

STATUTORY WORKERS' COMPENSATION INSURANCE TERMS AND CONDITIONS

Valid as January 1 2014

These insurance terms and conditions shall apply to statutory workers' compensation insurance referred to in the Employment Accidents Insurance Act (608/1948) and issued by Pohjola Insurance Ltd (hereinafter Pohjola).

1 THOSE INSURED

This universal insurance covers all of the policyholder's employees who must be insured under the Employment Accidents Insurance Act, unless it appears from the insurance policy that it is the question of a special insurance taken out by the policyholder for its employees being in a certain job or working for a certain part of the company.

2 VALIDITY AND TERRITORIAL LIMITS

The insurance is valid at work and in conditions as referred to in §4 of the Employment Accidents Insurance Act, and in circumstances as referred to in §4a of said Act, in Finland and abroad.

3 COMPENSATION

This insurance compensates for an occupational injury or disease sustained by the insured person, as laid down in the Employment Accidents Insurance Act and its decrees.

4 INSURANCE PERIOD

4.1 The date on which Pohjola's liability begins appears from the policy.

4.2 Automatically renewed insurance

A concluded insurance contract covers one insurance period which is one calendar year. If an insurance contract takes effect in the middle of the year, the first insurance period begins on the insurance inception date and ends until the end of the following calendar year. After that, the insurance will be renewed automatically for each subsequent insurance period, unless it has not expired or the policyholder has not terminated it under clause 5.1 below.

4.3 Temporary insurance

An insurance contract may also be concluded to cover employees involved in a certain job or project with limited duration. This type of insurance expires without any termination procedure and the insurance period equals the validity period of the insurance. If, however, the duration of the job or project is longer than that specified in the insurance policy, the insurance is considered to remain valid until the job or project has been completed. The policyholder shall notify Pohjola of any extended duration of the job or project before the end of the original completion date specified in the policy.

4.4 Termination of obligation to insure

If a job or project other than that referred to in clause 4.3 is completed or the company is closed down, or if the obligation to insure otherwise terminates, the policyholder shall notify Pohjola thereof in writing no later than one month before the end of the insurance period. If the policyholder fails to do so, he shall, under the Employment Accidents Insurance Act, pay Pohjola a reasonable amount of compensation for the expenses incurred due to his failure.

5 TERMINATION OF INSURANCE CONTRACT

5.1 The policyholder may cancel in writing his automatically renewed insurance referred to in clause 4.2 above. However, the first insurance period of the policy that takes effect in the middle of the year will not end until the last day of the calendar year following the year of the inception date. The policyholder may cancel the insurance contract in writing so as to take effect on the last day of March, June, September or December, but not before the end of the first insurance period. Cancellation must be made no later than three calendar months before the aforementioned last days. Cancellation of an insurance contract will be valid only if the policyholder can prove that his new insurance taken out with another insurer takes effect on the date on which the cancelled insurance ceases to be effective.

5.2. The insurance terminates without any termination procedures on the date when an executive authority, while collecting the premium by way of distraint, finds the policyholder impecunious or his whereabouts unknown.

5.3 If an employer who has taken out a statutory workers' compensation insurance policy is declared bankrupt, the employer's obligations based on that insurance will transfer to the bankrupt's estate as of the bankruptcy commencement date. The bankrupt's estate shall pay insurance premiums for the period of bankruptcy.

6 INSURANCE PREMIUM

6.1 The premium period equals the insurance period, unless otherwise agreed thereon.

6.2 Pohjola determines insurance premiums according to its premium bases valid from time to time.

6.3 The insurance premium for an insurance period comprises an advance premium and an adjustment premium. An advance premium must be paid beforehand for each insurance period at the time stipulated by Pohjola. If the final insurance premium for the insurance period is above the advance premium paid by the policyholder, he will be charged the difference between the final premium and advance premium as the adjustment premium, and if the final insurance premium is below the advance premium paid by the policyholder, he will be refunded the difference. However, such an adjustment premium will be charged or refunded within one year of the end of the insurance period at the latest or, if the insurance has terminated during the insurance period, within one year of the termination, unless otherwise provided in clause 7.3 below. However, this time limit may be extended by one year for terminated insurance based on special premium rating, if such extension has been agreed with the policyholder, but the maximum time limit is four years. Pohjola will not pay any interest

on the adjustment premium returned to the policyholder. Neither will Pohjola charge any interest on the adjustment premium, if the final insurance premium is above the advance premium. Pohjola will not charge or refund any adjustment premium, or the difference between the final premium and advance premiums, if this difference is lower than 8.00 euros. However, Pohjola will charge at least the minimum insurance premium according to its premium bases.

