
RULES OF THE KILLINALLI INSURANCE FUND

Valid as of 1 May 2025

Confirmed by the Financial Supervisory Authority on 29 April 2025

Contact information: Killinalli Insurance Fund
PO Box 101
21201 Raisio

telephone number: +358 44 782 1213
email: killinalli@raisio.com
website: www.killinalli.net

TABLE OF CONTENTS**SECTIONS**

GENERAL PROVISIONS	1–3
REMIT AND INSURANCE RELATIONSHIP	4
WITHDRAWAL AND DISMISSAL FROM THE FUND	5–7
INSURANCE PREMIUMS	8–10
BENEFITS	11
CONDITIONS FOR RECEIVING COMPENSATION	12–13
RESTRICTIONS CONCERNING BENEFITS	14–16
APPLICATION FOR AND PAYMENT OF BENEFITS	17–18
APPEALING A BENEFIT DECISION	19
EQUITY FUNDS	20–21
TECHNICAL PROVISIONS	22
FINANCIAL STATEMENTS	23–24
AUDIT	25
FUND MEETING	26–35
BOARD OF DIRECTORS	36–39
CEO	40
RIGHT TO SIGN FOR THE FUND	41
INVESTMENT OF ASSETS AND BORROWING	42
CHANGES TO SHAREHOLDERS’ OBLIGATIONS	43
MERGER AND DEMERGER	44
TRANSFER OF THE INSURANCE PORTFOLIO, VOLUNTARY LIQUIDATION AND DISSOLUTION OF THE FUND	45
STATUTORY LIQUIDATION AND DISSOLUTION	46–47

GENERAL PROVISIONS

1. The name of the insurance fund is the Killinalli Insurance Fund (Killinallin Vakuutuslaskassa). The fund is domiciled in Raisio.
2. The purpose of the fund is to grant the benefits defined in these rules. The fund's operations are subject to these rules as well as the Act on Pension Foundations and Pension Funds (946/2021) and the Insurance Fund Act (948/2021). The Financial Supervisory Authority is responsible for the general monitoring of the fund's operations.
3. The fund must have a minimum of 300 insured members.

REMIT AND INSURANCE RELATIONSHIP

4. The fund's remit comprises the persons employed by the companies identified in the register of shareholders as well as the persons employed by this insurance fund. In these rules, companies are referred to as shareholders.

The register of shareholders is public and available on the Killinalli Insurance Fund website. The register of shareholders also mentions any limitations to inclusion in the fund's remit for each company.

Any changes to the register of shareholders are reported to the Financial Supervisory Authority without delay.

In order to be included in the fund's remit, the person must receive their primary income from a shareholder or the insurance fund.

The remit does not cover persons insured under another sickness or insurance fund.

Persons included in the fund's remit are entitled to become insured members of the fund. An insurance relationship must be applied for within six months of the start of employment. The insurance relationship starts at the beginning of the month following the month during which the person joined the fund.

If the employment relationship starts again within six months of the end of the previous employment relationship, the insurance relationship with the fund may continue immediately from the start of the employment relationship onwards, and the insured member's previous insurance relationship is counted towards the insurance terms.

The fund's remit does not include persons receiving statutory old-age pension, supplementary pension from a company pension fund, pension paid by the employer through pension insurance, full rehabilitation subsidy or full disability pension.

The Board of Directors of the fund confirms whether the conditions for an insurance relationship are met.

The Board of Directors may also, with a separate fixed-term decision, allow for an insurance relationship to be established with persons employed by a shareholder who did not previously join the fund as insured members.

At the start of the insurance relationship, the insured member is sent the rules of the fund by email. The insured members are informed about the rules, as well as changes to them, on the insurance fund's website.

Shareholders are added to the fund's remit and the register of shareholders once the Financial Supervisory Authority has given notification of its approval of the change.

WITHDRAWAL AND DISMISSAL FROM THE FUND

5. Insured members withdraw from the fund once they stop being included in its remit. The insurance relationship ends with the end of the employment relationship.

