

# **Contract of Association**

## **Servisa Collective Foundation**

January 2025 edition

# Contract of Association

Servisa Collective Foundation

## 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 Servisa Collective Foundation in Basel (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 scheme in accordance with art. 48 of the LOB. The associated company forms a separate pensions insurance scheme within the Foundation.

The Foundation fulfils the prerequisites contained in the Federal Law of the 25th June 1982 on the occupational provident insurance for old-age, surviving dependents' and invalids' pensions (LOB) and guarantees the provision of the minimum benefits stated in this law.

### 1.3

For the purpose of providing death and disability cover, the Foundation as the insured and Helvetia Swiss Life Insurance Company Ltd in Basel (hereinafter referred to as "Helvetia") have entered into a collective life insurance contract. The longevity risk is borne by the Foundation.

### 1.4

The pension fund assets are invested by the Board of Foundation in accordance with the provisions of the LOB.

### 1.5

By affiliating with the Foundation, the pension fund has a claim to participation in the surpluses granted to the Foundation under the collective life insurance contract as well as the income earned on the investment of savings assets within the framework of the regulatory provisions.

## 2 Bases

### 2.1

The contracting parties' rights and obligations arise out of this contract of association, the benefits and financing plan, the rules on costs, the foundation instrument, the election rules for the election of the Board of Foundation and the organization rules. The associated company acknowledges the current legal basis and any subsequent amendments made to it.

### 2.2

The benefits and financing plan and the rules on costs form an integral part of the contract of association. The company confirms that it has taken notice of the contents of these documents.

### 2.3

The relations between the Foundation and the beneficiaries (the persons covered by the Foundation) 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

At the latest after signing 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 inclusion of its staff in the provident insurance.

### **4.2**

The Foundation is to be notified within the specified time of:

- New admissions (including any personnel category to which they belong), at the earliest 90 days before and at the latest 60 days after the beginning of the employment or after the beginning of the provident insurance obligation respectively, whereby in accordance with the Federal Act on Accident Insurance (AIA), non-insured persons are to be designated accordingly;
- Changes between personnel category, of cases of incapacity for work or incapacity to earn which are of more than 3 months duration, and of any other facts of relevance for the implementation of the provident insurance (e.g. changes in matrimonial status), without delay.

Cases of death and surrender from service and wage reductions which go below the regulatory levels for inclusion in the scheme are to be notified to the Foundation without delay. In the case of surrender of service, the address for the transfer of termination benefit and the person's address are to be notified at the same time. At the same time it is to be notified if the surrender of service because of 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 employment agreements (CEAs). In particular, the company must report any new members of a CEA or changes to existing CEA provisions immediately to the Foundation. Only CEA 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. The Foundation reserves the right to make contribution adjustments, especially due to changes to the actuarial calculation bases and claim additional contributions. The employees' contributions are to be deducted from their wages and to be remitted regularly, (at least once a quarter).

### **5.2**

The relevant date shall be regarded as being the 1<sup>st</sup> January of a year. As a rule, wage, benefit and contribution adjustments are to be made only as of the relevant date.

### **5.3**

The contributions for the risk benefits and the contribution for the adjustment of the risk benefits to inflation and the contributions towards the costs and any contributions raised by the Foundation for the formation of technically and/or operationally required provisions are due in each case at the beginning of a year or with the admission of an employee to the pension fund or on the date of the amendment, as the case may be. The maturity of the old age credits and the contributions to the security fund is at the end of the year, in the case of surrenders of service from service with the date of the termination of employment, in cases of death, on the date of death; and in cases where the salary falls below the admission limit specified in the regulations, on the date the insurance ends.

### **5.4**

Interest will be credited to payments before the due date, interest will be charged to delayed payments without reminder. The Foundation is 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 staff pensions insurance institution, 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 reduce its obligation to pay to the statutory minimum benefits, 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 pensions insurance institution are composed of the pension fund assets actually in existence (including the contractually agreed benefits from Helvetia) as well as any dividends from bankruptcy or proceeds from the realization 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 any shortfall in cover suffered by the Foundation, the Board of Foundation may decide to implement measures to rectify the shortfall in accordance with the provisions of the pension fund regulations, and may in particular implement separate restructuring contributions. The restructuring contributions will be billed to the company as the entity liable to pay the full contributions. The rules applying to the risk contributions will also apply to the restructuring contributions. In the case of pension funds that report the relevant reserve ratio at pension fund level on the basis of a product agreed separately with the Foundation, the pension fund's shortfall in cover determined forms the basis for such measures.

