

Baloise portable benefits policy

**Product Information, Terms of Contract
and Conditions**

Edition January 2024

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Product Information, Terms of Contract and Conditions

Dear Customer,

The Product Information should help you to better understand your insurance contract documents. The scope and substance of the mutual rights and obligations are governed solely by your insurance contract (portable benefits policy) and the Contract Terms and Conditions for the Baloise portable benefits policy.

Your portable benefits policy is governed by Swiss law. Anything not covered by the contract will be governed by the provisions of the Swiss Federal Law on Vesting in Pension Plans (FZG), Portable Benefits Ordinance (FZV) and the Swiss Federal Law on Insurance Contracts (VVG).

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Product Information

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1. Contractual partner

Your contractual partner is Baloise Life Ltd, Aeschengraben 21, P.O. Box, 4002 Basel hereinafter referred to as “Baloise”.

You can visit Baloise online at www.baloise.ch.

2. Policyholder, insured person and beneficiaries

The policyholder is the natural person who is taking out an insurance policy with Baloise in order to obtain insurance coverage for himself and his survivors. The policyholder is the contractual partner of Baloise.

The insured person is the natural person whose life is insured.

The beneficiaries with rightful claims to the lump-sum death benefit are, in order, the spouse, the orphans entitled to a pension under BVG, other natural persons who are materially dependent on the insured person or have been living with the insured person without interruption in the last five years prior to his death, or in their absence, the other legal heirs. The insured person can identify the rightful claimants and the amount of their claim in more detail in written form, subject to the legal provisions stipulated in the terms and conditions of insurance for the portable benefits policy.

Once the insured event occurs, beneficiaries generally acquire their own right to the insurance entitlement that was partially or fully assigned to them.

3. The Baloise portable benefits policy as a pension solution

This policy covers capital payments in the event of survival and death. As a capital-accumulating pension solution, the Baloise portable benefits policy not only helps the insured person prepare for retirement, but also provides financially for his survivors in the event of his death.

This ordinary life insurance generally only pays out benefits once upon maturation of the policy or the death of the insured person.

This insurance solution is classified as a “restricted pension plan” (Pillar 2).

Questions	Restricted pension plan (Pillar 2)
Who can insure themselves?	Insured persons in Pillar 2 who leave a pension fund before an insured event occurs, but have not joined a new pension fund.
What taxes are owed on the insurance during the contract term?	None
Are taxes owed on payouts made on maturation or surrender of the policy?	Yes. When a policy matures, taxes have to be paid on the insurance benefits separately from all other income. Taxes do not, however, have to be paid if the policy is transferred to a pension fund or portable benefits institution.
Are taxes owed on payouts made in the event of death?	Yes. In the event of death, taxes have to be paid on the insurance benefits separately from all other income.
Are there restrictions on surrendering the policy?	Yes. You can only surrender the policy in certain circumstances as provided by law.
Am I free to decide when the contract will expire?	No. In the event of survival, the contract will expire once you reach the age that was defined as the (ordinary) BVG retirement age as of the cover start date.
Can I withdraw money from my retirement assets before the contract expires?	Early payouts of retirement assets are only allowed in special cases as provided by law or no earlier than 5 years before reaching the (ordinary) BVG retirement age.

4. Technical interest rate and policy reserves

The technical interest rate is guaranteed for the entire term of the contract. It is solely controlling for the calculation of the insured benefit on survival to maturity and the lump-sum death benefit.

Policy reserves are defined as the amount held in reserve by Baloise to fulfil future obligations based on the insured benefits.

5. Participation in surpluses

Baloise calculates the policyholders’ total participation in the annual surplus in accordance with the Federal Law on Insurance Supervision.

Many factors determine the participation amount. They are unforeseeable – if only due to the long contract term – and cannot be readily influenced by Baloise. The most important factors are capital market interest rates. As a result, future participation in surpluses cannot be guaranteed.

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Baloise's annual operating accounts for the respective contracts provide the basis for calculating the participation in the surplus. Where the total balance is positive, the surplus will be mainly used to set aside provisions and contribute to a surplus fund in line with the respective legal provisions.

Participation in the surplus fund will be determined annually.

When distributing surpluses, Baloise will aggregate contracts with the same or similar conditions and consider past and future expected contributions from these contracts to the annual surplus.

The first participation in the surplus will be allocated at the commencement of the contract. The annual participation in the surplus is allocated in advance at the start of the calendar year. This means that where contracts are terminated because they are surrendered or policies mature, there is only a pro rata entitlement based on the effective contract period in this particular calendar year.

See the Contract Terms and Conditions for more details.