Voluntarily insured members can withdraw from the fund by submitting a separate request in writing. Persons who withdraw from the fund at their own request are not entitled to rejoin the fund.

If, after the occurrence of an insured event, the insured member deceptively provides the fund with inaccurate or misleading information relevant to the receipt or amount of the benefits granted in accordance with the fund's rules, or if the insured member has intentionally caused the insured event, the Board of Directors has the right to dismiss the insured member from the fund either permanently or for a fixed period of time.

The Board of Directors of the fund must prepare standard operating procedures for these types of situations in order to ensure equal treatment of insured members. The actions that led to the deceptive activity must be reported to the police for an investigation before the Board of Directors of the fund may decide on the dismissal of the insured member for a fixed period of time. However, the insured member may only be dismissed from the fund permanently if they are convicted of an offence on account of deceptive activity targeted at the insurance fund. The insured member must be heard before the dismissal, and the decision on dismissal is made by the Board of Directors. The decision on the duration of dismissal must take into account the nature, scope and duration of the reprehensible actions by the insured member as well as the gains achieved by them through these actions.

6. A shareholder withdraws from the fund when they stop being included in the fund's remit or by submitting a notice of withdrawal to the fund in writing at least six months before the date of withdrawal. A shareholder can be dismissed from the fund for non-compliance with sections 8 and 9 of these rules.
7. Insured members and shareholders who withdraw from the fund are not entitled to the fund's assets.

INSURANCE PREMIUMS

8. The insurance premium paid by insured members is 1.25% of the salary and wages received by the insured member from a shareholder under the Act on Tax Prepayments (1118/1996), but at least

EUR 25 and no more than EU 48 per calendar month. If the insurance relationship starts or ends in the middle of a month, the minimum and maximum amounts charged are a proportionate share of the entire month's premium. No insurance premium is charged for the holiday compensation and holiday bonus paid at the end of an employment relationship.

No insurance premium is charged for the duration of an unpaid leave of absence. No insurance premium is charged while the insured member is posted abroad.

A shareholder's insurance premium is 0.88% of the salaries and wages of the insured members employed by the shareholder who are insured under the fund.

9. The shareholder withholds the insurance premium from the insured members' salaries and wages in conjunction with the payment of salaries and wages. These insurance premiums are paid to the fund at least once a month.
The shareholder pays the shareholder's insurance premium to the fund at least once a month.
10. If required by the fund's financial situation, the Board of Directors of the fund may reduce or increase the insurance premiums, as well as the minimum and maximum amounts of the insurance premium, by up to 25%. Changes to the premiums must first be approved by the shareholders before they are carried out.

However, a change to the premiums that will be valid for longer than six months must be implemented as a change to the rules.

BENEFITS

11. The fund compensates the insured members for costs incurred from necessary care and treatment when the member has to consult a doctor, dentist or another person with appropriate professional training in order to promote and maintain their health, treat an illness, or because of a pregnancy or childbirth. Compensation is paid for the amount that the care and treatment would have cost when excluding any unnecessary costs.

Before compensation is paid, the amount of compensation payable under the Health Insurance Act or another law is deducted from it. Similarly, if the insured member is entitled to compensation based on the laws of a country other than Finland, the compensation in question may, at the discretion of the Board of Directors, be taken fully or partly into account in determining the amount of compensation payable by the fund.

However, medical care as referred to in these rules does not cover assisted medical procreation. As for cancer treatment, the fund only compensates for treatment provided by public sector services.

Compensable costs:

1. Doctor's fees

- a) 85% of doctor's appointment fees when the treatment is also compensable under the Health Insurance Act, but excluding dentist's fees, which are compensated based on subsection 2 of this section

- b) 85% of minor procedures performed by a doctor and 85% of dentist's fees when the appointment is for a purpose other than the treatment of dental disorders
- e) 85% of doctor's fees charged for a surgery or a comparable procedure, up to EUR 1,500 per claim.

2. Dental care

Fees charged for treatment provided by a dentist, dental technician, dental assistant or oral hygienist after the insured member's insurance relationship has continued for at least a year. Treatment also covers orthodontic treatment, prosthetic procedures and dental technology.

