

**SUPPLEMENTARY
RETIREMENT ANNUITY
INSURANCE COMPANY
DDP
STABILITA**

**SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE
COMPANY**

STABILITA

**BENEFIT SCHEME 4Z of the Supplementary Retirement Annuity
Insurance Company STABILITA**

Košice, March 2002

BENEFIT SCHEME

of

the Supplementary Retirement Annuity Insurance Company STABILITA

PREAMBLE

In accordance with the National Council of the Slovak Republic Law No. 123/1996 of Collection of Laws about supplementary retirement annuity insurance of the employees and about changes and complement of some laws as amended by the National Council of the Slovak Republic Law No. 409/2000 of Collection of Laws, this benefit scheme regulates:

1. Legal relations between the Supplementary Retirement Annuity Insurance Company STABILITA (hereinafter referred to as „DDP Stabilita“ only) and participants of the supplementary retirement annuity insurance:
 - a. employers;
 - b. insured persons including
 - employees,
 - self-employed persons,
 - persons cooperating with self-employed persons;
 - c. beneficiaries.
2. Execution of the supplementary retirement annuity insurance by the following legal subjects in relation to DDP Stabilita:
 - a. the employers that have concluded an employer's contract with DDP Stabilita in written form;
 - b. the employers that have concluded an agreement of contribution to supplementary retirement annuity insurance with DDP Stabilita in written form;
 - c. employees that have concluded an employee's contract with DDP Stabilita in written form;
 - d. self-employed persons (hereinafter referred to as „SZČO“) that have concluded an insured person's contract with DDP Stabilita in written form;
 - e. persons cooperating with SZČO that have concluded an insured person's contract with DDP Stabilita in written form;
 - f. beneficiaries to whom DDP Stabilita pays benefits of the supplementary retirement annuity after meeting conditions required;

Article 1

DEFINITION OF BASIC TERMS

1. The employer is:
 - a. a legal person having its seat or seat of its organizational branch in the Slovak Republic territory who employs natural person in employment or in similar labour relation or who performs duties in the face of the employer towards the employee by special rule if this legal person have concluded an employer's contract or agreement of contribution to supplementary retirement annuity insurance;
 - b. a natural person who employs another natural person in employment or similar labour relation if he/she has concluded an employer's contract or agreement of contribution to supplementary retirement annuity insurance.
2. The employee is a natural person who is in employment or in similar labour relation with employer or natural person performing work for which he/she is salaried, with exception of the employee executing civil service in the state-employment relation and in service relation by special rules.
3. The insured of DDP Stabilita is
 - a. an employee who has concluded an employee's contract;
 - b. SZČO who has concluded an insured person's contract, with exception of SZČO who has already concluded an employee's contract;
 - c. person cooperating with SZČO (hereinafter referred to as „cooperating person“ only) who has concluded an insured person's contract, with exception of cooperating person who has already concluded an employee's contract;
 - d. SZČO who is also an employee and has concluded an employee's contract;
 - e. cooperating person who is also an employee and has concluded an employee's contract.
4. The beneficiary by Benefit scheme of DDP Stabilita is:
 - a. an insured person (insured) to whom the insurance company pays benefits;
 - b. a survivor of insured person whose name was mentioned by insured in the employee's or insured person's contract and to whom the insurance company pays benefits in case of insured person's death;
 - c. a survivor of beneficiary whose name was mentioned by insured in the employee's or insured person's contract and to whom the insurance company pays benefits in case

that the beneficiary selected such a supplementary retirement pension that is combined with the survivor's benefit;

- d. a heir of beneficiary who will show valid decision in inheritance procedure and to whom DDP Stabilita will pay the benefit.

Article 2

WAITING PERIOD

1. Waiting period is a period of employment or similar labour relation between the employee and the employer existence after expiration of which the employee is entitled to become an insured.
2. Waiting period by this benefits scheme is three months. The employer can shorten its duration in the employer's contract or not to apply the waiting period towards the employees.
3. Condition of waiting period is not applied to SZČO, cooperating persons and employees for which the employer has not concluded an employer's contract.
4. If participation of the insured in supplementary retirement annuity insurance lapses by an agreement with DDP Stabilita or by abrogation of the employee's contract and new employee's contract is concluded with the same employer, the waiting period refers to conclusion of a new employee's contract by corresponding employer's contract.