#### **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 suffers a shortfall in cover, the company may also decide to pay funds into a separate employer contribution reserve account with a waiver of usage.

#### **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 covered by the pensions insurance institution 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 (par. 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 rules.

### **7 Entry into force/termination/cancellation**

#### **7.1**

This affiliation agreement shall enter into force at the time agreed in the benefits and financing plan, following countersignature by the Foundation, and shall replace any agreements that may have been concluded previously. It shall have a fixed term of five years, and notice of termination can be given for the first time after the expiry of this term for 31<sup>st</sup> December. If notice of termination is 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 anybody representing their interests (pursuant to the Cooperation Act).

#### **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 issues regulations or passes resolutions which contradict the purpose of the Foundation, its principles, the pension fund regulations or the agreed benefits and financing plan, and insists on implementing these in spite of a written warning from the Foundation.

#### **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 pensions insurance scheme for at least 12 months.

### 7.5

In the event of cancellation of the contract of association, art. 3 of the rules on costs shall apply.

The cancellation of the contract of association may lead to the application of the rules on partial and complete liquidation.

### 7.6

After cancellation of the contract of association, the assets of the pensions insurance scheme shall be transferred to the new pensions insurance institution or - in the event of the simultaneous liquidation of the company - be used in analogy to the provision of the rules for freedom of transfer of benefits.

If the contract of association is terminated by the company or if the Foundation terminates the contract of association on the grounds of a breach by the company of its cooperation obligations or obligation to pay contributions and the fulfilment of this condition for liquidation in conjunction with par. 3 of the rules on costs leads to a reduction in the minimum retirement assets pursuant to the LOB when the Foundation calculates the value of the contract upon termination, the company and the Board of Trustees will be jointly and severally liable for settling the difference (e.g. in the form of a lump-sum contribution, guarantees to the new pension fund).

### 7.7

If the contract of association is cancelled by the associated company or for reasons pursuant to par. 7.3 the insured employees as well as all recipients of disability benefits shall be transferred to the new pension fund indicated by the company. The same applies to insured employees who are unable to work and who are only classified as disabled after the termination of the contract of association, where the disability was caused by an event that occurred before the termination of the contract of association.

In addition, the old-age pensioners taken over from the previous pension fund and the survivors' pensioners taken over whose benefits are attributable to a death after retirement will be transferred to the new pension fund designated by the company. The same applies to survivors' pensioners whose benefits have arisen during the contract period from an old-age pension taken over from the previous pension fund. Upon request, the Foundation will prepare a quotation for retaining the aforementioned pensioners in the Foundation.

With the transfer of pensioners or of the recipients of disability benefits, the corresponding mathematical reserves are transferred at the same time.

If the contract of association is terminated, all the Foundation's obligations vis-à-vis the recipients of benefits shall lapse. The company shall be responsible for transferring these recipients of benefits and their claims to benefits to the new pension fund.

The old-age and survivors' pensioners whose benefits accrued during the term of the contract remain with the Foundation even after termination of the contract of association. The same applies to survivors' pensioners who were taken over from the previous pension fund and whose benefits are due to a death before retirement.

### 7.8

If the contract of association is terminated by the Foundation (for reasons other than those provided for under par. 7.3.), the Foundation and the new pensions insurance institution shall agree whether the recipients of benefits remain with the Foundation or transfer to the new pensions insurance 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 legal venue for disputes arising from the present contract is determined in accordance with art. 73 of the LOB.

#### Enclosures:

- Benefits and financing plan
- Rules on costs
- Foundation instrument
- Election rules
- Organization rules

The company confirms that the conclusion of this contract has the agreement of the staff or the body representing their interests (pursuant to the Co-operation Act).

Place, date: \_\_\_\_\_ Basle, \_\_\_\_\_

Company (official name based on the commercial register), Signature(s):                      Servisa Collective Foundation

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# Rules on Costs

Servisa Collective Foundation

## 1 Basis

These rules on costs form an integral part of the contract of association made between the Foundation and the company (par. 2.2).

## 2 Expenditure with costs

### 2.1

The Foundation charges the following amounts for the following expenses:

- 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 realization of a pledge CHF 500.–
- Inquiries that the Foundation has to make because the associated company violated its duties of co-operation to ensure that the employees remain insured (e.g. asking the OASI compensation fund office in charge for salary lists) according to the effort at least CHF 500.–
- Informing the Security Fund of the insolvency of a pension fund CHF 500.–
- Special charges for services that do not form part of the regular management services according to effort

### 2.2

These costs are billed to the associated company.

## 3 Cancellation of the contract

### 3.1

If a contract is terminated, the termination value equals 100 % of the assets of the pension fund, minus any deductions in accordance with the following provisions.

