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Electing the Foundation Board

Valitas collective Foundation LPP

Valid from 1 January 2005

Art. 1 General provisions

These regulations govern the voting rights and the voting procedures when electing the Foundation Board. These are issued by the Foundation Board.

Art. 2 Composition, eligibility and term of office of the Foundation Board

The composition, the eligibility criteria and term of office are governed by the deed of foundation.

Art. 3 Voting rights and nominating body

The Administration Commissions have voting rights. The employer representatives on the Administration Commissions elect the employer representatives on the Foundation Board and the employee representatives on the Administration Commissions elect the employee representatives on the Foundation Board. The nominating body is made up of all the Administration Commissions in their entirety.

Art. 4 Voting

Elections take place at the end of a term of office. If a member of the Foundation Board retires from the Foundation Board before the end of a term of office and a replacement has not stepped in, a new member may be elected.

Art. 5 Voting procedure

1. Voting procedure for the 2005 to 2008 term of office

a. Each Administration Commission is called upon to submit candidates for the Foundation Board from among their number within one month (postmark) of the call for elections being dispatched. Only one representative (employer or employee) per affiliated Company can be proposed. Only the form intended for this purpose may be used in this case.

- b. The candidacies received will be checked for compliance with the eligibility criteria in accordance with Article 11 of the deed of foundation. Late nominations or forms that have not been fully or correctly filled out will not be considered.
- c. If the number of candidates nominated for election is the same as the number of vacant seats, these candidates shall be deemed to have been elected. The results of the election will be recorded in the minutes and the Administration Commissions will be notified in writing. In this case, paragraphs f to j do not apply.
- d. If fewer candidates have been nominated for election then the vacancies to be filled, the Foundation Board must find at least as many additional candidates as are required to fill all the vacancies.
- e. If more candidates have been nominated for election than there are vacancies, an electoral list will be compiled with the employer and employee representative candidates.
- f. The Administration Commissions will be provided with the electoral lists for election of the employer and employee representatives. The employer representatives from the Administration Commissions shall jointly elect the employer representatives on the Foundation Board. The employee representatives from the Administration Commissions shall jointly elect the employee representatives on the Foundation Board.
- g. The Administration Commission votes are cast by letter. The deadline is one month from dispatch (postmark) of the list of candidates.
- h. The electoral lists received will be checked for their validity. The original copies of the electoral lists will only be valid if they have been filled in correctly. The following will not be valid:
 - Electoral lists that are illegible when completed

- Electoral lists with handwritten entries that are not required for the election
 - Electoral lists where votes have been cast for more candidates than there are vacancies to be filled
 - Electoral lists that the Foundation has received after the deadline
 - Electoral lists containing the names of people who have not been nominated for election
- i. The nominated employer and employee representatives who have received the highest number of valid votes will be elected. Only one representative per affiliated Company can be elected. If there is a tie, it will be resolved by a ballot. Nominees who have not been elected shall be eligible to be substitute members.
- j. The results of the election will be recorded in the minutes and the Administration Commissions will be notified in writing.

2. Voting procedure for the term of office after 2008

The acting Foundation Board can compile a list of candidates to be submitted to the Administration Commissions for the following terms of office. The Administration Commissions will be notified about the list of candidates in writing and they will be asked to nominate additional candidates within 30 days from the date the call for election was dispatched.

Unless the Administration Commissions submit additional candidates or expressly request a voting procedure according to Article 5(1), the candidates proposed by the present Foundation Board shall be deemed to be the elected members of the Foundation Board.

The election must be completed at the latest two months before the term of office expires.

3. Procedure when a member of the Foundation Board leaves

If a member of the Foundation Board leaves during a term of office, the substitute member who had received the most votes will replace the member who is leaving. In doing so, parity must be ensured. The Administration Commissions will be informed that the substitute member has taken up office.

If no existing substitute member is available to replace the member who is leaving, a replacement will be elected. The procedure according to Article 5(2) shall apply accordingly. The election of a replacement must take place within three months of the departure of a member. If a member leaves the Foundation Board within six months of the official end of the term of office and no substitute member can step in during this term of office, the Foundation Board will decide on who will fill the vacancy.

Art. 6 Conduct of the election

The director shall be commissioned to conduct the election.

Art. 7 Entry into force

This Regulation will come into force on 1 January 2005.

Zurich, 25 November 2004

