

Contract of association

Helvetia LOB Invest Group Foundation for Employee Pensions

1 Association with the Foundation

1.1

For the purpose of implementing an occupational benefit scheme, the undersigned company (hereinafter called the company) hereby associates itself with the Helvetia LOB Invest Group Foundation for Employee Pensions, Basle (hereinafter called the Foundation).

1.2

The Foundation is organized as a collective foundation and registered as such with the BSABB, BVG- und Stiftungsaufsicht beider Basel in the Register for Occupational Benefit Plans in accordance with Art. 48 LOB. The associated company forms a separate pension fund within the Foundation.

The Foundation fulfils the prerequisites contained in the Federal Law of the 25th June 1982 on the Occupational Old-age, Survivors' and Disability Benefit Plan (LOB) and guarantees the provision of the minimum benefits stated in this law.

1.3

A collective life insurance contract has been concluded between the Foundation, as policyholder, and Helvetia Swiss Life Insurance Company Ltd, Basle (hereinafter called Helvetia) to cover the risks of death (before retirement) and earning disability. Helvetia shall be responsible for managing the Foundation.

1.4

The investment of the pension fund assets is performed by the Board of foundation on the basis of the provisions of the LOB. The longevity risk (including the risk of death following retirement) is borne by the Foundation itself.

1.5

On affiliation with the Foundation the pension fund is entitled to the profit shares granted by the Foundation under the collective life insurance contract as well as a dividend distribution on the invested savings assets in accordance with the provisions conform to the regulations.

2 Bases

2.1

The contracting parties' rights and obligations arise out of this contract of association, the Rules on Costs, the Foundation Instrument, the Election Rules and the Organization Rules. The affiliated company acknowledges the current legal foundations and any subsequent amendments of the same.

2.2

The conclusion document and the Rules on Costs shall form integral components of the contract of association. The company confirms that it has taken notice of the contents of these documents.

2.3

Helvetia shall represent the Foundation as the managing company. Notifications to Helvetia shall also be regarded as notifications to the Foundation. Notifications on the part of Helvetia shall also be regarded as notifications from the Foundation.

2.4

The relations between the Foundation and the beneficiaries (employees of the associated company or their surviving dependants) shall be determined exclusively by the pension fund regulations. The pension fund regulations comprise the benefit plan and the General Regulation Provisions of the Foundation. The Foundation undertakes to implement the benefit scheme in accordance with the regulations and, in particular, to provide the benefits applicable under these regulations.

3 Parity administration / Board of Trustees

3.1

Immediately after the signing of this contract, the associated company undertakes to have the employees' representatives elected for the parity Board of Trustees in accordance with the provisions of the Organization Rules and to appoint the employer's representatives. In the event of a vacancy and before the beginning of each term of office, the Board of Trustees is to be completed or to be newly elected.

3.2

The associated company approves the composition of the present Board of foundation and may participate in any subsequent elections pursuant to the Election Rules. In particular the company agrees to be bound by the provisions of the Foundation Instrument and the Election Rules which concern the appointment of the employers' representatives.

4 Duties to co-operate

4.1

The company shall notify the Foundation of the admittance of its staff to the benefit scheme.

4.2

The Foundation is to be notified within the specified time of

- New admissions, at the earliest 90 days before and at the latest 60 days after the beginning of the employment or after the beginning of the obligation to provide benefits respectively, whereby in accordance with the Federal Law on Accident Insurance (LAI), non-insured persons are to be designated accordingly;
- Cases of disability and incapacity for work which are of more than 3 months duration (notified within the following month);
- Other facts of relevance for the implementation of the benefit scheme (e.g. changes in matrimonial status).

Cases of death and surrender from service and salary reductions which go below the regulatory levels for admittance to the scheme are to be notified to the Foundation without delay. In the case of surrender of service, the address for the transfer of the termination benefit and the person's home address are also to be notified. At the same time it is to be reported if the surrender of service is due to health reasons.

The persons applying for insurance and the corresponding basic salaries must be communicated to the Foundation at the beginning of the year.

4.3

The associated company undertakes to co-operate with any measures undertaken by the benefits management.

4.4

For all notifications of the total number of persons employed, the forms made available by the Foundation for this purpose are to be used. They are to be completed truthfully and completely.

4.5

For new entries and at the beginning of each year, the Foundation shall prepare an individual insurance certificate for each insured person which stipulates the benefit entitlements. The insurance certificates will be sent directly to the insured persons or made available in electronic form.

The associated company is obliged to hand the pension fund regulations drawn up by the Foundation to each insured person if they have not been sent or made available in electronic form to the insured persons.

4.6

The company has sole responsibility for compliance with the provisions of collective labour agreements (CLAs). In particular, the company must report any new members of a CLA or changes to existing CLA provisions immediately to the Foundation. Only CLA provisions expressly ensured by the contract of association or the pension fund regulations shall be effective in the benefit arrangement and enforceable towards the Foundation.