### 3.2

If the valuation of the Foundation's assets shows that there is a shortfall in cover, a pro rata share in this shortfall is deducted as a loss from the assets of the pension fund.

If the company became associated with the Foundation after 1 January 2023 at a time when the Foundation was experiencing a shortfall in cover, in the event of a partial or total liquidation of the pension fund any percentage share of loss is calculated using the relative deterioration between the funding ratio at the time of association and the funding ratio as at the reference date applicable for the liquidation in accordance with the provisions of the partial liquidation rules. This will apply until expiry of the fixed term of the contract of association, on the basis of the date as of when the company can terminate the contract of association. If the Foundation is experiencing a shortfall in cover at this time and the contract of association is continued, the ruling remains in place until the next date of ordinary termination. In such an event, the continued application of this ruling will be governed by the same principles as applied upon expiry of the fixed term. In the event of termination by the Foundation on the grounds of section 7.3 of the contract of association, the full percentage share of loss will be deducted.

In the case of pension funds that report the relevant reserve ratio at pension fund level on the basis of a product agreed separately with the Foundation, the pension fund's shortfall in cover determined forms the basis for determining the loss.

### 3.3

If a contract is terminated and any recipients of pension benefits are transferred to the new pension fund, the mathematical reserve calculated by the Foundation or Helvetia Swiss Life Insurance Company Ltd. that must be transferred to the new pension fund together with the termination value shall be based on Helvetia's valid rates and the statutory provisions.

### 3.4

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 1500.–, shall be made from the existing assets of the pensions insurance scheme.

## **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**

These rules enter into force on 19 June 2023.

Servisa Collective Foundation

The Board of Foundation



# Foundation Instrument

Servisa Collective Foundation

Revised version of the foundation instrument of 25 June 1973 in accordance with the resolution of the Board of Trustees of 30 November 2023 and the resolution of the supervisory authority of 1 February 2024.

## Art. 1 Name and Office

The Association of Swiss Cantonal Banks and Patria Swiss Life Insurance Mutual Company in Basel, hereinafter referred to as the founders, set up a foundation called Servisa Collective Foundation (Servisa Sammelstiftung, Servisa Fondation collective, Servisa Fondazione collettiva) with its registered office in Basel in accordance with Art. 80 et seq. of the Swiss Civil Code.

## Art. 2 Purpose

(1) The purpose of the Foundation is to provide mandatory and voluntary occupational benefits insurance cover pursuant to the LOB for employees who reach retirement age or who suffer a disability and for their surviving dependants and relatives when they die. The Foundation may also provide insurance cover that exceeds the limits of the mandatory occupational benefits insurance. The Foundation also aims to provide assistance to employees and their surviving dependants who suffer hardship through no fault of their own.

(2) No benefits may be paid out of the Foundation's endowment fund 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 cost-of-living bonuses, gratuities, presents for length of service, etc.).

(3) The insurance cover provided to the employer must be restricted to the retirement, disability and death benefits as set out in the pension fund regulations. Discretionary benefits are not permissible. As for the rest, the same rights and obligations shall apply for the employer as for the employee.

(4) The Foundation manages a savings fund for the individual pension funds associated with the Foundation, using the available funds and complying with the special regulations of a savings fund, and may conclude insurance contracts for all risks or for individual risks. The Foundation must at all times be the policyholder as well as the beneficiary.

(5) The Foundation may conclude contracts with a managing company (managing office) for the performance of executive operational tasks arising from the provision of occupational benefits cover.

## Art. 3 Foundation assets

(1) The Foundation assets comprise the original Foundation assets donated by the founders and the pension fund assets of the individual pension funds.

(2) The Foundation assets or parts thereof may under no circumstances be returned to the associated employers or to the founders. The foundation's endowment fund must also not be alienated from the purpose of staff provident insurance in any other way.

## Art. 4 Original Foundation assets

(1) The capital stock comprises the capital share of CHF 10,000.00 paid by the founders, the accrued foundation and operationally necessary provisions and reserves, third-party donations and the income generated by the capital stock.

(2) The original Foundation assets are primarily used to cover liabilities of the Foundation that do not arise from pension claims. The original assets are only liable for pension claims if the pension fund assets cannot cover such claims as a result of intentional or negligent mistakes on the part of the Board of Foundation, the Investment Commission, the auditors or the managing office.