Article 3

BEGINNING OF PARTICIPATION IN SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE

1. The employer's participation in supplementary retirement annuity insurance begins on day agreed in the employer's contract that is concluded with DDP Stabilita in written form.
2. The insured person's participation in supplementary retirement annuity insurance begins on day mentioned in the employee's contract if he/she met condition of waiting period by Article 2 of this benefit scheme at the date of the employee's contract conclusion.

3. SZČO's and cooperating person's participation in supplementary retirement annuity insurance begins on day agreed in insured person's contract that is concluded with DDP Stabilita in written form.
4. Survivor of the insured becomes a participant of the supplementary retirement annuity insurance on day of acknowledgement of the first benefit after the insured who designated him/her in employee's or insured person's contract for the case of his/her death to be a beneficiary.
5. Legal relations between DDP Stabilita and participants of the supplementary retirement annuity insurance are concluded for undetermined period.

Article 4

FORM OF PAYMENT AND CONTRIBUTION

1. Contribution to supplementary retirement annuity insurance is paid by the employer, employee and SZČO monthly on day determined in the employer's, employee's or insured person's contract.
2. The employer pays and contributes for the employee upon employer's contract and agreement on payroll deductions concluded between the employer and the employee - insured.
3. The employer, who has not concluded employer's contract and employs insureds of DDP Stabilita, is obliged, in accordance with the National Council of the Slovak Republic Law No.123/1996 of Collection of Laws as amended by the National Council of the Slovak Republic Law No. 409/2000 of Collection of Laws, to pay contributions in accordance with contract concluded on contribution to supplementary retirement annuity insurance and agreement on payroll deductions concluded between the employer and the employee - insured.
4. The employer is obliged to pay contribution to supplementary retirement annuity insurance in amount determined by the National Council of the Slovak Republic Law No. 123/1996 of Collection of Laws about supplementary retirement annuity insurance and about changes and complement of some laws as amended by the National Council of the Slovak Republic Law No. 409/2000 of Collection of Laws if he employs insureds of DDP Stabilita classified to category 3 or 4 upon decision of respective organ for health protection.

5. SZČO pays contribution for himself/herself or for cooperating person upon insured person's contract.
6. Settled contribution month for supplementary retirement annuity insurance is considered that calendar month in which the contribution was executed. It is not applied if the Supplementary Retirement Annuity Insurance Company STABILITA permitted delay of contributions payment by the employer.
7. First contribution is paid by the employee in calendar month that follows after the day of employer's contract conclusion and by SZČO for himself/herself as well as for cooperating person in calendar month that follows after the days of insured person's contract conclusion. It is so valid if not otherwise agreed employee's or insured person's contracts.
8. The employer pays contributions for himself and his employees to the account of DDP Stabilita by cashless transfer on pay day.
9. SZČO pays contributions for himself/herself as well as for cooperating person to the account of DDP Stabilita by cashless transfer on day agreed in insured person's contract.
10. Contribution is paid on day when the amount of contribution is put down to the account of the Supplementary Retirement Annuity Insurance Company STABILITA opened with their depository.
11. Details of form of payment and contribution will be determined in employer's as well as in insured person's contract and in contract on payment of contributions to supplementary retirement annuity insurance.

Article 5

AMOUNT OF CONTRIBUTIONS

1. The employer pays contribution in amount agreed in employer's contract. The amount of monthly contribution can be agreed by employer in one of the following ways:
 - a. in percentage rate from the total amount of wages and compensations of wages of the employees who are insureds of DDP Stabilita;
 - b. in fixed amount in Slovak Crowns.
2. The employer can determine different rate of insurance contribution for particular groups of employees as well as individuals in employer's contract depending on condition agreed

in employer's contract (e.g. position of the employee, period of participation in supplementary retirement annuity system or length of employment with the employer).