5 Contribution payment/Due date

5.1

The company undertakes to pay all the contributions invoiced by the Foundation. Contribution adjustments in particular due to rate changes or amendments to the actuarial calculation principles as well as additional contributions are reserved. The employees' contributions are to be deducted from their salaries and to be remitted regularly, (at least once a quarter).

5.2

The anniversary date shall be regarded as being the 1st January of a year. As a rule, salary, benefit and contribution adjustments are to be made only as of the anniversary date.

5.3

The contributions for the risk benefits, for the adjustment of the risk benefits to inflation and for the costs as well as any contributions levied by the Foundation for raising technical provisions shall be due in each case at the beginning of a year or with the admission of an employee to the employee benefit scheme. The maturity of the age credits and the contributions to the security fund shall be at the end of the year, in the case of withdrawals from service with the date of the termination of employment.

5.4

Interest will be credited to payments before the due date, interest will be charged to delayed payments without reminder. The Foundation shall be entitled to fix interest rates in conformity with the market. The interest rates may be adjusted to new circumstances at any time.

However, the Foundation shall not charge any interest if payments for contributions, which shall be due at the beginning of the year or with the admission of an employee to the employee benefit scheme, shall reach it within 30 days after the due date.

Any balance existing in the Foundation's favour at the end of a calendar year, including any accrued interest charges, shall be carried forward to the next calendar year as capital due. Any balance in the favour of the associated company, including any interest credit balance which may have accrued, will be credited to the contributions for the following year as a payment on account.

At the end of a calendar year, the Foundation will prepare a statement of account for the collection account. Its balance shall be regarded as accepted if the associated company shall not lodge an objection in writing within 4 weeks after receipt of the statement of account.

5.5

In the event of payment arrears of the associated company, the Foundation shall be entitled in addition to limit its obligation to pay to the pension fund assets, if the associated company shall not remit the amounts due within 14 days after receipt of a warning in writing of the consequence of this default. In order to revive the previous extent of coverage, the amounts charged shall continue to be owed.

The assets of the pension fund are composed of the pension fund assets actually in existence (including the contractually agreed benefits from Helvetia resp. benefits of the Foundation) as well as any dividends from bankruptcy or proceeds from the realisation of pledged assets and any benefits paid out by the security fund. The Foundation shall not be liable for any reductions of benefits which are attributable to outstanding payments due to Helvetia.

5.6

For the duration of a cover shortage, the Board of Foundation, respectively the investment pool, can adopt measures to eliminate the cover shortage in accordance with the provisions of the pension fund regulations, and can in particular levy separate restructuring contributions. The company is invoiced for the restructuring contributions as the party who owes the total contribution. The payment conditions applying for the payment of the contributions for risk benefits apply *mutatis mutandis*.

5.7

The associated company may accumulate contribution reserves with the Foundation in order to discharge the employer's future contribution shares with these funds. In the event of outstanding payments, the Foundation shall be entitled to set off the employer's contribution share due against the contribution reserves.

If the Foundation is suffering a cover shortage, the company can also decide to pay funds into a separate "employer's account for contribution reserves with a waiver of use".

5.8

The Foundation shall not be responsible for the tax deductibility of contributions.

6 Liability

If there shall be coverage deficits in the case of the occurrence of an event as a consequence of behaviour in breach of the contract by the associated company, namely as a consequence of infringement of the duty to co-operate (para. 4) or as a consequence of outstanding payments, then the associated company shall be liable to the Foundation in full for the benefits to be paid by it under the regulations.

7 Entry into force / Termination / Cancellation

7.1

This contract of association shall enter into force when countersigned by the Foundation on the date agreed in the conclusion document and replace any agreements possibly made earlier. The contract of association shall have a fixed term of 5 years, and notice of termination can be given for the first time after the expiry of this term for 31st December. If notice of termination shall be given by the associated company, the written consent of the Board of Trustees shall be necessary. The latter and the employer shall be obliged to confirm that the termination has been approved by the staff or any body representing their interests (pursuant to the Law on Participation).

7.2

If the notice of termination shall not arrive at the Foundation by 6 months at the latest before the expiry of the contract, then the term shall be tacitly extended by one further year in each case. The term for notice of termination shall remain unchanged.

7.3

In the event of outstanding contributions or in the event of gross infringement of the duty to co-operate, the Foundation shall have the right to terminate this contract with immediate effect. The Foundation shall also be entitled to this right if the Board of Trustees shall issue regulations or adopt resolutions which shall contradict the purpose of the Foundation, its principles, or the pension fund regulations, and shall adhere to the same despite warning in writing against them on the Foundation's part.

