



SwissLife



## Provisions checklist *for company founders*

Security and occupational provisions for  
you, your company and your employees

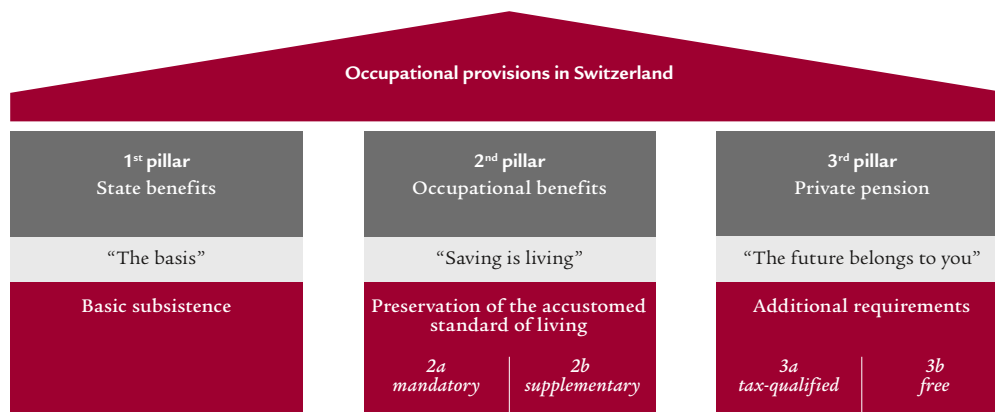
ARBEITSZEITEN

# Occupational provisions and insurance *for* *company founders*

For you as company founder, for your company and for your employees, social security in the form of property, liability, vehicle and legal expenses insurance are not only relevant, they are also mandatory in part. Here, in addition to checklists, we also provide you with key explanations of occupational provisions in Switzerland, in brief and easy-to-read form.

# Security and occupational provisions for you and your employees

Occupational provisions in Switzerland are based on the three-pillar concept.



## State benefits (1<sup>st</sup> pillar)

The first pillar of the three-pillar concept is state benefits. It is obligatory and covers your basic subsistence requirements in old age and in the event of disability, and those of your dependants in the event of death. Employer and employee pay 50% each of the monthly AHV, IV, EO and ALV contributions. Family allowances, on the other hand, are covered by the employer in full. You can find the exact salary contributions of the employer and employee on [www.bsv.admin.ch](http://www.bsv.admin.ch).

### AHV (Federal old-age and surviving dependants' insurance)

The mandatory AHV is the most important element of state benefits in Switzerland. In retirement, the pension covers basic subsistence. If you die your surviving dependants receive the benefit.

### IV (disability insurance)

Swiss disability insurance is mandatory. It provides a minimum standard of living through occupational reintegration measures or financial benefits if you become unable to work through disability.

### EO (Ordinance on indemnity for loss of earnings)

The EO helps replace lost earnings due to service in the Swiss military, civilian service, civil protection or during maternity leave.

### ALV (unemployment insurance)

The ALV replaces some of your reduced income due to unemployment, short-time working, weather-related factors or the employer's inability to pay.

### FAK (Family Allowance Office/family allowances)

The FAK provides family allowances for your own children so as to partially offset the financial burden of having one or more children.



*“Do you know what you must provide?”*

## Occupational provisions (2<sup>nd</sup> pillar)

Occupational provisions are also known as the 2<sup>nd</sup> pillar, BVG or pension fund of our social security system. As for the 1<sup>st</sup> pillar, employer and employee share the contributions to the 2<sup>nd</sup> pillar (the employer pays at least 50%). Contributions to the 2<sup>nd</sup> pillar are mandatory from a given annual salary (in 2019: CHF 21 330<sup>1</sup>).

### **Pension fund/BVG (Federal Law on Occupational Retirement, Survivors' and Disability Pension Plans)**

The pension fund's purpose is to enable you and your dependants to maintain your standard of living in the event of loss of earnings, disability, death and, of course, retirement. Employers are obliged to insure their employees from a certain salary level. Some self-employed persons may voluntarily join a pension fund.

