

## **Instructions**

### **Statutes of pension funds**

These instructions contain a brief overview of the points to be taken into special consideration when drafting statutes for pension funds. In actual cases, the legal provisions and the orders issued by the Financial Market Authority as the supervisory body apply exclusively. The FMA is available for any further questions.

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When drafting statutes for pension funds, the provisions contained in the Law on Persons and Companies (PGR) apply, along with the following requirements in particular:

#### **Company name**

Company names must comply with the provisions set out in articles 1011 et seq. PGR. The Office of Land and Public Registration has primary responsibility. The use of national identifiers, in particular the word “Liechtenstein”, is subject to approval by the Office of Land and Public Registration (article 1013, paragraph 2 PGR).

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#### **Form of company**

The pension fund can be established in the legal form of a registered foundation, a company limited by shares, a European Company (Societas Europaea), a cooperative society, or a European Cooperative Society (Societas Cooperativa Europaea) (article 7 paragraph 1(a) PFA). With respect to the legally required content of the statutes, see article 555 PGR (foundation), article 2 of the Law on the Statute of the European Company (Societas Europaea; SE; SE Act), article 279 PGR (company limited by shares), article 430 PGR (cooperative society), and article 2 of the Law on the Statute of the European Cooperative Society (Societas Cooperativa Europaea; SCE; SCE Act).

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#### **Purpose of company**

Precise description of the purpose of the company: The purpose must be limited to retirement provision activities (as set out in article 2, paragraph 1 PFA) and immediately connected activities. The phrase “excluding activities not related to pensions” must be included in the declaration of purpose.

If the institution offers the possibility of pension reinsurance as set out in article 4 PFO, this must be indicated in the declaration of purpose.

An example of the declaration of purpose:

“The purpose of the institution is to offer occupational retirement, survivors’, and disability provision for the employees of the associated companies, as set out in article 2, paragraph 1 PFA, excluding activities not related to pensions.”

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### **Convening of the general meeting/meeting of the foundation council**

Pursuant to article 29, paragraph 1 PFA, the business report must be submitted by 30 April, so that the ordinary general meeting/meeting of the foundation council must also take place within four months of the end of the business year (deviating from article 339, paragraph 1 PGR).

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### **Proxy rules / Signing authority**

The statutes must contain an indication of the exclusive collective signing authority.

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### **Board of directors / Foundation council / General management**

The board of directors must have at least three members (article 344, paragraph 2 PGR). This also applies to European Companies (article 37, paragraph 1 SE Act) and European Cooperative Societies (article 33, paragraph 1 SCE Act). In the case of foundations and cooperative societies, at least two members of the foundation council or board of directors must be appointed.

At least one member of the board of directors or the foundation council and of the general management must be a Liechtenstein citizen or a citizen of a Contracting Party to the EEA Agreement or of Switzerland, or be deemed equivalent pursuant to an international agreement (article 14, paragraph 1 PFA).

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### **Audit office**

Audit offices authorized as insurance audit offices under insurance supervision legislation are recognized as audit offices of pension funds (article 28 PFO).

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### **Annual financial statement / Annual accounts / Profit distribution**

The term “business report” shall, in accordance with article 29 PFA, mean the annual account statement, consisting of balance sheet, income statement, and notes, plus the annual report. The business report must be prepared annually as of 31 December.

The statutes must indicate that the accounting rules set out in the Pension Funds Ordinance (see articles 25 et seq. PFO) shall be observed.

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### **Formation costs**

When a pension fund is newly established in the form of a company limited by shares, the statutes must also provide information on the formation costs (see article 279, paragraph 1(12)

PGR). This also applies to the European Company (article 2 SE Act). Statutes of foundations must at least indicate the foundation capital.

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## **Founders**

When a pension fund is newly established in the form of a company limited by shares, the statutes must also contain information on the founders (article 279, paragraph 1(4) PGR). It suffices if the founders are listed by name at the end of the statutes. This again also applies to the European Company (article 2 SE Act). Foundations are formed by way of a deed containing the notarized signatures of the founders (article 555, paragraph 1 PGR).

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## **The most important legal foundations**

- Law of 24 November 2006 on Supervision of Institutions for Occupational Retirement Provision (Pension Funds Act; PFA, LGBl. 2007 No. 11, as amended);
- Ordinance of 12 December 2006 on the Law concerning the Supervision of Institutions for Occupational Retirement Provision (Pension Funds Ordinance; PFO, LGBl. 2007 No. 16, as amended);
- Ordinance of 21 December 2004 on the Levy of Supervision Taxes and Fees pursuant to the Financial Market Authority Act (FMA Fee Ordinance; 2004 No. 288; as amended)
- Law on Persons and Companies (PGR; LGBl. 1926 No. 4, as amended)

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