7.4

The contract of association may, in addition, be terminated by the Foundation prior to its expiry date in the event that there have been no insured persons or pensioners in the pension fund for at least 12 months.

7.5

In the event of cancellation of the contract of association, para. 3 of the Rules on Costs shall apply. Cancellation of the contract of association may lead to application of the partial and total liquidation regulations.

7.6

After cancellation of the contract of association, the assets of the pension fund shall be transferred to the new employee benefit institution or – in the event of the simultaneous liquidation of the company – be used in analogy to the provision of the regulations on vested benefits.

If the contract of association is terminated as a result of the company issuing a notice of termination and with written consent from the Board of Trustees, or if the company is the cause of the notice of termination of the contract of association by the Foundation as a result of an infringement of its obligation to co-operate or pay contributions, and if this liquidation results in a mathematical reduction of the minimum old-age savings pursuant to the LOB when the Foundation determines the contract termination value in consideration of para. 3 of the rules on costs, the following applies: The old-age savings pursuant to Art. 15 LOB shall be guaranteed by the Foundation all the same. However, the employer shall bear responsibility for compensation vis-à-vis the Foundation of the calculated deficit (e.g. in the form of single premiums, guarantee commitments by the new employee benefit institution).

7.7

If the contract of association is cancelled by the associated company or for reasons pursuant to para. 7.3, the Foundation shall transfer the mathematical reserves of the entire disability benefits in payment or the recipients of disability benefits to the new employee benefit institution. The same shall apply mutatis mutandis to cases where incapacity for work commenced prior to the termination of the contract of association and later led to disability.

The mathematical reserves covering retirement and survivors' pensions and the recipients of such benefits accrued during the contract term will remain with the Foundation. The same applies to recipients of survivors' pensions and mathematical reserves for the payment of survivors' pensions relating to a death that occurred before retirement and which were taken over from the previous employee benefit institution.

By contrast, the old-age pensioners and recipients of survivors' pensions taken over from the preceding employee benefit institution relating to a death after retirement will be returned. The cession of the mathematical reserves for payment of these benefits and the resulting elimination of provisions for longevity will be made according to the currently valid evaluation bases pursuant to the annual accounts (technical interest rate and tables) of the Foundation. The actuarial bases, especially the technical interest rate, are checked annually and can be adjusted by the Board of foundation.

7.8

If the contract of association is terminated by the Foundation (for reasons other than those provided for under para 7.3), the Foundation and the new employee benefit institution shall agree whether the recipients of benefits remain with the Foundation or transfer to the new employee benefit institution. In the event that agreement should not be reached the recipients of benefits shall remain with the Foundation.

7.9

The Foundation shall be obliged to submit notification of the termination of the contract of association to the authorities laid down by law.

7.10

The associated company has the possibility, in a written declaration, of becoming a member of the Patria Co-operative. There shall be no obligations. Withdrawal shall be permissible at any time. Withdrawal shall take place at the latest upon termination of the contract.

7.11

The legal venue for disputes arising from this contract shall be determined according to Art. 73 LOB.

The company confirms that the conclusion of this contract has the agreement of the staff or the body representing their interests (pursuant to the Law on Participation).

Place, date _____

Basle, _____

Company (name according to
of Commerce entry), signature(s):

Helvetia LOB Invest Group Foundation for Register
Employee Pensions
Signatures:

Enclosures:

- Rules on Costs
- Foundation Instrument
- Organizational Rules
- Election Rules

Rules on costs

Helvetia LOB Invest Group Foundation for Employee Pensions

1 Basis

1.1

These rules on costs shall form an integral part of the contract of association made between the Foundation and the company.

2 Expenditure with costs

2.1

For the following expenses incurred, the Foundation shall charge for the amounts to be reimbursed, which shall be invoiced to the associated company:

- Arrears of premiums:
 - Registered dunning letters in connection with arrears of premiums CHF 300.--
 - Instalment repayment agreements CHF 250.--
 - Enforced collections (excluding official costs):
 - Application for enforced collection CHF 500.--
 - Application for continuation CHF 500.--
 - Application for disposal of assets from a bankrupt's estate or realisation of a pledge CHF 500.--
- Infringement of the duties of co-operation
If the associated company shall infringe its duty of co-operation, despite a warning in writing (para. 4 of the contract of association) and the Foundation must therefore itself make the necessary inquiries for the implementation of the employee benefit scheme (e.g. information from the appropriate OASI compensation fund), the costs incurred through this, depending on the outlay, but at least, however, CHF 500.-- shall be charged to the company.

Special expenses for services to be rendered that are not within the scope of ordinary administration shall be invoiced in accordance with the expense incurred.

3 Cancellation of the contract

3.1

Termination of pool investment contract:
The pool investment contains all the assets of a pension fund that are not invested individually (e.g. pool quota). The liquidation value of the assets invested in the pool equals 100% of the invested funds. If the valuation of the Foundation's investments results in a cover shortage, the percentage is deducted from the pension fund's asset portfolio as a loss.