6. Commencement and maturity of the portable benefits policy

Baloise offer is always a proposal and/or an invitation to interested customers to submit an application. It does not express Baloise intention to be bound by a contract. However, the offer can provide an overview of the desired pension solution.

If the proposed insurance solution interests the customer, he may submit an application to enter into a corresponding contract. The application is thus a binding statement of intention with the objective of entering into a specific insurance contract. The policyholder must keep the application open for 14 days.

Baloise is generally responsible for accepting the application. The insurance contract is formed upon acceptance.

The insurance and insurance cover begin on the date specified in the application for insurance, but no sooner than the date upon which Baloise receives the application or payment of the single premium, though in all cases with the handing over of the policy.

The insurance policy matures when the insured person either dies or reaches the age which, on the contract commencement date, was defined as the (ordinary) BVG retirement age (documented in the portable benefits policy).

The portable benefits policy can also be surrendered early in certain circumstances as provided by law.

7. Right to cancel

The application to take out the insurance contract or the acceptance declaration of the proposed contract can be revoked in written form or through textual evidence. The revocation is effective, and the insurance cover will terminate, if the revocation notice is received by Baloise within 14 days of the contract being delivered. The date on which the contract is received is decisive for the start of the revocation period.

Revocation results in the insurance contract becoming ineffective from the beginning. The policyholder is, however, obliged to assume any external costs incurred in connection with the conclusion of the contract. The single deposit that has already been paid will be reimbursed.

8. Period of validity, territorial scope, area of applicability

The insured person is fundamentally covered during any activity and in any location for the entire duration of the policy. See the Contract Terms and Conditions for information on exclusions of cover.

9. Financing

The insurance is financed with a single premium paid to Baloise (total or partial portable benefit, withdrawal benefit from a pension fund).

The single premium is paid at the beginning of the contract and funds the insurance for the entire policy term.

10. Surrender

The policyholder can surrender all or part of the portable benefits policy to Baloise in certain cases as provided by law. See the Contract Terms and Conditions for details.

When a portable benefits policy is surrendered, Baloise deducts a certain amount from the premium reserve. This amount equals CHF 150 (termination fee).

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11. Data protection

Baloise relies on data processing in order to implement contracts efficiently and correctly. Baloise complies with the applicable data protection legislation within this context.

General information on data processing: Baloise processes the data concerning the policyholder that is relevant for concluding and implementing the contract and for settling claims (e.g. personal details, contact details, the details that are provided in the case of specific insurance products or information on previous insurers and previous claims). The data that is processed consists primarily of the information that the policyholder provided in the insurance application and, if applicable, any further information from a later claims notification. If required, Baloise will also obtain personal details from third parties if Baloise requires these details to conclude the contract (e.g. authorities, previous insurer).

Purposes of data processing: The data concerning the policyholder will only be used by Baloise for purposes which Baloise pointed out to the policyholder on their collection or for which Baloise is obliged or entitled to process the data by law. Baloise processes data concerning the policyholder primarily in order to conclude the contract and to assess the risk Baloise is to assume, as well as to implement the contract and settle claims later on (e.g. to issue the policy or invoices). Baloise also processes data concerning the policyholder in order to fulfil statutory obligations (e.g. supervisory requirements).

Finally, Baloise also processes data concerning the policyholder, to the extent permitted by law, in connection with product optimisations and for marketing purposes (e.g. advertising for products or market surveys and opinion polls). The policyholder has the right to inform Baloise in writing if he/she does not wish to receive advertising. If Baloise has a legal basis for the data processing, Baloise adheres to the purposes set out in the legislation in question.

Consent: Baloise may require the policyholder's consent to process data. The insurance application and the claims notification contain a consent clause for this purpose in which the policyholder authorises Baloise to process data in due compliance with the law.

Release from the duty of secrecy clause: Transfers of information, e.g. by a doctor who is subject to a professional duty of secrecy, require a specific declaration of consent. The declaration of consent therefore contains the policyholder's release from this duty of secrecy.

Sharing of data: Baloise may contact the previous insurers, co-insurers and reinsurers that are party to, or involved in the initiation of, the contract or claims settlement (e.g. previous insurers regarding the previous claim experience), Baloise Group companies or other third parties (e.g. authorities or loss adjusters) for risk measurement and to assess the policyholder's claims.

In addition, Baloise may be obliged to transmit data concerning the policyholder to other recipients, such as authorities to fulfil statutory notification obligations (e.g. tax authorities or prosecuting authorities).

Agents receive the information they need for supporting and advising customers from the data Baloise has collected on policyholders. Intermediaries are bound by law and contract to observe their special duty of secrecy and the provisions of the applicable data protection legislation. Independent intermediaries may only access this data if they have been authorised to do so by the policyholder.