### **UVG/NBU (Federal Law on Accident Insurance/ Non-occupational accident)**

Accident insurance, which is mandatory for employees, protects employees from the economic, immaterial and health-related consequences of accidents or occupational disease.

### **KTG (Short-term disability benefit)**

The KTG provides the employee's salary during long-term illness for up to two years and is thus beneficial to the employer and employee.

## Private pension (3<sup>rd</sup> pillar)

The 3<sup>rd</sup> pillar is the voluntary part of the three-pillar concept and is designed to maintain your standard of living and close any shortfall in income remaining once the first two pillars have been accounted for. The Federation and cantons support private provisions through tax breaks. For example, self-employed persons without a pension fund can thus save up to CHF 34 128 (max. 20% of earned income) from their taxable income, while employees with a pension fund can save up to CHF 6 826 (maximum amounts in 2019<sup>1</sup>). Self-employed persons and employees can also acquire customised cover against the risks of disability and death.

<sup>1</sup>Determined anew every two years by the Federal Social Insurance Office.

# Occupational provisions checklist for company founders

The following checklist provides you with an overview of your situation in terms of insurance.

## Security and occupational provisions for you and your employees

Insurance	Self-employed (sole trader, limited partner- ship, general partnership)	Owner of a public limited company (AG) or limited liability company (GmbH), provided the owner draws a salary	Employees (regardless of com- pany's legal form)	Adequate cover and occupational provisions?		
				Yes	No	Unsure
<b>1<sup>st</sup> pillar AHV/IV/EO</b>	Mandatory	Mandatory	Mandatory	<i>No option to choose</i>		
<i>ALV</i>	None Protection possible	Mandatory	Mandatory	<i>No option to choose</i>		
<i>Family Allowance</i>	Mandatory	Mandatory	Mandatory	<i>No option to choose</i>		
<b>2<sup>nd</sup> pillar BVG/Pension fund</b>	Voluntary	Mandatory <sup>2</sup>	Mandatory <sup>2</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>UVG: Occupational accident (BU) and non-occupational accident (NBU)</i>	Voluntary	Mandatory (NBU longer than 8 hours per week)	Mandatory (NBU longer than 8 hours per week)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Short-term disability benefit</i>	Voluntary	Voluntary	Voluntary <sup>3</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>3<sup>rd</sup> pillar bank and insurance savings, death and disability insurance</b>	Voluntary <sup>4</sup>	Voluntary <sup>4</sup>	Voluntary <sup>4</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>2</sup> From an annual salary of CHF 21 330 (2019)

<sup>3</sup> Continued salary payment by the employer, duration depends on length of employment

<sup>4</sup> Promoted by the Federation and cantons through tax breaks

Property, liability, vehicle and legal expenses insurance help you as company founder secure your start-up and mitigate your financial risks. Use the following checklist to determine whether you have adequate cover.

Security for your company and business activity	Adequate cover?		
	Yes	No	Unsure
<b>Protection for your building</b>			
Fire and natural hazards <sup>5</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Glass breakage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Liability	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Protection for your movable property</b> ( <i>movable items which are not building components or structural installations, e. g. goods, fixtures and fittings etc.</i> )			
Fire and natural hazards <sup>5</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Break-in/theft	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Water	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Glass breakage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Machines, EDP systems, technical systems	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Movable machines	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assembly	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transport	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Protection for your assets</b>			
Occupational and public liability insurance <sup>6</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Breach of trust (fidelity bond) <sup>6</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business interruption through fire, water or mechanical breakdown	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Debtor shortfall insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Legal protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Travel-related risks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Protection for your vehicle</b>			
Liability <sup>7</sup>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Fully comprehensive/third-party cover	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Passenger accident insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Motor vehicle legal protection	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parking damages	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Gross negligence	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<sup>5</sup> Mandatory in some cantons   <sup>6</sup> Mandatory in some sectors   <sup>7</sup> Mandatory

# We can manage your occupational *provisions and insurance arrangements*

Have you found any gaps in your occupational provisions or insurance checklist, or would you like to know which solutions would be of particular interest to you? Do you have any questions on financial matters or are you still looking for the appropriate legal form? Together we will find the solutions that match your needs and budget.

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