3. Rate of contribution of the employer by sections 1 and 2 of this Article can be agreed in collective agreement.
4. The employee pays contribution in amount agreed in employer's contract. The employee can agree the rate of monthly contribution in one of the following ways:
 - a. in percentage rate from cleared wage and its compensation;
 - b. in fixed amount in Slovak Crowns.
5. Minimum rate of the employee's contribution is 100.- Sk monthly.
6. The employer will inform DDP Stabilita about the change of rate of the employee's contribution in written within five days after conclusion of a new agreement on payroll deduction with the employee.
7. SZČO pays contribution for himself/herself and for cooperating person in amount agreed in insured person's contract. Minimum amount of contribution is 100.- Sk monthly.

Article 6

DISCONTINUANCE OF PARTICIPATION IN SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE

1. The insured person can stop his/her participation in supplementary retirement annuity insurance at any time.
2. If the reason of discontinuance is long-term sick leave of the insured person, maternity leave, basic military service, unpaid leave or other reasons resulting from general interest, the insured person advises discontinuance of his/her participation in supplementary retirement annuity insurance through his/her employer in a way mentioned in employer's contract or in contract on payment of contribution to supplementary retirement annuity insurance.
3. SZČO and cooperating person advise the reasons of discontinuance mentioned in item 2 of this Article personally or in written.
4. The insured person must agree any discontinuance of participation from other reasons with DDP Stabilita.

5. During discontinuance of participation in supplementary retirement annuity insurance the employer, SZČO for himself/herself and for his/her cooperating person, either insured person do not contribute to supplementary retirement annuity insurance.
6. After termination of discontinuance, participation of insured person in supplementary retirement annuity insurance is renewed without any waiting period. Period of discontinuance is not included to the period of participation in supplementary retirement annuity insurance.
7. After termination of discontinuance , the employer, employee as well as SZČO can pay back contributions to supplementary retirement annuity insurance. After additional payment of contributions the period of discontinuance is included to the period of participation in supplementary retirement annuity insurance.

Article 7

DELAY OF PAYMENT OF CONTRIBUTION AND SANCTIONS

1. In case of delayed contribution or incorrect amount of contributions as well as method of payment, the employer or SZČO is obliged to pay to DDP Stabilita an interest on late payment in amount agreed in employer's or insured person's contract.
2. Administrative Board of DDP Stabilita can permit delay of term of payment of contribution of the employer in case that the employer is not able to pay contributions for his employees from the reason of temporary insolvency lasting not longer than three months.
3. If Administrative Board of DDP Stabilita permitted delay of contributions payment, DDP Stabilita does not apply an interest on late payment from the reason of delayed payment. In case of permitted delay, the employer is obliged to pay to DDP Stabilita penalty in amount agreed in employer's contract.
4. In case of permitted delay the employer is obliged to pay contributions for supplementary retirement annuity insurance within period agreed with DDP Stabilita.

Article 8

LAPSE OF PARTICIPATION IN SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE

1. Participation of insured person in supplementary insurance in accordance with this benefit scheme lapses:
 - a. upon an agreement with DDP Stabilita;
 - b. by abrogation of employer's contract;
 - c. by abrogation of insured person's contract;
 - d. by lapse of participation of the employer in supplementary retirement annuity insurance;
 - e. by termination of labour relation;
 - f. by termination of self-employment of SZČO and performance of cooperating person;
 - g. by lapse of the supplementary retirement annuity insurance company;
 - h. by death.
2. If participation of insured person in supplementary retirement annuity insurance lapsed by Article 8 section 1 letter a), b), c), d), e), f) of this benefit scheme, the insured person can continue in supplementary retirement annuity insurance by conclusion of new employer's or insured person's contract or conclusion of an supplement to these contracts.
3. Way of continuance of participation of insured person in supplementary retirement annuity insurance in accordance with Article 8 section 2 of this benefit scheme is regulated by internal standard of DDP Stabilita.
4. Employer's participation in supplementary retirement annuity insurance in accordance with this benefit scheme lapses:
 - a. by abandonment of employer's contract;
 - b. by termination of employer's contract;
 - c. by extinction DDP Stabilita.
5. If participation of insured person in supplementary retirement annuity insurance lapsed, the right from supplementary retirement annuity insurance are preserved even after the lapse of participation in supplementary retirement annuity insurance if at least one of conditions mentioned in Article 10 of this benefit scheme was met.