6.4 If the policyholder has agreed with Pohjola on paying the insurance premium at the time other than that specified in clause 6.3 above, Pohjola will charge annual interest for the period between the original and agreed payment date applying the interest rate as referred to in Section 4 a, Subsection 1 of the Interest Act (633/1982). Provisions under clauses 8.1 and 8.3 shall apply to delayed payments or collection of such payments by distraint.

6.5 If the policyholder has agreed with Pohjola on paying the insurance premium by instalments, Pohjola has the right to charge the policyholder a surcharge.

7 PAYROLL REPORT

7.1 For determination of the final insurance premium, the policyholder shall provide Pohjola with the necessary information on wages and salaries paid and the number of employees and their working hours by occupational group. Such information must be provided in the manner agreed with Pohjola within one month of the expiry of the insurance or, with respect to automatically renewed insurance, by the end of January.

7.2 Upon request, the policyholder must provide a Pohjola agent with a report on the wages and salaries, working hours, duration of employment and type of work of each insured employee during the insurance period.

7.3 If the policyholder fails to provide Pohjola with the abovementioned information within the time specified in clause 7.1 above, Pohjola will have the right, under §37 of the Employment Accidents Insurance Act, to estimate the scale of the liability for the insurance period in question and claim up to four times the amount of insurance premium for the proportion affected by such failure. This procedure also applies if the policyholder has provided incorrect information.

8 PENALTY INTEREST ON DELAYED PAYMENT AND DISTRAINT FOR NON-PAYMENT

8.1 If the policyholder does not pay the insurance premium at the time stipulated by Pohjola under clause 6.3 or at the agreed time under clause 6.4, he must pay annual penalty interest for the period the amount is outstanding, in accordance with section 4 a, subsection 1 of the Interest Act.

8.2 In accordance with §38 of the Employment Accidents Insurance Act, an insurance

premium can be recovered by distraint without a court order or decision as provided in the Act on collection of taxes and charges (Laki verojen ja maksujen täytäntöönpanosta) (706/2007). An increase in the insurance premium mentioned in clause 9.3 below can also be recovered by distraint.

8.3 If an insurance premium is recovered by distraint, the premium will be increased by a 10% non-recurring surcharge as laid down in section 38, subsection 4 of the Employment Accidents Insurance Act.

9 OCCUPATIONAL SAFETY ACTIVITIES

9.1 Pohjola has the right to perform safety-related on-site inspections in the workplace covered by the insurance with the aim of preventing occupational injuries and diseases.

9.2 The policyholder shall, in accordance with Pohjola's instructions, undertake to take measures deemed reasonable and aimed at preventing occupational injuries and diseases

that Pohjola considers justified after the on-site safety inspection. Where necessary, Pohjola shall assist the policyholder in occupational safety issues.

9.3 If the policyholder does not follow the given instructions, Pohjola will have the right to increase the insurance premium. The criteria for such an increase are specified in Pohjola's premium bases.

10 APPEAL

10.1 An interested party not satisfied with a claim settlement decision issued by Pohjola under this insurance may file an appeal with the Employment Accidents Appeal Board, as specified in section 53 a, subsection 1 of the Employment Accidents Insurance Act, by submitting it in writing within 30 days of the date when the decision was notified. In other respects, the appeal procedure is subject to the related provisions in the Employment Accidents Insurance Act.

10.2 A policyholder, who considers the charged insurance premium to be in breach of law or this contract, may file a written complaint with the Employment Accidents Appeal Board, in accordance with section 53 c of the Employment Accidents Insurance Act, within two years from the beginning of the year following the year when the amount payable was fixed or charged. In other respects, the complaint procedure is subject to the related provisions in the Employment Accidents Insurance Act.

11 EFFECTIVE DATE

These insurance terms and conditions will become effective on 1 January 2014.