## Art. 5 Pension fund assets

(1) The pension fund assets of the pension funds are accrued by the contributions paid by the associated employers and employees. These contributions are used to build up savings capital and to take out additional insurance cover (risk insurance, annuity insurance, etc.) and to create reserves for the risks borne by the Foundation itself and which are required for the provision of occupational benefits cover to the associated employers and employees.

(2) In addition to the employer and employee contributions, the pension fund assets of the individual pension funds also comprise the shares in the surpluses paid out to the pension funds under the insurance contract, the contributions to the Security Fund (pursuant to the LOB), the Foundation's claims against the Security Fund in the event of an unfavourable age structure or the insolvency of a pension fund, the specially accrued employer contribution reserves, the other free assets and any further donations by the employer or third parties.

(3) The pension fund assets of a pension fund are only held liable for obligations of the Foundation that arise from the pension claims of the beneficiaries of the pension fund and for damage and loss caused intentionally or negligently by the Board of Trustees of the pension fund in question.

(4) The claims to supplementary benefits by the beneficiaries of a pension fund are limited to the supplementary assets of the pension fund.

#### **Art. 6 Investment of the Foundation assets**

The Board of Foundation issues guidelines that govern the investment of the Foundation assets.

#### **Art. 7 Pension fund regulations**

Pension fund regulations are issued for every associated employer and its employees. These regulations define the type and scope of the contributions and pension benefits and the circle of beneficiaries, and contain all other provisions required for occupational benefits insurance.

#### **Art. 8 The Foundation's organs**

The Foundation's organs shall be:

- a) the Board of Foundation
- b) the managing company
- c) the Investment Commission
- d) the Boards of Trustees

#### **Art. 9 Board of Foundation**

(1) The Board of Foundation consists of eight members (natural persons), of which four members represent the employees and four members represent the associated employer companies. The Board of Foundation shall constitute itself. When the counterparty acknowledges the termination of the contract of association, the employee and employer representatives in question must resign from the Board of Foundation with immediate effect.

(2) The Board of Foundation issues organization rules regarding the composition of the Board of Trustees and the competencies and duties of the various governing bodies; these organization rules must comply with the provisions of the LOB and the Board of Foundation must be able to amend the organization rules at any time. The Board of Foundation also issues election regulations for the election of the Board of Foundation. Amendments to the organization rules and the election regulations require the approval of at least two-thirds of all members of the Board of Foundation.

(3) The Board of Foundation is quorate if the majority of its members are present. Subject to Art. 9 par. 2 and Art. 17, the Board of Foundation passes its resolutions with a simple majority of the votes. If votes are tied, the chairman has the casting vote.

(4) The Board of Foundation appoints auditors to carry out the annual audit of the Foundation's management, accounts and investment activities. The auditors must submit their report to the Board of Foundation and the supervisory authority.

(5) The Board of Foundation must also appoint an accredited pensions actuary to carry out regular audits of the employee benefit institution.

#### **Art. 10 Investment Commission**

The provisions governing the Investment Commission are defined in the Organization Rules.

#### **Art. 11 Board of Trustees**

The composition and election of the joint Board of Trustees (equal number of employer and employee representatives) are set out in the organization rules.

#### **Art. 12 Accounting**

(1) The Foundation manages a separate account for every pension fund, in particular with regard to the contributions, accrued savings capital, insurance policies and pension benefits as well as the provisions or reserves for contributions and benefits that have been set aside in addition to the contributions by the employer and its employees.

(2) A separate account is also kept for the original Foundation assets.

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

#### **Art. 13 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 Employees' Participation Law).

The consent shall be assumed as soon as the employees shall have participated in the election of the Board of Trustees.

#### **Art. 14 (Partial) cancellation of a pension fund**

The modalities of the (partial) cancellation of a pension fund are based on the regulatory provisions passed by the Board of Trustees, as may be modified at any time and that were approved by the competent supervisory authority.

**Art. 15 Liquidation of the Foundation**

(1) In the event of the liquidation of the Foundation, the Board of Foundation shall adopt a resolution on the utilization of any balance possibly remaining from the Foundation's endowment fund. Payment to the founder or to associated employers or their legal successors shall be excluded.

(2) This shall be subject in all cases to the consent of the supervisory authority.

**Art. 16 Liquidation possibilities**

(1) The Foundation is liquidated if its purpose no longer applies or cannot be achieved any more.

(2) A request to liquidate the Foundation must be submitted to the supervisory authority for approval.

**Art. 17 Amendment of the Foundation instrument**

Amendments to the foundation instrument must support the Foundation's purpose (Art. 2) and must be submitted as a request for approval to the supervisory authority by at least two-thirds of the members of the Board of Foundation.