To provide the policyholder with reasonably priced, comprehensive insurance cover, some of the services are also provided by legally independent domestic and foreign companies. These service providers are contractually obliged to adhere to Baloise's defined purposes of the data processing, as well as to the applicable data protection legislation.

Rights in relation to data: The applicable data protection legislation entitles the policyholder to demand that Baloise disclose whether it processes data about him/her and, if so, what data Baloise processes. He/she can also ask for incorrect data to be rectified and, subject to certain conditions, erased. Subject to certain requirements, he/she can also ask for the data he/she has provided Baloise with to be made available or transmitted in a commonly used electronic form.

In all cases in which the data processing is based on the policyholder's consent, he/she has the right to revoke this at any time. If consent is withdrawn, this will not affect the legality of the processing carried out based on the consent up until the date of its withdrawal.

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Retention period: In accordance with Baloise's erasure policies, data concerning the policyholder will only be stored by Baloise for as long as this is required for the aforementioned purposes and if Baloise is legally or contractually obligated to store it. If personal data is no longer required for the purposes set out above, it will be erased.

Further information: Detailed information on data protection: www.baloise.ch/datenschutz

Any questions can be directed to the Data Protection Officer:

Baloise Insurance Ltd
Data Protection Officer
Aeschengraben 21, P.O. Box
4002 Basel
datenschutz@baloise.ch

12. Complaints

If you have a complaint, please contact:

Baloise Life Ltd
Complaint Management
Aeschengraben 21, P.O. Box
4002 Basel

Phone: 00800 24 800 800
Email: complaint@baloise.ch

Terms of Contract and Conditions

Scope of benefits

L1

Insured benefits

Cover extends to

- a payment on maturity, due at retirement age,
- a lump-sum death benefit for the same amount in case of death before retirement age.
- The retirement age is the regulatory age limit effective at the commencement of the insurance in accordance with the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG).

The insurance is based on actuarial calculations approved by the responsible supervisory authorities (mortality table according to the 2024 tariff based on the SIA's community statistics 2016–2020, technical interest rate = 0,5%).

Registered partners are treated the same as spouses under the Federal Registered Partnerships Act.

General provisions

A1

Commencement of insurance and coverage

The insurance and insurance cover begin on the date specified in the application for insurance, but no sooner than the date upon which the Baloise receives the application or payment of the single premium, though in all cases with the handing over of the policy.

A2

Financing

The insurance is to be financed with a single premium, equal to the total or partial withdrawal benefits to which the policyholder is entitled when withdrawing from a pension fund.

A3

Surrender

The surrender value is equal to the policy reserves, after making any deductions according to the following provisions: Policy reserves are defined as the amount held in

reserve by the Baloise to fulfill future obligations based on the insured benefits.

The policy reserves shall be calculated according to the actuarial rate used to calculate the single premium.

A surrender is possible if the policyholder uses the surrender value for the transfer to a pension fund or portable benefits institution.

A surrender is possible with the written consent of the spouse if the policyholder:

- is due to reach retirement age under the Swiss Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans (BVG) within 5 years;
- is receiving a full disability pension under Swiss Federal Disability Insurance (IV) law and is not insured elsewhere for disability risk under Article 10 of the Portable Benefits Ordinance (FZV);
- leaves Switzerland permanently and fulfils the conditions stipulated under Art. 25f FZG;
- becomes self-employed and is no longer subject to compulsory insurance;
- has a claim to a surrender value that amounts to less than his/her annual contribution to the previous pension fund;
- uses the benefit under the provisions for the promotion of home ownership. If the policyholder has pledged the insured benefits, then, for the surrender, he/she must provide the written consent of the pledgee to the extent that the pledged sum is affected.

In the event of a surrender, there will be a CHF 150 termination fee deducted.

There will be no deduction for surrenders:

- within 5 years prior to reaching retirement age,
- as recipients of full disability pensions,
- for payments under the provisions for Home Ownership Development with Occupational Welfare Funds. The Baloise charges a processing fee of CHF 400 for applications for advanced payments or pledges.

A4

Participation in surplus

The Baloise's annual operating accounts for the respective contracts provide the basis for calculating surplus dividends. Where the total balance is positive, the surplus will be mainly used to create reserves and contribute to a surplus fund in line with the respective legal provisions.

All dividends from the surplus fund will be determined annually.

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In order to distribute surpluses, contracts with the same or similar conditions will be taken together and existing as well as future expected contributions will be taken into account when the annual surplus is applied to these contracts.

The annual surplus dividend will be allocated in advance at the beginning of the calendar year. This means that where contracts are terminated because they are surrendered or policies mature, there is only a pro rata entitlement based on the effective contract period in this particular calendar year.

The first surplus dividend will be allocated in advance at the commencement of the contract.