3.2

Liquidation of the company:
If the contract of association shall be terminated as a result of the adjudication of bankruptcy over the company, as a result of the liquidation of the company or as a result of the lack of staff, a deduction depending on the expense incurred, at least, however, a deduction of CHF 1'500.--, shall be made from the existing assets of the pension fund in addition to any possible deduction in accordance with art. 3.1.

4 Amendment of the rules

4.1

In the event of the existence of important reasons, the Board of foundation may adopt a resolution on an amendment of these rules on costs at any time.

4.2

Any amendments are to be brought to the knowledge of the associated companies in writing at least three months before they shall come into effect.

5 Coming into effect

5.1

These present rules on costs shall come into effect as of the 1st January 2013.

The Board of foundation

Foundation Instrument

Helvetia LOB Invest Group Foundation for Employee Pensions

Preamble

(1) In a bid to make it easier for all companies and institutions set up under public and private law in Switzerland to provide their employees with a compulsory occupational benefit scheme, Patria, Swiss Life Insurance Company (Limited Company), Basle (hereinafter referred to as Patria Life) established a collective Foundation. In September 2006, Patria Life was renamed Helvetia Swiss Life Insurance Company Ltd (hereinafter referred to as Helvetia).

A pension fund will be established for each association which shall be described and regulated in each case in pension fund regulations.

(2) The Foundation shall be under the supervision of the competent state authorities.

Art. 1 Name and office

(1) Helvetia hereby establishes a Foundation in the sense of Article 80 et seq. of the Swiss Civil Code under the name of

Helvetia BVG Invest Sammelstiftung für Personalvorsorge

Helvetia LPP Invest Fondation collective de prévoyance du personnel

Helvetia LPP Invest Fondazione collettiva di previdenza del personale

Helvetia LOB Invest Group Foundation for Employee Pensions

(2) The Foundation has its head office in Basle, with the consent of the supervisory authorities, the Board of foundation may move the head office to any other place in Switzerland at any time.

Art. 2 Object

(1) The Foundation has as its object the provision of employee occupational benefits scheme for employees and employers for old age, incapacity to work, and in the case of death for their surviving dependants.

(2) The employee benefit scheme shall be primarily in accordance with the requirements of the LOB and other social insurance laws. However, the Foundation may grant cover in excess of the benefits to be insured compulsorily.

(3) No benefits may be paid out of the Assets of the Foundation for which the employers associated with the Foundation shall legally be liable towards the employees or which they shall usually provide additionally for them as remuneration for services rendered (such as inflation increments, gratuities, presents for length of service, etc.).

(4) Occupational benefits insurance for the employer must be limited to the benefits for age, disability and death, conform to the regulations. Discretionary benefits to the employer shall not be permissible. As for the rest, the same rights and obligations shall apply for the employer as for the employees.

(5) The Foundation primarily pursues its objective by running a savings bank for the individual pension funds affiliated with the Foundation under affiliation contracts with the employers to the extent permitted by the funds available to them and the special regulations and with risk and annuity insurance policies concluded with Helvetia in addition. The Foundation is always both policyholder and beneficiary. In exceptional cases, other insurance companies licensed in Switzerland may also be involved in the insurance. The management of the Foundation shall be carried out by Helvetia.

Art. 3 Assets of the Foundation

(1) The Foundation assets consist of the capital stock and the pension fund assets of the individual pension funds.

(2) Reversion of the Foundation assets or parts thereof to the affiliated employer or the founder is excluded. The Foundation assets may only be used for the purpose of the employee benefit scheme.

Art. 4 Capital stock

(1) The capital stock is accrued from the initial assets dedicated by the founder of CHF 100'000.-- as well as any actuarial reserves and fluctuation reserves of the Foundation itself.

(2) The capital stock primarily covers the liabilities of the Foundation that are not related to pension claims. The capital stock will only serve as cover for the latter if the relevant pension fund assets cannot cover the pension claims due to intentional or negligent mistakes made by the Foundation, the Board of foundation, the Investment Commission or the management office.

Art. 5 Pension fund assets

(1) The pension fund assets of the pension funds are accrued with the contributions paid by the affiliated employers and employees. These contributions are used to accrue savings capital and also for the conclusion of the supplementary insurance cover (risk insurance, annuity insurance, etc.) that is required for the implementation of the employee benefit scheme of the affiliated employers and employees.

(2) In addition to the employer and employee contributions the pension fund assets of the individual pension funds also consist of the surpluses from the insurance contract distributed to the pension fund, the contributions to the Security Fund (according to the LOB), the Foundation's claims against the Security Fund in the event of an unfavourable age structure or the pension fund's insolvency, any actuarial reserves and fluctuation reserves accrued by the pension fund itself, the specially raised employer's account for contribution reserves, the other free funds as well as any other contributions from the employer or third parties.