# Election Regulations

Servisa Collective Foundation

for the election of the **Board of Foundation of the Servisa Collective Foundation**

## **1 Composition of the Board of Foundation with equal representation**

The Board of Foundation consists of 8 members (including the President). It is composed of the employees' representatives and the employers' representatives.

### **1.1 Election criteria**

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

- a) Representation of various branches;
  - b) Representation of various regions in Switzerland.
- Only one representative (employer or employee representative) per associated company may stand as a candidate or be elected to the Board of Foundation.

### **1.2 Employees' representation**

The employees' representation consists of 4 members. These represent all staff members in salaried employment who are not involved in fundamental business policy decisions.

### **1.3 Employers' representation**

The employers' representation consists of 4 members. These represent all staff members employed by the company who are involved in fundamental business policy decisions as well as the governing and executive bodies and the owners of the associated companies.

## **2 Electoral categories**

Two electoral categories shall be formed for the election:

Electoral category 1: Employees' representation of the associated business undertakings' Boards of Trustees.

Electoral category 2: Employers' representation of the associated business undertakings' Boards of Trustees.

An autonomous election takes place in each electoral category.

## **3 Voting right**

### **3.1 Active entitlement**

#### **3.1.1 For the employees' representation**

In election category 1 all employee representatives on the Boards of Trustees of all companies associated with the Foundation who have not given or received notice of termination of employment may vote. The employee representatives on the Boards of Trustees elect the 4 employee representatives on the Board of Foundation on the basis of the election documents provided to them (par. 5.5). If a vote is given to more than 4 candidates on a single ballot, the entire ballot is invalid.

#### **3.1.2 For the employers' representation**

In election category 2 all employer representatives on the Boards of Trustees of all companies associated with the Foundation who have not given or received notice of termination of employment may vote. The employer representatives on the Boards of Trustees elect the 4 employer representatives on the Board of Foundation on the basis of the election documents provided to them (par. 5.5). If a vote is given to more than 4 candidates on a single ballot, the entire ballot is invalid.

### **3.2 Passive entitlement**

#### **3.2.1 As employees' representatives**

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

#### **3.2.2 As employers' representatives**

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

### **3.3 Language and subject expertise**

The Board of Foundation discusses its business and passes its resolutions in German. The Board of Trustees must ensure that all candidates from among the employer and employee representatives have sufficient knowledge of German and well-founded knowledge of occupational benefits law.

## **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 clause 1.1, shall propose to the associated business undertakings' Boards of Trustees the Board of Foundation's candidates for their electoral category.

The Board of Foundation can propose at least 4 further persons per electoral category 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 Election Proposals from the electoral categories**

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

An election proposal from the election categories must be submitted on the correct form and shall require the agreement of the candidate in order to be valid.

The election proposals from the election categories must be submitted to the electoral office at the Foundation's managing office 7 weeks before the election date at the latest.

The election proposals from the election categories are checked for the eligibility of the candidates by the electoral office in accordance with par. 3.2. The updated list of candidates is provided to the election categories 3 weeks before the election date at the latest.

### **4.3 Uncontested election**

If one or both election categories propose only the same number of candidates as there are seats on the Board of Foundation that must be filled, no election pursuant to par. 5 is held in the election category in question and the candidates are regarded to have been 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 secret ballot.

### **5.2 Time of the election**

The elections can be held within the framework of the processing of the annual wage reports.

### **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 documents**

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

The electoral documents shall consist of:

- voting instructions,
- list of candidates.

### **5.6 Electoral writ**

The day of the election and the Board of Foundation's proposals for election pursuant to clause 4.1 shall be announced 9 weeks at the latest before the election.

## **5.7 Ballot**

The candidates nominated per election category are elected by all eligible voters in the election category in question.

The correct ballot papers must be used.

The candidates per election category who receive the highest number of votes (simple majority) are 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 pursuant to par. 1.1 are not met by an elected party, the election office may replace him or her with the non-elected candidate with the next highest number of votes who meets these required criteria.

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 requested and submitted ballot papers is checked by the electoral office. Only ballot papers that are correct and comply with the provisions of the election regulations and the election instructions (par. 5.3) received before the election date are considered.

The electoral office shall have to keep a record of its activities and ascertainments 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**

(1) The term of office shall be 5 years. If an employee or employer representative resigns from the Board of Trustees of the associated company during a term of office, he or she must also resign from the Board of Foundation.

(2) If the association relationship is terminated or ended with immediate effect for other reasons, the employee or employer representative affected by this termination must also resign from the Board of Foundation with immediate effect.