Article 9

BENEFITS OF THE SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE

1. DDP Stabilita provides, after meeting conditions determined by this benefit scheme, employer's, employee's and insured person's contracts, following benefits:
 - a. supplementary old-age pension;
 - b. retirement pension;
 - c. supplementary disability pension;
 - d. survivor's pension;
 - e. lump-sum premium;
 - f. redundancy payment.

Article 10

CONDITIONS OF RISE OF RIGHT TO BENEFITS OF THE SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE AND KINDS OF BENEFITS

A. SUPPLEMENTARY OLD-AGE PENSION

1. Entitlement to supplementary old-age pension arises for the insured person who met following conditions:
 - a. reached at least 50 years of age;
 - b. have paid contributions to supplementary retirement annuity insurance for at least 12 months.
2. When setting up a claim to one kind of old-age pension (item E of this Article), the insured person can ask for payment of the first increased benefit up to the amount of 30 % dependently on funds recorded at his/her individual account. The insured person, whose participation in supplementary retirement annuity insurance lasted more than ten years, can ask for payment of the first increased benefit up to the amount of 40%. Benefits will be calculated from the balance at his/her individual account in a way mentioned in the supplement to this benefit scheme.

B. RETIREMENT PENSION

1. Entitlement to retirement pension arises for the insured person who performed works that were classified upon decision of respective organ for health protection to category 3 or 4 and under the following conditions:
 - a. these works were performed at least for 10 years;
 - b. the insured person and his/her employer paid contributions to supplementary retirement annuity insurance for at least 12 months.
2. When setting a claim to one kind of retirement pension by Article 10, item D of this benefit scheme, the insured person can ask for payment of the first increased benefit up to the amount of 30 % dependently on funds recorded at his/her individual account. The insured person, whose participation in supplementary retirement annuity insurance lasted more than ten years, can ask for payment of the first increased benefit up to the amount of 40%. Benefits will be calculated from the balance at his/her individual account in a way mentioned in the supplement to this benefit scheme.
3. Entitlement to retirement pension arises also for the insured person who did not meet conditions mentioned in Article 10, item B, section 1 of this benefit schedule, but he has paid contributions to supplementary retirement annuity insurance for 12 months.
4. When setting a claim to one kind of retirement pension by Article 10, item D of this benefit scheme, the base for calculation of benefits is not more than 50% of funds recorded at his/her individual account. The insured person can ask for payment of the first increased benefit up to the amount of 40% dependently on basis for calculation of benefits. Benefits will be calculated from the balance a way mentioned in the supplement to this benefit scheme.
5. The insured person may set a claim to retirement pension only once a year during his/her participation in supplementary retirement annuity insurance.

C. SUPPLEMENTARY DISABILITY PENSION

1. Entitlement to supplementary disability pension arises for the insured person who met all the following conditions:
 - a) he/she became disabled by the law about social security;
 - b) disability occurred during his/her participation in supplementary retirement annuity insurance;
 - c) he/she has paid contributions to supplementary retirement annuity insurance for

the period of at least 12 months.

When setting a claim to one kind of disability retirement pension (item E of this Article) the insured person can ask for payment of the first increased benefit up to the amount of 30 % dependently on funds recorded at his/her individual account. The insured person, whose participation in supplementary retirement annuity insurance lasted more than ten years, can ask for payment of the first increased benefit up to the amount of 40%. Benefits will be calculated from the balance at his/her individual account in a way mentioned in the supplement to this benefit scheme.

