elections are held periodically and that elections are held to replace any members who leave the pension fund commission. The election procedure and the duties and powers of the pension fund commission are governed by the articles of foundation and the organisational regulation.

2. Obligations of the employer

2.1. Consent of persons to be insured

In signing the affiliation agreement, the affiliated employer confirms that affiliation has been approved by its staff or any employee representatives in accordance with Article 11(3^{bis}) of the OPA.

2.2. Maintenance of suitability for all pension relationships

In signing the affiliation agreement, the affiliated employer confirms:

- either that the same salary or income components are not insured twice – including with other pension institutions;
- or that a pension actuary has been instructed to assess the appropriateness of the overall pension solution and that the corresponding confirmation concerning the suitability of the overall pension solution has been provided via the form “Confirmation pursuant to Article 1a of the OPO 2”.

2.3. CEA obligation to report

The employer confirms that any provisions of the CEA governing occupational pension provision are being complied with by the pension plan decided upon.

The foundation is not liable for any violation of the provisions of the CEA. The employer is solely responsible for ensuring that the pension solution is consistent with the CEA.

2.4. Daily sickness benefit insurance

If the disability pension is insured with a waiting period of 24 months, the employer shall ensure that daily sickness benefit insurance exists throughout the contractual term for all insured persons with a period for benefit payments of 730 days, less the waiting period selected, that does not provide for any restrictions for pre-existing illnesses and directly covers at least 80% of the lost salary up to the upper OPA limit, at least half of which is financed by it.

The employer shall be liable to the foundation for any benefits due before expiry of the contractually agreed waiting period of 24 months on the grounds that no corresponding payments have been made under daily sickness benefit insurance.

2.5. Reporting obligation

The employer or the insured person must inform the foundation in a timely manner of the following:

a) The names of all the persons to be insured under the regulations

b) New employees, at the latest 30 days after the beginning of their employment contract or after the beginning of the obligation to provide cover for occupational pension benefits, whereby persons not covered under the Swiss Accident Insurance Act (Bundesgesetz über die Unfallversicherung – UVG) must be identified accordingly

c) The current number of employees at the beginning of each year and the relevant salaries for the purposes of providing occupational pension benefits

d) The inability to work of any insured persons as from the third day, without delay; the foundation may appoint an (external) case manager to assist and coordinate the employee's reintegration

e) Other changes concerning the employer, such as

- a change in legal form
- a change in company name
- a change of domicile and change of correspondence address

The Foundation must be informed of the following changes in writing without delay:

f) Death, without delay

g) Termination of employment, without delay, whereby details of the payment address for the transfer of termination benefits must be supplied at the same time

h) other information relevant to the provision of occupational pension benefits (for example changes in salary or marital status, adjustment of the level of employment), without delay;

i) Reduction in the number of employees or a restructuring of the company that could lead to a partial liquidation, without delay

Notices to the foundation concerning the employees must be sub-mitted using the forms provided by the foundation or its online portal or apps. These must be completed accurately and in full

2.6. Right of inspection

The foundation is entitled to inspect the documents of the employer insofar as they are relevant to the provision of occupational pension benefits (OASI statement, salary account, receipts, etc.).

2.7. Financing

a) The employer is the debtor as regards all contributions invoiced by the foundation, in particular contributions for retirement credits, risk contributions, contributions to administrative costs, additional contributions for the OPA Guarantee Fund, supplementary contributions for the statutory cost-of-living adjustment, advisory and relationship management fees, interest charges and, if applicable, additional costs related to the partial or total liquidation of the pension provider or the foundation

b) The foundation invoices the employer for the contributions set forth in the regulations and for any additional costs. The risk contributions and additional costs must be paid within 30 days of the date on which a change was recorded; the savings credits are due on 31 December every year. The foundation may specify other due dates for payment for individual employers and trade associations.

c) The invoiced contributions are debited from the contribution account on the due date (value date). Payments will be credited as at the value date. Credits related to changes are credited 30 days after the change was made.

d) The employer undertakes to pay the contributions to the contribution account on the due date, in particular the employee contributions deducted from the salaries, and to settle the account before 31 December every year if it should have a balance in favour of the foundation.

e) The employer will be liable for any exceptional costs incurred by the foundation due to the employer's failure to cooperate in providing occupational pension benefits, non-payment of contributions, etc. Any such costs will be debited from the contribution account.

f) Default interest at a rate of 6% p.a. will be charged from the due date on any outstanding amounts (premiums, administrative costs, etc.), irrespective of the date of the invoice and without any reminder to pay. Interest will be credited until the due date on any payments made prior to the due date.

g) The interest paid on contribution accounts, accounts «Non-committed funds» and reserve accounts for employer's contributions is credited on 31 December every calendar year. The Board of Trustees determines the interest rates for all accounts at its last meeting for the calendar year.

h) Any balance in favour of the foundation at the end of a calendar year, including any accrued interest charges, is carried forward to the next calendar year as a capital claim. Any balance in favour of the employer, including any accrued interest credits, is credited as a down payment on the contributions for the next year.

i) The foundation shall send the employer an account statement for the contribution account at the end of each year. Employers with an amount due at the end of a quarter shall also receive an account statement. If this balance is not paid within 30 days, the foundation will send the employer a reminder demanding the transfer of the outstanding amount within 14 days from the date that the reminder is sent. If the employer does not satisfy this demand, the foundation reserves the right to set off the outstanding employer contribution against any contribution reserves, to initiate legal proceedings to collect the outstanding contributions plus interest and costs, and to terminate the affiliation agreement with immediate effect.

j) The foundation may demand monthly instalment payments from an employer which does not duly meet its payment obligations. This also applies to the savings premium which is not yet due. If the employer does not meet this demand, the foundation reserves the right to initiate legal proceedings to collect the total outstanding amount plus interest and costs, and to terminate the affiliation agreement with immediate effect.

k) The balance according to the account statement prepared at the end of the calendar year is considered to have been accepted if the employer does not object to it in writing within four weeks from its receipt.