## **6.2 Replacement of a resigning member of the Board of Foundation**

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 the members of Board of Foundation of the concerned electoral category appoint a new Board of Foundation member for the remaining term of office.

## **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 Regulations come into effect as of the 1 August 2023.

Servisa Collective Foundation

The Board of Foundation



# Organization rules

Servisa Collective Foundation

Based on Art. 9 par. 2 of the deed of foundation, the Board of Foundation hereby issues the following regulations:

## **Art. 1 Equal representation on the Board of Trustees**

### **1.1 Composition**

Equal representation on the Board of Trustees for each pensions insurance scheme 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. According to a resolution 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 relationship 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 pensions insurance scheme may be by-elected and are 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 par. 4.

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

### **1.3 Meetings; Resolutions**

Each Board of Trustees shall meet at least once a year and thereafter as often as required by the business of the pensions insurance scheme. A meeting shall be convened either on the request of the president or on the request of 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 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 discovers 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 has a casting vote. The Board of Trustees may decide on 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 Functions; rights and duties**

Each Board of Trustees serves as the joint governing body of the corresponding pension fund.

The Board of Trustees has the following duties:

- a) it approves the employee benefit scheme regulations drawn up by the Foundation and determines the benefit targets based on the benefit plan selected and offered by the Foundation;
- b) It shall inform the beneficiaries of the organization, activity and financial position of the pensions insurance scheme;
- 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 transferred by the due date;
- e) it shall assist in obtaining the documents necessary to give reasons for a claim in a case of a benefit payment;
- f) It shall notify the Board of Foundation of amendments to the legal beneficiaries immediately following such resolution;

- g) It shall assist with the clarification of entitlement to benefits and in the decision on payment of benefits;
- h) It shall decide on the use of funds accumulated for Special Measures under the LOB, in so far as this is not already provided for by the law or the pension fund regulations;
- i) It shall decide, in accordance with the aims of the Foundation, on the application of the unbound reserves of the pensions insurance scheme;
- j) it fulfils its obligation to provide information and its obligation to co-operate vis-à-vis the Foundation, the insured and the employers in accordance with the provisions of the pension fund regulations.

Communications by the Board of Trustees to the Board of Foundation are legally valid provided they are received in writing at the managing office of the Servisa Collective Foundation in Basle.

## **Art. 2 Board of Foundation**

### **2.1 Functions and competencies**

The Board of Foundation is the highest governing body of the Foundation. It is responsible for the overall management of the Foundation, ensures that the statutory functions are fulfilled and determines the strategic goals and principles as well as the resources through which they will be met. It determines the organizational structure of the Foundation, ensures its financial stability and monitors its management.

The Board of Foundation is responsible for the following non-transferable and irrevocable functions:

- a) It determines the financing system;
- b) It prepares and approves the financial statements;
- c) It determines the amount of the actuarial interest rate and other technical parameters, if applicable;
- d) It appoints the persons responsible for managing the company; this may be a legal entity;
- e) It issues regulations governing the creation and/or release of operationally required reserves and provisions;
- f) It structures the accounting;
- g) It issues and amends all of the Foundation's regulations;
- h) It decides on the range of pension products, in particular with regard to the benefits and financing plans (pension plan) and determines the basic principles for the use of the disposable funds;
- i) It elects and dismisses the auditors with the approval of at least two thirds of the members of the Board of Foundation;

- j) It elects and dismisses the accredited pension actuary with the approval of at least two thirds of the members of the Board of Foundation;
- k) It guarantees the initial and further training of the Board of Foundation and decides on commensurate compensation for its members;
- l) It regularly reviews medium and long-term compliance of investments with the obligations of the Foundation.

The Board of Foundation also performs the following functions itself:

- m) It stipulates the signing authority for the Foundation in a set of regulations in accordance with the provisions in the Foundation instrument. 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;
- n) It approves the Annual Report;
- o) It determines the annual appropriation of profit from the invested Foundation assets and decides on the surpluses generated by the insurance contracts;
- p) It approves the budget;
- q) It decides on the full or partial reinsurance of the Foundation and on any reinsurer and concludes the insurance contract;
- r) It manages the obligation of information to the insured persons, unless this obligation is the responsibility of the employer or Board of Trustees. The Board of Foundation may delegate the obligation of information to the managing company.
- s) It decides on measures based on the actuarial opinion of the expert for occupational benefits and the auditor's report;
- t) It stipulates the bases for contracts with distribution partners (framework agreements, compensation regulations);
- u) It approves the basic texts for the general provisions of the pension fund regulations and for the contracts of association;
- v) It concludes contracts for the investment and management of the Foundation's assets;
- w) It appoints the members of the Investment Commission;
- x) It ensures that an internal control system exists that is appropriate to the size and complexity.