D. KINDS OF THE SUPPLEMENTARY OLD-AGE, DISABILITY, RETIREMENT AND RETIREMENT - FIDELITY PENSION.

1. At rise of entitlement to supplementary old-age, disability, retirement and retirement - fidelity pension, the insured person can agree with DDP Stabilita on one of the following kinds of the supplementary pensions:

a) Life annuity

This pension is paid until the beneficiary's death.

b) Life annuity with prolonged period of benefits payment after beneficiary's death during prolonged period $r = 3, 4, \dots, 15$ years

This pension is connection of life annuity and survivor's pension. Life annuity is paid until beneficiary's death. After his/her death, survivor's pension is paid to survivor during in advance agreed prolonged period.

c) Temporarily paid pension during temporary period $n = 5, 6, \dots, 15$ years with prolonged period of payment of benefits after beneficiary's death during prolonged period $r = 3, 4, \dots, 15$ years

This pension is connection of temporarily paid pension and survivor's pension.

Temporarily paid pension is paid to beneficiary until the end of agreed temporary period. If beneficiary is alive at the end of temporary period, survivor has not title to survivor's pension.

If beneficiary dies before the end of agreed temporary period, survivor's pension is paid to the survivor during in advance agreed prolonged period.

e) Life annuity with a guarantee of payment of benefits during the guaranteed period $m =$

5,6...15 years

This pension is connection of life annuity and survivor's pension. Life annuity is paid until beneficiary's death. If beneficiary is alive at the end the guaranteed period, survivor has not right to survivor's pension.

If beneficiary dies before the end of the guaranteed period, survivor's pension is paid to the survivor until the end of the guaranteed period.

f) Life annuity with guaranteed payment of benefits during the guaranteed period $m = 5,6...15$ years and with prolonged period of payment during the prolonged period $r = 3,4,...15$ years

This pension is connection of life annuity and survivor's pension. Life annuity is paid until beneficiary's death.

If beneficiary dies before the end the guaranteed period, survivor's pension is paid to the survivor until the end of the guaranteed period.

If beneficiary dies after the end of the guaranteed period, survivor's pension is paid to the survivor during in advance agreed prolonged period.

g) Temporarily paid sure pension with guaranteed payment of benefits during the guaranteed period $m = 10,11,...20$ years

Sex or age of insured person in which the benefits will be recognized are not considered at calculation of this pension.

This pension is connection of temporarily paid pension and survivor's pension. If beneficiary is alive at the end of the guaranteed period, survivor has not right to survivor's pension.

If beneficiary dies before the end of the guaranteed period, survivor's pension is paid to assigned survivor until the end of the guaranteed period.

2. The amount of the supplementary pensions will be calculated from funds recorded at the individual account of insured person or from determined basis in a way mentioned in the supplement of this benefit scheme.

E. SURVIVOR'S PENSION

1. Persons entitled to survivor's pension :

- a) survivor of insured person if insured person, at time of his/her death, had paid contributions to supplementary retirement annuity insurance at least for 12 months. This pension is paid during agreed temporary period $s = 5,7,9$ years.

- b) survivor of beneficiary if beneficiary chose such kind of pension that is connected with provision of survivor's pension (Article 10 item DE. section 1 letter b), d), e), f)).
2. If insured person assigned in employer's or insured person's contract more persons to receive survivor's pension, funds at the individual account of late insured person will be paid in proportions determined by insured person in these contracts. Survivor's pension will be calculated for each assigned person separately in a way determined in Supplement to this Benefit scheme.
 3. During participation in supplementary retirement annuity insurance, insured person can change survivors assigned in employer's or insured person's agreement in a way determined in these agreements.
 4. When setting a claim to survivor's pension, survivor of insured person can ask for payment of the first increased benefit up to the amount of 30% dependently on funds granted proportionally (by item 2 of this Article) from the individual account of insured person. Benefit will be calculated from the balance in a way mentioned in the supplement to this Benefit scheme.
 6. If survivor receiving survivor's pension died before completion of guaranteed period of benefits payment, balance of funds at the individual account of survivor's pension becomes the subject of inheritance procedure.