The amount of compensation is 85% of the fees but no more than EUR 800 per calendar year. The payment date on the invoice decides the year for which the compensation is recorded.

3. Public health care

100% of public sector client fees, excluding dental care. The maximum amount of compensation paid is in accordance with the maximum amounts specified in the Decree on Client Charges in Healthcare and Social Welfare (912/1992).

The public sector client fees compensated include the following:

- outpatient clinic fee
- health centre fee
- fee charged for day surgery procedures
- fee charged for telephone consultations and remote services
- fee charged for physiotherapy and serial treatment
- fee charged for medical certificates
- daily fee charged for hospital, health centre or at-home hospital care, with compensation being paid for up to 120 days per calendar year
- daily fee charged for substance abuse rehabilitation if deemed appropriate by the Board of Directors in individual cases, paid for up to 120 days per calendar year.

4. Medication

Medication, foods for special medical purposes, other comparable products and basic ointments prescribed by a doctor, a dentist, or a healthcare professional with a limited right to prescribe medication when compensation is also granted under the Health Insurance Act. The amount of compensation is 100%. The compensation is calculated based on the reference price. The annual initial co-payment for medications under the Health Insurance Act is compensated. Injections of medicinal products administered by a doctor during an appointment in order to treat an illness are compensated.

5. Examinations and treatment by private healthcare services

- a) 85% of laboratory examinations ordered by a doctor, examinations in the field of pathology and radiological examinations; 85% of laboratory examinations ordered by a dentist, a specialist in psychiatry or an oral and maxillofacial surgeon and examinations in the field of pathology and radiological examinations only when the person also receives compensation under the Health Insurance Act
- b) 65% of the fee charged for physiotherapy after the insurance relationship has lasted for at least one year

- c) 65% of the fee charged for treatment provided by a massage therapist, osteopath, naprapath or chiropractor after the insurance relationship has lasted for at least one year
- d) 85% of light therapy prescribed by a doctor after the insurance relationship has lasted for at least one year
- e) 85% of treatment prescribed by a doctor and provided by a psychologist or psychotherapist, up to five times per calendar year, after the insurance relationship has lasted for at least one year
- f) 65% of treatment prescribed by a doctor and provided by a nutritional therapist, up to five times per calendar year
- g) 85% of treatment provided by a nurse
- h) 65% of foot therapy prescribed by a doctor, up to five times per calendar year
- i) the daily fee charged for private substance abuse rehabilitation is compensated up to the maximum amount specified in the Decree on Client Charges in Healthcare and Social Welfare if deemed appropriate by the Board of Directors in individual cases, with compensation being paid for up to 120 days per calendar year
- j) 70% of the institutional care fee for a private health establishment, up to EUR 1,000 per calendar year, after the insurance relationship has lasted for at least one year
- k) 85% of an eye examination performed by an optician after the insurance relationship has lasted for at least one year, with the compensation being paid every other year.

Other compensable costs

a) Eyeglasses

After the insurance relationship has lasted for at least one year, 75% of the price of eyeglasses prescribed by a doctor or optician, up to EUR 300 per claim.

The condition for this compensation is that the lenses correct vision. If the person wishes, they can also spend an amount equivalent to the compensation for eyeglasses on refractive surgery. This compensation is paid every other year.

b) Orthotics

After the insurance relationship has lasted for at least one year, 75% of foot, finger, wrist, ankle, elbow and knee orthotics and medical compression socks prescribed by a doctor for maintaining work ability, up to EUR 200 per calendar year.

c) Compensation for travel expenses

The co-payment for travel expenses is only reimbursed when the person is also entitled to compensation under the Health Insurance Act.

d) Co-payment for private medical expense insurance

If the insured member has been granted compensation based on voluntary insurance, 70% of the co-payment incurred by the insured member is reimbursed.

Funeral grant

A funeral grant in the amount of EUR 1,500 is paid after the death of an insured member who was a member of the fund for at least a year.