All other functions – to the extent that this is permissible – are delegated to the managing company.

### **2.2 Resolutions**

The Board of Foundation is quorate if the majority of members are present. Subject to Art. 9 para. 2 of the Foundation instrument, with regard to the election and dismissal of the auditors and experts on occupation benefits, it passes its resolutions by simple majority. In the event of a tied vote, the Chairman has the casting vote. Resolutions may also be passed by circular letter.



## **Art. 3 Managing company**

### **3.1 Delegation**

To the extent permitted by law, the Board of Foundation delegates the management and operational occupational benefits business in accordance with the association contract, the pension fund regulations and any decisions taken by the Boards of Trustees to Helvetia Swiss Life Insurance Company Ltd (hereinafter referred to as Helvetia) as the managing company.

### **3.2 Functions of the managing company**

The scope of the functions delegated by the Board of Foundation to the managing company is described in para. 3.1. Accordingly, the following functions in particular are the responsibility of the managing company:

- a) It deals with the associated companies, the insured, the Boards of Trustees, the distribution partners and network partners, with the authorities (in particular the supervisory authority), the Security Fund, the substitute scheme, the auditors (except for the approval of the auditor's report), the accredited pension actuary (except for the approval of the actuary's report) and other employee benefit institutions and vesting institutions (in particular in matters related to the occupational benefits insurance and vested benefits and in liquidation matters). Standard correspondence and other documents produced in large quantities that relate to daily business can be handed out by the managing company without the signatures of the persons with signing authority;
- b) It carries out operational functions and has specialist responsibility for the occupational benefits insurance as regards the portfolio of insured and new business, in particular advising and supporting the associated companies, the insured, the boards of trustees and the distribution channels;
- c) It performs all the regulatory functions that have not been delegated to another governing body of the Foundation;
- d) It makes recommendations to the Board of Foundation regarding the Foundation's budget and is responsible for the budget;
- e) It regularly prepares management reports for the attention of the Board of Foundation;
- f) It implements the acceptance policy in accordance with the principles adopted by the Board of Foundation, taking into account the insurer's actuarial guidelines for the reinsured part of the product;
- g) It handles all administrative issues;
- h) It carries out distribution planning and provides marketing support to the sales force;
- i) It handles product management for the product part not defined by the insurance contract;

- j) It carries out investment orders and handles the cash management (maintaining liquidity);
- k) It implements the profit sharing approved by the Board of Foundation;
- l) It implements the resolutions of the Board of Foundation;
- m) It carries out the functions delegated to it by the Board of Foundation;
- n) It maintains the bookkeeping and prepares the bases for the financial statements to be drawn up by the Board of Foundation;
- o) It carries out the Foundation controlling;
- p) It prepares the basic text for the pension fund regulations, the pension plans and the association contracts approved by the Board of Foundation;
- q) It delegates one representative to the meetings of the Board of Foundation to take the minutes of the resolutions of the Board of Foundation;
- r) It prepares the bases for the regulations and amendments to regulations requested by the Board of Foundation or required by law;
- s) execution of the internal control.

The Board of Foundation acts on behalf of the Boards of Trustees of those pension funds that cannot meet the composition conditions of Art. 1.1 (e.g. after termination of the contract of association due to the liquidation of the associated employer company or if all employees leave the company), and delegates these tasks to the managing company.

The rights and obligations of the managing company related to the investment organization are governed by the Board of Foundation's "Regulations governing the investment organization, the functions and competences of the investment executive bodies of the Servisa Collective Foundation" (investment regulations).

### **3.3 Business Office**

Helvetia acts as the administrative office of the Foundation in respect of its insured persons, associated employers, authorities and third parties.

#### **Art. 4 Functions of the Investment Commission**

The Investment Commission is responsible for the supervision, implementation and initiation of changes to the investment strategy if the Foundation's financial situation should change. The Investment Commission's activity is also determined by the provisions of the investment regulations adopted by the Board of Foundation. The Investment Commission consists of at least three members (all members are natural persons).