F. LUMP-SUM PREMIUM

1. Lump-sum premium belongs to insured person or survivor of insured person who is entitled to supplementary pension, but insured person did not set a claim to it, if:
 - a) insured person or survivor of insured person finished his/her permanent stay in territory of the Slovak Republic;
 - b) DDP Stabilita pays lump-sum always if the total at the individual account of insured person at time of setting a claim to benefit or proportional part from the individual account of the insured person belonging to survivor does not exceed the amount determined by the Administrative Board of DDP Stabilita
2. Insured person or insured person's survivor who has title to supplementary pension can ask for lump-sum if DDP Stabilita was cancelled and insured person or insured person's survivor did not ask for transfer of his/her contributions, contributions of the employer and

share on business revenues to other supplementary retirement annuity insurance company.

3. Lump-sum will be also paid to persons who are not entitled to supplementary pension by section 1 of this Article if participation of these persons in supplementary retirement annuity insurance lapsed from the reason of employment termination by §46 section 1 letters a) a c) of Labour Code. Lump-sum will be paid to them upon written application after elapse of period of being on the dole by the Slovak Republic National Committee Law No. 387/1996 of Collection of laws as amended.
4. Lump sum can be paid even to persons meeting conditions of setting claim to supplementary pension, but not meeting conditions mentioned in section 1 letters a) and b) of this Article from serious reasons after approval if the Administrative Board of DDP Stabilita has decided so.
5. The amount of lump-sum is calculated in a way mentioned in the supplement to this Benefit scheme.

G. REDUNDANCY PAYMENT

1. Insured person whose participation in supplementary retirement annuity insurance lapsed and who met all following contions is entitled to redundany payment:
 - a) insured person has no title to supplementary pension as at termination of participation in supplementary retirement annuity insurance (in accordance with Article 8 of Benefit Scheme 4Z) he/she has paid contributions to supplementay retirement annuity insurance for less than 12 months
 - b) insured person did not ask DDP Stabilita for transfer of contributions and business revenues to another supplementary retirement annuity insurance company.
2. Insured person's survivor is entitled to redundancy payment, too, if deceased insured person has paid contributions to supplementary retirement annuity insurance for less than twelve months. If insured person's survivor asks for payment of this benefit within one year from conclusion of the employer's or insured person's insurance agreemnet, DDP Stabilita does not charge any fee in accordance with Article 15 section 3 of this Benefit scheme.
3. If insured person died without assignment of survivor in the employer's or insured person's agreement, contributions paid by insured person and share on business revenues from these

contributions the subject of inheritance procedure.

4. The amount of redundancy payment will be calculated in a way mentioned in the supplement to this Benefit scheme.

Article 11

SETTING A CLAIM FOR BENEFITS PAYMENT

1. That who met condition determined in this Benefit scheme is entitled to benefits of supplementary retirement annuity insurance.
2. Benefits of the supplementary retirement insurance are paid upon written application of the applicant.
3. If the application for award of benefits of the supplementary retirement annuity insurance was not submitted by the applicant personally at DDP Stabilita branch, the applicant must submit personal data and signature on application for award of benefits to verify them (notary, register).
4. An application for benefits award must include all data necessary for DDP Stabilita for award of benefits, in case of incomplete application the applicant is called to complete missing data and documents within the determined period. DDP Stabilita will bring an action with regard to an application for benefits payment only after completion of all necessary documents by the applicant.
5. Claim to benefits payment arises to applicant on day of rise of claim to benefit while the application for the beginning of proceedings must be in accordance with sections 2 and 4 of this Article.
6. DDP Stabilita issues, on day of finishing proceedings, Notice of benefits award in which they inform beneficiary mainly of date, kind and rate of awarded benefits, survivors to whom the right to benefits payment will arise in case of death of beneficiary and procedure in case of disagreement with Notice of benefits award (Article 12 of this Benefit scheme).
7. If the beneficiary chooses at claiming to benefit such kind of supplementary pension that is not in combination with survivor's pension, the rights for payment of benefit to survivors mentioned in the employer's or insured person's agreement cease.
8. The applicant can in application for benefit award (by Article 10, items A,B,C,D,F of this Benefit scheme) ask for payment of the first increased benefit amount of which is regulated by internal standard of DDP Stabilita.