(3) Only the pension fund assets of a pension fund serve as cover for the liabilities of the Foundation related to the pension claims of the beneficiaries of the pension fund and for damage caused intentionally or through negligence by the relevant Board of Trustees.

(4) The claims of the beneficiaries of a pension fund in the range beyond what is compulsory shall be limited by the amount of the pension fund assets concerned.

Art. 6 Investments

(1) The Board of Trustees issues directives for the investment of the savings capital according to Art. 5.

Art. 7 The Foundation's organs

(1) The Foundation's organs shall be:

- The Board of foundation
- The Investment Commission
- The Board of Trustees appointed for each pension fund in accordance with the separate organisation rules
- Management (the founder).

Art. 8 Board of foundation

(1) The Board of foundation consists of at least four members, half of whom are employer representatives and half of whom are employee representatives. The Board of foundation shall constitute itself. When notice is received of the termination of the affiliation contract by the other party, the relevant employer and employee representatives must resign from the Board of foundation with immediate effect.

(2) The Board of foundation is quorate if the majority of the trustees are present. Subject to Art. 8 (4) and Art. 13, the Board of foundation passes its resolutions with a simple majority of the votes. If votes are tied, the chairman has the casting vote.

(3) Representatives of Helvetia appointed by the Board of foundation take part in the meetings of the Board of foundation in an advisory capacity with no voting rights. The members of the Board of foundation with voting rights can at any time decide that the Helvetia representatives may not be present at a meeting or during the discussion of specific agenda items. Before a decision is taken by circular letter, these persons are to be consulted regarding the issue in question, unless the Board of foundation unanimously decides against such consultation.

(4) The Board of foundation shall issue organisation rules in conformity with the LOB, which may be amended at any time, on the composition of the Board of Trustees, as well as on the distribution of competence and tasks between the individual Board of Trustees and the Board of foundation, as well as election rules for the appointment of the Board of foundation. The adoption of amendments to the organisation rules and the election rules shall require the consent of at least two thirds of all members of the Board of foundation.

(5) The founder determines signatory power for tasks for which the founder is responsible in its capacity as the managing company under the organisation rules.

Art. 9 Accounting

(1) The Foundation manages separate accounts for every pension fund, in particular with regard to the contributions, accrued savings capital, insurance policies and pension benefits as well as provisions or reserves for contributions and benefits raised in excess of the contributions by the employer and the employees conform to the regulations.

(2) A separate account is also managed for the capital stock.

(3) The Foundation's accounts must be closed on 31 December annually.

Art. 10 Contracts of association

(1) The contracts of association with the associated employers shall be made in writing.

(2) The contracts of association shall be concluded in agreement with the staff or any possible employees' representation (in accordance with the Law on Participation). The consent shall be assumed as soon as the employees shall have participated in the election of the Board of Trustees.

Art. 11 Cancellation of an association with the Foundation

(1) If the association with the Foundation shall be cancelled by termination of the contract of association, then, taking account of the legal provisions and those regulating the contract of association, the pension fund assets belonging to the pension fund, while protecting the rights of the beneficiaries, shall be transferred to a new employee benefit institution of the employer or shall be distributed to the beneficiaries in a form provided for by statute.

(2) If the cancellation shall take place in the form of a shutdown of business or liquidation, then the funds shall be distributed to the beneficiaries in a form provided for by statute, taking account of the years of service and the contributions paid.

(3) For the distribution of funds not actuarially bound, at least all parties insured at the time of the announcement of the termination or of the shutdown of business or at the time of the liquidation order shall be taken into account.

Art. 12 Termination of the Foundation

(1) The Foundation can be liquidated if its purpose no longer applies or can no longer be achieved.

(2) An application for the Supervisory authority's approval must be submitted for the liquidation of the Foundation.

(3) In the event of the termination of the Foundation, the Board of foundation shall adopt a resolution on the utilisation of any balance possibly remaining from the Assets of the Foundation. Payment to the founder or to associated employers or their legal successors shall be excluded.

(4) This shall be subject in all cases to the consent of the supervisory authorities.

Art. 13 Amendment of the Foundation instrument

(1) Amendments to this Foundation instrument may be applied for to the supervisory authorities by at least two thirds of all members of the Board of foundation, while safeguarding the Foundation's purpose (Art. 2).

The Foundation was founded on 21 December 2005. The Deed was revised by decision of the Board of foundation on 31 October 2006 and on 26 November 2010. Official approval was granted through the decrees of the Federal Social Insurance Office of 14 February 2006, of 27 November 2006 and of 12 January 2011.

