

STATUTORY WORKERS' COMPENSATION INSURANCE TERMS AND CONDITIONS

Valid as of October 15, 2003

This is a translation of the original Finnish terms and conditions, which take precedence should there be any differences between the original and the translation.

1 CONTENT OF STATUTORY WORKERS' COMPENSATION INSURANCE

1.1 These insurance terms and conditions apply to statutory workers' compensation insurance policies underwritten by A-Insurance Ltd (hereinafter A-Insurance) and based on the Finnish Workers' Compensation Insurance Act (608/1948).

1.2 Under this insurance, compensation is paid for an employment accident or occupational disease sustained by the insured, as provided in the Workers' Compensation Insurance Act and statutes issued by virtue of the Act.

1.3 These insurance terms and conditions will be effective as of October 15, 2003.

2 THOSE INSURED

As a general policy, the insurance covers the policyholder's all employees for whom insurance coverage must be taken out in accordance with the Workers' Compensation Insurance Act, unless the policy document indicates that the insurance is a special policy taken out by the policyholder to cover a specified part of the policyholder's company or a specified work carried out in the company.

3 DEDUCTIBLE

The insurance policy indicates whether the policyholder has a deductible for any one accident, in terms of money, as specified in the Workers' Compensation Insurance Act. The absence of such a deductible is also indicated in the policy.

4 INSURANCE PERIOD

4.1 The insurance policy shows the point of time at which A-Insurance's liability commences.

4.2 Continuous policy

The insurance contract is underwritten for an insurance period. An insurance period is the calendar year, except where the insurance takes effect before the end of a calendar year, in which case the first insurance period runs from the inception date of the insurance to the end of the following calendar year.

After that, the insurance remains in force for one insurance period at a time unless it is terminated by the policyholder in accordance with section 5.1 of these terms and conditions.

4.3 Fixed-term policy

The insurance contract can also be concluded for a specific piece of work or project the duration of which is limited. Such an insurance will terminate without separate notice. The insurance period is the validity period of the insurance. If, however, the work concerned continues in excess of the date set out in the insurance policy, the insurance is deemed to be in force until the work has been completed. The policyholder shall, before the end of the period recorded in the insurance policy, notify A-Insurance of the continuation of the work.

4.4 Termination of liability to insure

If work other than that referred to under section 4.3 terminates or the company is closing down or if liability to insure otherwise terminates, the policyholder shall notify A-Insurance of this in writing not later than one month before the end of the insurance period. Should the policyholder fail to do so, he/she is liable to pay A-Insurance a reasonable compensation for ensuing expenses in accordance with the Workers' Compensation Insurance Act.

5 TERMINATION OF INSURANCE CONTRACT

5.1 The policyholder may in writing terminate the continuous policy referred to in section 4.2. However, the first insurance period of an insurance policy taking effect before the end of the year shall end on the last day of the calendar year following the inception date of the policy. The policyholder may in writing terminate the insurance contract as of the last day of March, June, September or December, but not before the end of the first insurance period. The notice of termination shall be given at the latest three calendar months before the above-mentioned date of termination. The termination of the insurance contract is valid only if evidence is provided of a new policy taking effect with another insurance company as of the date on which the terminated policy ceases to be in force.

5.2 The insurance will terminate without notice at the point of time when, in connection with collecting the premium by distraint, the executive authority ascertains the policyholder to be indigent or his/her whereabouts to be unknown.

5.3 If an employer that has taken out statutory workers' compensation insurance is declared bankrupt, the employer's liabilities based on this insurance shall transfer to the bankrupt's estate as of the date on which the bankruptcy proceedings begin. The premiums for the bankruptcy period shall be paid by the bankrupt's estate.

6 PREMIUM

6.1 The premium period coincides with the insurance period unless otherwise agreed.

6.2 The insurance premium is determined in accordance with the premium bases of A-Insurance valid at any given time. The premium bases have been drawn up in accordance with the Workers' Compensation Insurance Act and the regulations issued by the Ministry of Social Affairs and Health by virtue of that Act.