9. If DDP Stabilita issues Notice of benefits refusal it must include the reason of benefits refusals, too.
10. DDP Stabilita pays benefits of the supplementary pensions for the period of three months in advance, at least to 15th day of the month by which new quarter begins. This day is understood as a day of funds writting off from DDp Stabilita account.
11. Beneficiary can chose even the half-year or yearly interval of benefits payment upon agreement with DDP Stabilita if the amount of quarter benefit does not exceed 1000 Sk.
12. Beneficiary can change survivors upon the written application but not kind of benefit.
13. Redundancy and lump-sum will be paid by DDP Stabilita after meeting conditions by Article 8 section 1 of this Benefit scheme within 3 months from the date of delivery of application that must be in accordance with sections 2 and 4 of this Article for commencement of proceedings regarding the benefit.
14. DDP Stabilita pays benefits by cashless transfer to the account of beneficiary in banking institute determined by him. In this case the beneficiary is obliged once a year, in term determined in Notice of benefits award, to submit to DDP Stabilita certificate of permanent stay issued by municipal authority.
15. Beneficiary can ask for payment of benefits by postal order at beneficiary's expense.
16. DDP Stabilita has right, in accordance with particular provisions of the Civil Code, to ask for refund of wrongly paid benefits of the supplementary retirement annuity insurance.
17. Benefits of supplementary retirement annuity insurance are paid abroad in required currency upon the foreign exchange rate - sale valid on day of payment realization.
18. Claim to benefits terminates by the last benefit payment.
19. Benefits of the supplementary retirement annuity insurance are taxed by the law of natural person income tax.

Article 12

REVISION PROCEEDING

1. In case that the applicant does not agree with a Notice of award or refusal of benefits, he/she has right to ask in written for its revision within revision proceedings of DDP Stabilita, within 15 days from its delivery.
2. Revision proceeding of DDP Stabilita is regulated by its internal standard.
3. An appeal from a Notice of award or refusal of benefits (hereinafter referred to as „Notice“ only) is submitted to revising commission that consists of three member of Supervisory Board of DDP Stabilita. The chairman of revision commission is a chairman of the Supervisory Board of DDP Stabilita. Revising commission must decide in matter of appeal within 60 days from its delivery.
4. Upon objective finding of facts, revising commission will issue a memorandum with the standpoint in which it will confirm correctness of Notice or entail an obligation for DDP Stabilita to issue corrected Notice.
5. In case of disapproval of the applicant for benefits with Notice that is issued upon the standpoint of revising commission, the applicant has right to enter a lawsuit at appropriate court in accordance with provisions of §54 section 1 of the National Council of the Slovak Republic (NR SR) Law No.123/1996 of Collection of laws as amended by the NR SR Law. No. 409/2000 of Collection of laws.

Article 13

CONDITIONS OF TRANSFER OF BENEFITS BETWEEN THE SUPPLEMENTARY RETIREMENT ANNUITY INSURANCE COMPANIES

1. Insured person whose participation in supplementary retirement annuity insurance in DDP Stabilita lapsed who has not right to supplementary pension and no redundancy was paid to him is entitled to transfer of his/her contributions, contributions of the employer and share in business revenues of DDP Stabilita to the supplementary retirement annuity insurance company with which he/she concluded new employer's or insured person's contract.
2. Insured person whose participation in supplementary retirement annuity insurance in DDP Stabilita was terminated, had right to benefit or received redundancy payment, has no title to transfer of his/her contributions, contributions of his/her employer and share in business revenues of the supplementary retirement annuity insurance company Stabilita to the supplementary retirement annuity insurance company with which he concluded new employer's or insured persons's contract.

3. Part of written application for transfer of contributions to another supplementary retirement annuity insurance company is employer's or insured person's contract concluded by insured person with the new retirement annuity insurance company.
4. DDP Stabilita will transfer contributions of insured person not later than within three months from written application delivery.
5. DDP Stabilita will, together with transfer of contributions to another supplementary retirement annuity insurance company, deliver an excerpt from his/her individual account to insured person.
6. Insured person does not lose his/her right to inclusion of previous period of his/her participation in supplementary retirement annuity insurance.