Organization Rules

Helvetia LOB Invest Group Foundation for Employee Pensions

Art. 1 Equal representation on the Board of Trustees

1.1 Composition

Equal representation on the Board of Trustees for each pension fund is made up as follows:

- a) employer representatives appointed by the employer, and
- b) an equal number of employee representatives elected from among the persons insured, taking categories of employees into account.

Each Board of Trustees shall constitute itself. Once the resolution has been passed by the Board of Trustees, the period of office of the president shall be three years at the most. The president shall be elected by a simple majority of the votes of all members. Re-election shall be possible. If no new election shall be held after the expiry of a period of office, the period of office of the president shall be tacitly extended by one year in each case.

The period of office of the members of the Board of Trustees shall be three years. It may be extended by a resolution of the Board of Trustees to a maximum of five years. If no new elections shall be held after the expiry of the period of office, its duration shall be tacitly extended for the elected members by one year in each case. Re-election shall be possible.

Termination of the employment shall result in retirement from the Board of Trustees. A substitute will be elected for the remainder of the term of office.

Any changes of representatives on the Board of Trustees must be notified immediately to the Board of foundation.

1.2 Election of employee representatives

All employees participating in the pension fund are eligible for election and entitled to vote.

Election shall be by a straight majority of the votes cast (relative majority). Those candidates are elected who gain the majority of the votes cast in the first ballot. The same procedure shall be adopted for elections under art. 1.1 para. 4.

Elections shall be notified in writing by means of an election report to the Board of foundation.

1.3 Meetings; Passing of Resolutions

Each Board of Trustees shall meet as often as required by the business of the pension fund, but at least once a year. A meeting shall be convened on the request of either the president or at least half of the members of the Board of Trustees.

The president chairs the meeting.

Resolutions shall be passed by a straight majority of the votes of all members.

Minutes shall be kept of the resolutions and shall be signed by a representative of both the employer and the employees. These minutes must be submitted to the Board of foundation if the Foundation has to act on the basis of the resolutions.

If the Board of foundation ascertains an illegality, it shall notify the Board of Trustees immediately and, if necessary, instruct it to take legal action or do so itself. The Board of foundation cannot annul a resolution passed by the Board of Trustees but may suspend it until investigation by a supervisory or legal body has been concluded.

In the event of a tied vote, the president shall have the casting vote. The Board of Trustees may envisage another procedure. Any resolutions passed on this matter must be notified immediately to the Board of foundation in the minutes.

Resolutions may also be passed by circular letter. A circulation resolution shall be adopted if all members of the Board of Trustees shall consent.

1.4 Function; Rights and Obligations

Each Board of Trustees shall be the equal representation body appointed for the corresponding pension fund.

The Board of Trustees shall instruct the Board of foundation to exercise the function and competence assigned to it under the Organization Rules.

Any withdrawal of the assignment shall entitle the Foundation to cancel the contract of association with the employer in question, with immediate effect.

Subject to the above provisions, each Board of Trustees shall administer the relevant pension fund. It shall perform the following function:

- a) it shall approve staff pension fund regulations prepared by the Foundation with regard to the benefit plan selected;
- b) It shall inform the beneficiaries of the organization, activity and financial position of the pension fund; upon request it must communicate information concerning the pension fund to the insured in writing;
- c) It shall ensure that the employer submits the documents and notifications required by the contract of association;
- d) It shall check that the premiums are remitted by the due date;
- e) it shall assist in obtaining the documents necessary to substantiate a claim in a case of a benefit payment;
- f) It shall notify the Board of foundation of any changes in the entitlement to benefits under the regulations immediately after such resolution;
- g) It shall assist on clarifying claims for benefits and in the decision on payment of benefits;
- h) It shall pass resolutions, in accordance with the object of the Foundation, on the use of the free assets of the pension fund;
- i) It shall decide on the reduction of benefits under the regulations in connection with claims arising from collective and social insurances.

Communications by the Board of Trustees to the Board of foundation shall be legally valid provided they are received in writing at the Head Office of Helvetia Swiss Life Insurance Company Ltd in Basle.

Art. 2 Function of the Board of foundation

In particular, the Board of foundation has the following inalienable specific functions and competences:

- a) It shall represent the Foundation externally and determine the authority to sign; these can also be granted to persons outside of the Board of foundation;
- b) It draws up and approves the annual accounts;
- c) It issues and approves the basic texts for the regulations and the contracts of association drawn up by the managing company; it can change the regulations without the authorization of the Board of Trustees;
- d) It shall decide on the investment of resources belonging to the pension funds; insofar as this competence has not been delegated to the Board of Trustees;
- e) It shall conclude the reinsurance contracts;
- f) It shall determine the order of business for the Board of foundation;

- g) It shall supervise the activity of the other foundation bodies;
- h) It shall appoint the auditors with the consent of at least three quarters of the Board of foundation;
- i) It shall appoint the recognised expert for the occupational benefit scheme with the consent of at least three quarters of the Board of foundation;
- j) It draws up the investment regulations;
- k) It determines the level of the technical interest rate and the other technical bases.