2.8. Financing

If the foundation suffers a damage or loss as a result of a breach of contract by the employer, in particular as a result of the employer's inadequate collective daily sickness benefit and accident insurance, the violation of the obligation to cooperate, late reporting or out-standing payments, the employer will be fully liable to the foundation for all such resulting damage or loss

3. Use of surpluses

Any surpluses from insurance contracts will be passed on to the insured persons through an appropriately higher interest rate on retirement savings after the corresponding technical provisions have been sufficiently created and the decision has been taken by the Board of Trustees concerning cost-of-living adjustments for pensions.

4. Entry into force / termination of affiliation agreement

4.1. Term and termination of the agreement

a) The affiliation agreement begins and ends on the dates set forth therein. The affiliation agreement may first be terminated by giving six months' notice to the end of the fixed term of the agreement. Notice of termination must be given in writing. For the employer's notice of termination to be valid, the minutes of a resolution passed by the pension fund commission must be submitted to the foundation within the notice period.

b) If the foundation does not receive notice of termination at the latest six months before the end of the fixed term of the agreement, the agreement extends automatically for another year at a time.

c) The foundation is entitled to terminate the agreement without notice if

- the employer does not comply with the reminder; or

- the employer has breached its duties to cooperate; or
- the pension fund commission adopts provisions or passes resolutions that contradict the foundation's objective, its principles or the pension fund regulations, and refuses to change its decisions in spite of a written notice from the foundation; or
- there are no further beneficiaries.

d) The cover for occupational pension benefits ends if the affiliation agreement is terminated

e) The foundation will, in accordance with the law, report the defaulting employer to the competent authorities and reserves the right to notify the members of the pension fund commis-sion, the insured and any trade associations.

4.2. Cancellation of affiliation agreement

a) The procedure for the partial liquidation of the foundation and the calculation of the funds to be transferred are gov-erned by the regulations on the partial liquidation of the foundation or pension providers.

b) After the cancellation of the affiliation agreement, the pen-sion provider's assets are transferred to the new pension fund or, if the employer is liquidated at the same time, used in accordance with the provisions of the Swiss Vested Benefits Act (Freizügigkeitsgesetz – FZG) (Art. 23 of the FZG governing partial or total liquidation).

c) If the affiliation agreement is cancelled, pension recipients and the relevant reserves for outstanding claims are trans-ferred to the new pension fund. The foregoing is without prejudice to the right to conclude special agreements.

5. Concluding provisions

5.1. Data protection

a) The foundation is required to comply with the statutory provisions (Articles 85a et seqq of the OPA and the Swiss Federal Act on Data Protection FADP) regarding the use of personal data.

b) The bodies entrusted with the implementation, control and supervision of the implementation of the OPA are authorised to process or commission others to process personal data, including particularly sensitive data and personality profiles, which they require in order to fulfil the tasks assigned to and required of them by law.

c) In addition to the Foundation, other bodies, service providers, employers, vested benefits institutions, other insurers, medical service providers, etc., are involved in the implementation of occupational benefits. Personal data, in particular that of beneficiaries, is therefore not only processed by the Foundation; the Foundation may also enlist third parties to process such data, insofar as this assists in the fulfilment of the duties assigned to it under the OPA. Personal data may be processed at the behest of the Foundation by an external management body, an external administrative body, experts in occupational benefits, external asset managers, external service providers for marketing, communications and sales, external partners for case management, external consultants, IT and logistics companies, advertising service providers, financial institutions, insurance companies and reinsurance companies.

d) The foundation and any service providers process personal data primarily in connection with the conclusion and processing of affiliation contracts with employers and managing the corresponding OPA solutions for the beneficiaries. This includes, in particular, the admission of insured persons, commercial and actuarial administration, the examination and settlement of benefit cases and case management. In addition, the foundation may process data for internal purposes, for marketing and communication, to safeguard its rights and to fulfil its legal obligations. In particular, the foundation is entitled to disclose data relating to employers to associated foundations (including Tellco 3a, FZE and 1e Stiftung) and Tellco Bank Ltd. for marketing purposes with the aim of being able to offer comprehensive pension solutions and financial services to the employer.

e) The foundation and its service providers process personal data almost exclusively in Switzerland. One exception to this is the disclosure of personal data abroad in connection with a benefit case involving the Insured Person. The foundation and its service providers also use IT services and IT solutions that may involve data flows and data processing outside Switzerland, although these countries generally have an adequate level of data protection, or the protection of personal data is otherwise ensured in an appropriate manner.

5.2. Data protection

These General Terms and Conditions were approved by the Board of Trustees at its meeting on 6 December 2024 and will enter into force on 1 January 2025. They shall replace all previous provisions.

5.3. Data protection

Subject to the condition that it safeguards their objective, the foun-dation may, at any time, amend or revoke these provisions, in par-ticular if this is necessary due to laws, ordinances or supreme court decisions.

Schwyz, 6 December 2024

Tellco pk

Board of Trustees

In case of differing interpretations, the German text is authoritative.