6.3 The premium for the insurance period is composed of an advance premium and an adjustment premium. The advance premium shall be paid on a date determined by A-Insurance and before the premium period concerned. Should the final premium for an insurance period exceed or be less than the advance premium collected, an adjustment premium, equalling the difference between the final premium and the advance premium, will be collected from or returned to the policyholder. The adjustment premium will, however, be collected or returned at the latest within a year as of the end of the insurance period or, if the insurance has terminated before the end of the insurance period, within a year as of the termination of the insurance, unless otherwise provided in section 7.3. As regards terminated special-rate insurance policies, this time limit may be longer than one year if an agreement has been reached with the policyholder to that effect; however, not longer than three years. A-Insurance will not pay any interest on an adjustment premium returned to the policyholder. No adjustment premium (difference between the final premium and the advance premiums) will be collected or returned if the said difference is less than EUR 8.41. However, a minimum premium as per the premium bases will be collected for the insurance.

6.4 In the event that the policyholder agrees with A-Insurance on the payment of the premium on a date other than that provided in section 6.3, A-Insurance will, as an increase due to mode of payment, collect an annual interest for the time between the original due date and the agreed payment date, in accord-

ance with the interest rate referred to in section 4, subsection 3 of the Finnish Interest Payment Act (633/82). Delayed premium payments or collection of premium through distraint are subject to the provisions in sections 8.1 and 8.3.

7 WAGE BILL

7.1 For the determination of the final premium, the policyholder shall, on a specific form provided by A-Insurance and within one month as of the expiry of the insurance, or in the case of a continuous policy by the end of January, report to A-Insurance all necessary information on the wages and salaries paid, the number of employees concerned, and the number of hours spent on work, specified by occupational title.

7.2 On request, the policyholder shall provide A-Insurance's representative with a report of the earnings, time at work and nature of work of each employee insured during the insurance period.

7.3 If the above information is not forwarded to A-Insurance within the time limit referred to in section 7.1, A-Insurance is, on the basis of section 37 of the Workers' Compensation Insurance Act, entitled to estimate the extent of liability for the past insurance period and collect a premium, at most four times the size of the original premium, for the period for which information was not supplied. The same procedure applies in the case of misrepresentation.

8 PENAL INTEREST ON AND DISTRAINT OF PREMIUM

8.1 If the premium is not paid on the date determined on the basis of section 6.3 or on a date agreed on as per section 6.4, the policyholder shall pay an annual penal interest for the period of delay in accordance with the interest rate set out in section 4, subsection 3 of the Interest Payment Act (633/82).

8.2 In accordance with section 38 of the Workers' Compensation Insurance Act, the premium is distrainable without a court judgement or decision, as provided in the Act on the Recovery of Taxes and Fees by Recovery Proceedings (367/61). Also subject to distraint is the premium increase referred to in section 8.3.

8.3 A lump-sum increase of 10 per cent applies to a premium collected through distraint, as provided in section 38, subsection 4 of the Workers' Compensation Insurance Act.

9 OCCUPATIONAL SAFETY MEASURES

9.1 To prevent employment accidents and occupational diseases, A-Insurance has the right to carry out occupational safety inspections at the working premises covered by the insurance.

9.2 The policyholder undertakes, in accordance with the instructions of A-Insurance, to take such reasonable measures which A-Insurance considers appropriate after an occupational safety inspection carried out at

the policyholder's premises and which are aimed at preventing employment accidents and occupational diseases. A-Insurance undertakes to assist the policyholder in occupational safety matters, where necessary.

9.3 Should the policyholder fail to comply with the instructions given, A-Insurance is entitled to raise the premium. The grounds for the raise are defined in the premium bases of A-Insurance.

10 APPEAL

10.1 In accordance with section 53 a, subsection 1 of the Workers' Compensation Insurance Act, an appeal addressed to the Accident Appeal Board can be lodged against a claim settlement decision taken by A-Insurance on the basis of this insurance. The appeal shall be lodged in writing within 30 days as of the date on which the decision came to the claimant's knowledge. In all other respects as well, the appeal is subject to the relevant provisions of the Workers' Compensation Insurance Act.

10.2 A policyholder who considers that the debiting of the premium is not in compliance with the law or this contract, may lodge a written material appeal to the Accident Appeal Board, in accordance with section 53 a, subsection 3 of the Workers' Compensation Insurance Act. The appeal shall be lodged within two years as of the beginning of the year following the year in which the receivable was determined or debited. In all other respects as well, the appeal is subject to the relevant provisions of the Workers' Compensation Insurance Act.