Article 14

PRINCIPLES OF DISTRIBUTION OF DDP STABILITA BUSINESS REVENUES

1. DDP Stabilita will distribute business revenues to insured persons and beneficiaries.
2. Share of insured persons in business revenues is proportional with regard to funds recorded at their individual accounts and total amount obtained by DDP Stabilita in corresponding year by investment of funds of DDP Stabilita insured persons.
3. Share of beneficiaries less insurance-technical interest rate that is considered at calculation of pension is proportional to balance of funds at their individual accounts and total amount obtained by DDP Stabilita in corresponding year by investment of funds of DDP Stabilita beneficiaries.
4. Business revenues will be charged on account of insured persons within one month after their distribution approval by Administrative Board of DDP Stabilita.
5. Business revenues for beneficiaries to whom DDP pays periodic benefits can be paid in two ways:
 - a. in a form of extraordinary benefit in 6th month of the year;
 - b. in a form of valorization of pensions paid.
6. Business revenue for beneficiaries to which redundancy or lump-sum was paid in the year for which the revenue is distributed will be paid in a form of extraordinary benefit in 6th month of the year.
7. Way of DDP Stabilita business revenues distribution for respective year will be approved by Administrative Board of DDP Stabilita.

Article 15

GENERAL PROVISIONS

1. Information on state of account of insured person and share of beneficiary in economic activities of insurance office at 31st december of calendar year is sent by insurance company once a year but not later than to the end of June of following year to their addresses. Insurance company also provides the insured person written information on state of his/her account within one month from termination of her/his participation in supplementary retirement annuity insurance. Further, insurance company enables the employer, insured person and beneficiary, at their request, to look into annual reports of insurance company.
2. Another services provided by insurance company beyond the frame of § 22 of NR SR Law No. 123/1996 of Collection of laws about supplementary retirement annuity insurance of the employees as amended by NR SR Law No.409/200 of Collection of law are charged by valid price list.
3. If DDP Stabilita, upon the application of insured person, pays benefit of supplementary retirement annuity insurance or transfers contributions registered at individual account of insured person to another supplementary retirement insurance company within one year from contract coming into force, the insurance company is entitled to count service charge by valid price list payable by insured person.
4. List of charges is approved by Administrative Board of DDP Stabilita.
5. Insurance company is entitled to cover their claims for payment of charge for services provided by insurance company and payment of service charge by inclusion this charge to receivable of insured person toward insurance company if such receivable arose by benefit scheme.
6. DDP Stabilita mediates, beyond the frame of obligations determined by the law, for their insured persons and beneficiaries another benefits with contractually bound subject about which they will inform once a year.

Article 16

CONCLUSIVE PROVISIONS

1. Changes and amendments of Benefit scheme become a part of employer's and insured person's contract if the insured person did not refuse them within the period determined by these contracts.
2. This Benefit scheme became valid on 23rd October 1997 and came into effect on 3rd December 1997 when it was approved by Decision of Ministry of Labour, Social Affairs and Family of the Slovak Republic, number 3650/97-III/11 352/97-I/40 a a. This Benefit scheme was changed in following way:
 - I. Changes of Benefit scheme were approved by Administrative Board of DDP Stabilita on 18th March 1998 and became effective on 15th June 1998 whe Decision of Ministry of Labour, Social Affairs and Family of the Slovak Republic number 1480/1998-III/11 164/1998-I/40 about their approval came into force.
 - II. Changes of Benefit scheme we approved by Administrative Board of DDP Stabilita on 4th January 2001 and became effective by coming of Decision of Ministry of Labour, Social Affairs and Family of the Slovak Republic number 307/01 III/11 of 31st January 2001 into effect.
 - III. Changes of Benefit scheme we approved by Administrative Board of DDP Stabilita on 21st March 2002 and became effective on 16th April 2002 by coming of Decision of Ministry of Labour, Social Affairs and Family of the Slovak Republic number 1139/2002 III/11 about their approval into effect.

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Ing. Ladislav Drabik, MBA

Chairman of the Administrative Board

of Supplementary Retirement Annuity Insurance Company STABILITA