The Board of foundation shall transfer day-to-day business to the Helvetia Swiss Life Insurance Company Ltd, Basle, (managing company) in particular:

- the conclusion, the extension and the termination of contract of association,
- the making available of the pension fund regulations
- day-to-day correspondence,
- collection of benefit scheme contributions,
- running of the book-keeping,
- keeping of retirement accounts
- provision of insurance certificates,
- settlement of claims upon occurrence of insured events in accordance with the pension fund regulations and any resolutions of the Board of Trustees,
- issue of receipts, certificates,
- information from the Board of foundation relevant for the execution of its duties,
- information from the Board of Trustees relevant for the execution its duties,
- preparation of the annual accounts of the Foundation for the attention of the Board of foundation,
- all other business assigned to it by the Board of foundation.

The Board of foundation transfers the determination of the signatory authority for current transactions to the managing company. Standard correspondence and other documents produced in large quantities that relate to daily business can be handed out by the Foundation without the signatures of the persons with signing authority.

The Board of foundation shall delegate its activities as Board of Trustees to the managing company for those pensions schemes for which the composition according to art. 1.1 is not possible (e.g. following cancellation of the contract of association due to liquidation of the employer's company or the lack of any employees).

Decisions concerning business not assigned to other bodies shall also be the responsibility of the Board of foundation.

Art. 3 Functions of the Investment Commission

- a) The activity of the Investment Commission is determined by the provisions of the investment regulations issued by the Board of foundation.
- b) The Investment Commission reports regularly to the Board of foundation regarding the yield trends and the fair value of the investment portfolio.

Art. 4 Function of the auditors

The auditors shall exercise their mandate according to the provisions of the LOB and the corresponding executive statute.

The auditors can be given assignments by the Board of foundation, in particular for the inspection of individual pension funds.

Art. 5 Function of the Expert

The recognised expert for the occupational benefit scheme shall exercise his mandate according to the provisions of the LOB and the corresponding executive statute.

Art. 6 Relationship to the Pension Fund Regulations

These Organization Rules form an integral part of all pension fund regulations.

Basle, November 2018

The Board of Foundation

Election Rules

for the election of the Board of foundation of the Helvetia LOB Invest Group Foundation for Employee Pensions

1 Composition of the Board of foundation with equal representation

The Board of foundation shall consist of 4 members (including the President). It shall be composed of the employees' representatives as well as the employers' representatives.

1.1 Election criteria

In order to ensure the equal or a reasonable representation respectively, the employees' and employers' representations shall have to meet the following criteria, if possible:

- a. representation of various lines of work;
- b. representation of various regions in Switzerland.

Only one representative per associated undertaking can be elected onto the Board of foundation.

1.2 Employees' representation

The employees' representation shall consist of 2 members. The same shall represent all staff members in salaried employment who are not involved in fundamental business policy decisions. As far as possible the following categories should be represented amongst the employee representatives:

- the category employees and lower cadre,
- the category middle and senior cadre.

1.3 Employers' representation

The employers' representation shall consist of 2 members. The same shall represent all staff members in salaried employment who are involved in fundamental business policy decisions, as well as Board representatives and the proprietors of associated business undertakings.

2 Electoral districts

Two electoral districts shall be formed for the election:

- Electoral district 1: Employees' representation of the associated business undertakings' Boards of Trustees.
- Electoral district 2: Employers' representation of the associated business undertakings' Boards of Trustees.

An autonomous election shall take place in each electoral district.

3 Voting right

3.1 Active entitlement

3.1.1 For the employees' representation

In electoral district 1, the employees' representations of the Boards of Trustees of all business undertakings associated with the Helvetia LOB Invest Group Foundation for Employee Pensions shall be entitled to vote.

The employees' representatives of the Board of Trustees shall jointly elect the employees' representatives on the Board of foundation.

3.1.2 For the employers' representation

In electoral district 2, the employers' representations of the Boards of Trustees of all business undertakings associated with the Helvetia LOB Invest Group Foundation for Employee Pensions shall be entitled to vote.

The employers' representatives of the Board of Trustees shall jointly elect the employers' representatives on the Board of foundation.

3.2 Passive entitlement

3.2.1 As employees' representatives

The employees' representatives from the associated business undertakings' Boards of Trustees shall be eligible for election.

3.2.2 As employers' representatives

The employers' representatives from the associated business undertakings' Boards of Trustees shall be eligible for election.