All surpluses will accrue interest. They will be paid out when a surrender value is paid out or when insurance benefits are paid upon the maturation of a policy or the death of an insured person.

Any change to the system of allocating surpluses during the term of contract must first be notified to the supervisory authorities. Policyholders will at the latest be notified with the information following the change.

The Baloise will send appropriate notification regarding the allocation of surpluses.

A5

Payment of insured benefits

Insured benefits will be paid as soon as the policyholder or eligible beneficiary provides all of the documentation required to support the claim. Any person applying for benefits under this insurance must present the policy.

A payout of the retirement benefit as a lump sum is only permitted if written consent is provided by the spouse.

A6

Place of settlement for insured benefits

The place of settlement for insured benefits is the Swiss domicile of the policyholder or the beneficiary. For persons domiciled outside of Switzerland, Basel is the place of settlement.

A7

Waiver of reduction in benefits

The insured benefits will also be paid where insured events are the result of gross negligence or suicide.

A8

Assignment and pledging of insured benefits

The insured benefits may not be assigned or pledged before they are due. The provisions of the home ownership development plan or court orders in case of divorce take precedence.

A9

Nomination of beneficiaries

The beneficiaries include the following persons:

- the policyholder when the insurance matures,
- the following order of persons in case of death
 1. the surviving spouse and minors, as well as children who have at least a 70% degree of disability or are undergoing educational or vocational training and have not yet turned 25 years of age.
 2. natural persons who are materially dependent upon the insured person at the time of death, or have been living with the insured person for an uninterrupted period of at least five years, or who are responsible for the maintenance of one or more children held in common with the insured person,
 3. In the following order:
 - children of the deceased who do not fulfill the conditions stipulated in paragraph 1,
 - the parents,
 - the siblings,
 4. other legal heirs with the exception of the local community.

By way of written notification to the Baloise, the policyholder can:

- define the entitlements of the beneficiaries in the respective paragraphs in more detail,
- add persons from paragraph 2 to the persons listed in paragraph 1.

Where there is no other agreement to the contrary, benefits will be divided equally among beneficiaries. Any deviation in the division of benefits set out in the respective paragraphs is only permissible if the changes better meet the needs of beneficiaries at the time of death.

A10

Notices

All notices to Baloise are to be sent in written form or through textual evidence to the Head Office in Basel. Statutory or contractual provisions that expressly require written form remain reserved.

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A11

Basis of contract

If not regulated by this contract, the provisions of the Swiss Federal Law on Vesting in Pension Plans (FZG), Portable Benefits Ordinance (FZV) and the Swiss Federal Law on Insurance Contracts (VVG) are applicable.

A12

Place of Jurisdiction

The place of jurisdiction is Basel or the Swiss domicile of the policyholder or beneficiary.

A13

Insurance cover in military service and war

The following regulations issued by the Swiss supervisory authority apply to all life insurance companies active in Switzerland:

Active service to protect Swiss neutrality and to maintain national law and order, both without warlike actions, is regarded as military service in times of peace and is therefore included in the insurance in accordance with the terms of contract. If Switzerland is involved in a war or warlike activities, then the insured person are entitled to a single war contribution falling due one year after the end of the war. It is irrelevant whether the insured person participates in the war or is stationed in Switzerland or abroad.

The single war contribution serves to cover losses caused directly or indirectly by the war to the extent that these affect the insurances to which these terms apply. The determination of such losses and of the funds available for coverage, as well as the calculation of the war contribution and the options for its payment – if necessary by reducing the insured benefits – will be undertaken by the Baloise in agreement with the Swiss supervisory authority.

If benefits from the insurance become due before the amount of the war contribution is determined, the Baloise is entitled to withhold payment of an appropriate portion of these benefits up to one year after the end of the war. The amount of benefits withheld and the interest rate applied will be determined by the Baloise in agreement with the Swiss supervisory authority. The Swiss supervisory authority will determine the dates marking the commencement and end of the war with respect to applying the aforementioned provisions.

If the insured person participates in a war or warlike activities without Switzerland being involved in the war or warlike activities, and dies during the war or within 6 months after peace is concluded or the hostilities end, the Baloise will be liable for an amount equal to the policy reserves as calculated on the date of death, but not exceeding the insured benefits in the event of death.

The Baloise reserves the right to modify the provisions of this article in agreement with the Swiss supervisory authority, with said amendments also applying to this insurance. This policy is also expressly subject to any legal and regulatory measures issued in connection with a war, especially those with regard to the repurchase of the insurance.

Baloise Life Ltd

Aeschengraben 21, P.O. Box
4002 Basel
Customer Service 00800 24 800 800
customerservice@baloise.ch
www.baloise.ch