The Board of Foundation elects the members of the Investment Commission for a term of four years. Re-election is possible. The Investment Commission has the following functions:

- a) It regularly examines the risk capacity and the suitability of the strategic investment targets. It informs the Board of Foundation of special events and proposes, if necessary, changes to the investment strategy.
- b) It draws up appropriate procedures for effective risk monitoring and derives the relevant measure from this if necessary. It draws up and delivers the relevant reports and key figures for the valuation of the investments and decides on the consequences and measures to be derived therefrom within the scope of its competences.
- c) It follows developments in the financial markets and presents the Board of Foundation with a proposal for changes to the investment strategy if necessary.
- d) It takes the decisions in connection with implementation of the investment strategy and submits the necessary contracts to the managing company for signing.
- e) It examines all aspects of asset management, whether these are questions regarding investments or the investment organization and submits applications to the Board of Foundation regarding the investment guidelines in particular (including the target fluctuation reserves) and the investment and financial environment and the investment organization.
- f) It draws up recommendations on the appropriateness of the medium and long-term compliance of the investments with the obligations of the Foundation (asset liability model) for the attention of the Strategy and Governance Committee.
- g) It draws up regular valuations of the existing asset management contracts for the attention of the Board of Foundation.
- h) It reports regularly to the Board of Foundation on the yields and intrinsic value of the investment portfolio.
- i) It collaborates on drawing up recommendations for the attention of the Board of Foundation regarding the accuracy of the contents and the consistency of all the statutory, regulatory and contractual frameworks of the Foundation.

#### **Art. 5 Audit Committee**

The Board of Foundation elects the Audit Committee from amongst its members, the remit of which is to help monitor and supervise the management.

##### **5.1 Composition**

The Audit Committee is made up of the vice-chair of the Board of Foundation plus 1 to 3 other Board members appointed by the Board of Foundation.

The chair of the Audit Committee is the vice-chairman of the Board of Foundation.

The term of office for the members of the Audit Committee is exactly the same as that for the members of the Board of Foundation.

The head of the Business Office attends the meetings of the Audit Committee.

The Audit Committee can also co-opt further Helvetia specialists or external specialists on an ad hoc basis.

##### **5.2 Functions**

None of the Board of Foundation's responsibilities or decision-making powers may be delegated to the Audit Committee. The Audit Committee assists the Board of Foundation in its functions with regard to overall supervision and financial control.

The Audit Committee is in particular responsible for the following:

- a) It examines the accounts from the point of view of completeness, integrity and transparency, compliance with the applicable accounting standards and external reporting requirements.
- b) It monitors the correct implementation of the insurance contract between the Foundation and the insurer.
- c) It holds preliminary consultations regarding the budget proposed by the managing company.
- d) It monitors the functional capacity and effectiveness of the internal control system.
- e) It monitors the activities of the managing company and reviews and assesses the regular management reports issued by the managing company.
- f) It collaborates on the drawing up of the audit plans, reviews the results of the audit and makes recommendations to the Board of Foundation.
- g) It passes on unplanned, urgent orders to the auditors, this within the scope of its functions.

## **Art. 6 Strategy and Governance Committee**

The Board of Foundation elects the Strategy and Governance Committee from among its members to develop the strategy, to support its implementation and to ensure good corporate governance.

### **6.1 Composition**

The Strategy and Governance Committee is made up of the chairman of the Board of Foundation and a further 1 to 3 members of the Board of Foundation appointed by the Board of Foundation. The chair of the Strategy and Governance Committee is the chairman of the Board of Foundation.

The term of office for the members of the Strategy and Governance Committee is exactly the same as that for the members of the Board of Foundation.

The head of the Business Office attends the meetings of the Strategy and Governance Committee as a permanent advisory member. The Strategy and Governance Committee can also co-opt further Helvetia specialists and external specialists on an ad hoc basis.

### **6.2 Functions**

None of the Board of Foundation's responsibilities or decision-making powers may be delegated to the Strategy and Governance Committee. The Strategy and Governance Committee is in particular responsible for the following:

- a) It monitors the implementation of the strategy determined by the Board of Foundation.
- b) It carries out regular strategy checks.
- c) It regularly checks the appropriateness of the strategy. It informs the Board of Foundation of special events and, if necessary, proposes an amendment to the strategy.
- d) It examines the Foundation's governance and submits proposals to the Board of Foundation.
- e) It deals with the recommendations of the Investment Committee on the appropriateness of the medium and long-term compliance of the investments with the obligations of the Foundation (asset liability model).
- f) It prepares new elections to the Board of Foundation and monitors the elections.

## **Art. 7 Functions of the auditor**

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. 8 Functions of the pensions actuary**

The pensions actuary exercises his mandate according to the provisions of the LOB and the corresponding executive statute.

## **Art. 9 Relationship to the Pension Fund Regulations**

These organization rules form an integral part of all pension fund regulations and can be amended by the Board of Foundation at any time.

Basle, 01.01.2025

Servisa Collective Foundation

The Board of Foundation

Servisa Collective Foundation  
Contract of Association  
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