4 Proposals for election

4.1 The Board of foundation's proposal for election

The Board of foundation with equal representation, taking account of the election criteria pursuant to para. 1.1, shall propose to the associated business undertakings' Boards of Trustees the Board of foundation's candidates for their electoral district. The Board of foundation can propose up to six further persons per electoral district so that, in the case of the retirement of a member from the Board of foundation during the term of office, the seat that has become vacant can be filled with a successor (replacement candidates).

4.2 Proposals for elections from the electoral districts

The associated business undertakings' Boards of Trustees shall have the right to propose further candidates for election.

A proposal for election from the electoral districts is to be submitted exclusively on the form intended for this purpose and shall require the candidate's signature in his/her own hand to be valid. It must be recorded on the form which employee category pursuant to para. 1.2 the candidate represents.

The proposals for elections from the electoral districts are to be submitted in writing to the electoral office by 7 weeks at the latest before the election day.

The proposals for elections from the electoral districts shall be checked by the electoral office for their eligibility pursuant to para. 3.2. The current list of candidates shall be announced to the electoral districts 3 weeks at the latest before the election day.

4.3 Uncontested election

If only so many candidates stand for election in one or both electoral districts as there are seats to be filled, then, no election pursuant to para. 5 shall be held and the Board of foundation candidates shall be regarded as elected uncontested.

5 Holding of the election

5.1 General election principles

All the members of the Board of foundation shall be elected in a written, free and secret ballot.

5.2 Time of the election

The elections shall be held within the framework of the processing of the annual salary reports or at another suitable time.

5.3 Electoral office

The elections shall be prepared and held by an electoral office.

The Board of foundation shall appoint the members of the electoral office from the circle of the managing company's staff. Members of the Board of foundation itself shall be excluded.

Before each Board of foundation election, the electoral office shall prepare short election instructions which shall be sent to those eligible to vote together with the voting papers.

The entire election procedure can be supported by the Internet.

5.4 Secrecy of the ballot

The electoral office shall stipulate an electoral procedure that ensures the secrecy of the ballot. This procedure shall be explained to those entitled to vote at the time of sending out the election material. It shall have to be ensured that

- the employers' representation of each Board of Trustees shall have no knowledge of the electoral behaviour of the same Board of Trustees employees' representation, and vice versa,
- the individual associated business undertaking shall have no knowledge of the electoral behaviour of the other business undertakings, and vice versa.

If the electoral procedure does not offer any absolute guarantee against members of the electoral office gaining knowledge of the electoral behaviour of those entitled to vote, then the members of the electoral office shall be obliged to maintain absolute secrecy on their observations.

5.5 Electoral material

The electoral material shall be sent to the employees' and employers' representations of the Boards of Trustees separately.

In the case of a postal vote, the electoral material shall consist of

- Electoral envelope,
- Voting card,
- List of candidates,
- Ballot paper.

5.6 Electoral writ

The day of the election shall be announced 9 weeks at the latest before the election, enclosing the Board of foundation's proposals for election pursuant to para. 4.1.

5.7 Ballot

The candidates nominated per electoral district shall be elected by all those entitled to vote in the electoral district concerned.

The election shall have to take place by means of the ballot papers intended for this purpose.

The candidates per electoral district who shall have achieved the highest number of votes (simple majority) shall be elected.

In the case of an equal number of votes, the longer term of membership in the Board of Trustees of the associated business undertaking shall decide.

If the election criteria postulated under para. 1.1 shall not be met by an elected party, then the electoral office can appoint in his/her place the non-elected candidate with the highest number of votes who does meet the criteria required.

The non-elected candidates are to be designated as replacement candidates pursuant to clause 6.2 in accordance with their number of votes.

5.8 Election scrutiny

The validity of the electoral lists received shall be checked by the electoral office. Only correctly and legibly completed ballot papers which are received in good time before the election day shall be valid.

The electoral office shall have to keep a record of its activities and ascertainment and to notify the results of the election to the Board of foundation.

The electoral office shall ensure an appropriate announcement of the election results.

The newly elected Board of foundation shall have to determine the validity of the election at its constituent meeting.

6 Term of office, replacement

6.1 Term of office

The term of office shall be 5 years. If an employees' or employers' representative shall retire during his/her period of office from the Board of Trustees of the associated business undertaking, this shall result in his/her retirement from the Board of foundation.

6.2 Retirement of a Board of foundation member

If an elected Board of foundation member shall retire from the Board of foundation, then the non-elected candidate (replacement candidate) with the highest number of votes shall take his/her place.

If no replacement candidate can enter into the retiring member's term of office, then a by-election pursuant to para. 4 and 5 shall be held.

7 Appeals

An appeal against procedural errors in the preparation and holding of the election, stating reasons in writing, can be filed with the Board of foundation within two weeks after validation by the Board of foundation.

After consultation with the Founder's legal service, the Board of foundation shall decide conclusively on the appeal.

8 Entry into force

These Election Rules shall enter into force on 1st June 2015.

The Board of foundation