The funeral grant is always paid to the account of the insured member.

CONDITIONS FOR RECEIVING COMPENSATION

12. The condition for the payment of compensation in accordance with these rules is that:

- 1) the examination was carried out or the treatment was provided by a doctor or another person with appropriate professional training who is registered in a central register of social welfare and health care professionals maintained by the National Supervisory Authority for Welfare and Health
or
- 2) the examination carried out or treatment provided by private healthcare services took place at a private health establishment as specified in the Act on the Supervision of Social Welfare and Health Care Services (741/2023).

Necessary treatment and examination covers the promotion and maintenance of health and medical treatment that is generally accepted in medicine and complies with good medical practice. A prescription from a doctor must always be obtained before the event entitling the insured member to compensation takes place. Based on a prescription, the insured member is entitled to compensation for one year from the issuance of the prescription.

For treatment provided abroad, compensation is provided up to the amount that would have been paid for corresponding treatment provided in Finland. Travel costs incurred abroad are not compensated.

13. The fund's responsibility for benefits starts at the beginning of the insurance relationship and ends when the insurance relationship concludes. The fund only compensates for costs incurred during the insurance relationship.

The incurring of costs is considered to occur when the treatment is provided and the examination is carried out. For dental care, the compensation year is determined in accordance with the payment date on the invoice. For eyeglasses, the compensation year is determined in accordance with the date of purchase.

RESTRICTIONS CONCERNING BENEFITS

14. The benefits specified above in section 11 are not paid for a period during which the insured member is:

1. on an unpaid leave of absence for a reason other than illness, pregnancy leave or parental leave (e.g. care leave, study leave or job alternation leave)
2. away from work due to a work stoppage or temporary lay-off continuously for longer than a month;
by way of exception, compensation for medication is also paid during temporary lay-offs

3. posted abroad.

15. If, after the occurrence of an insured event, the insured member deceptively provides the fund with inaccurate or misleading information relevant to the receipt or amount of supplementary benefits, the Board of Directors has the right to dismiss the insured member from the fund either permanently or for a fixed period of time, or withhold or reduce the benefits owed to them as reasonable, taking into account the circumstances.

The Board of Directors of the fund must prepare standard operating procedures for these types of situations in order to ensure equal treatment of insured members. The actions that led to the deceptive activity must be reported to the police for an investigation before the Board of Directors of the fund may decide on the dismissal of the insured member for a fixed period of time. However, the insured member may only be dismissed from the fund permanently if they are convicted of an offence on account of deceptive activity targeted at the insurance fund. Before the dismissal of the insured member or the withholding or reduction of their benefits, the insured member must be heard and consideration must be given to the actions taken by the insured member in the case, as well as the amount of benefits paid.

With regard to benefits, the fund is relieved of liability towards an insured member who has intentionally caused an insured event.

If the insured member has caused an insured event as a result of gross negligence, a benefit payable to them may be withheld or reduced or the payment of the benefit may be interrupted as reasonable, taking into account the circumstances.

Before the withholding or reduction of benefits or interruption of the payment of benefits granted, the insured member must be heard and consideration must be given to the actions taken by the insured member or beneficiary in the case, as well as the amount of benefits paid.

16. The Board of Directors is entitled to specify which service provider must be used for care and treatment for which compensation is provided based on these rules. By order of the Board of Directors of the fund, the insured member is obligated to undergo an examination by a service provider designated by the Board of Directors, at the expense of the fund, for the purpose of investigating a claim for compensation.

If the insured member does not comply with the provisions laid down in paragraphs 1 and 2, compensation may be fully or partly withheld.

APPLICATION FOR AND PAYMENT OF BENEFITS

17. Benefits as specified in these rules must be applied for in writing. The necessary accounts as specified on the fund's website must be included in the application as appendices.

Compensation must be applied for within six months of when the payment for which compensation is being sought was made. The funeral grant must be applied for within six months of when the right to the grant arose. Despite an application being submitted late, however, a benefit may still be paid in full or in part if withholding the benefit must be considered to be unreasonable.

Applications for benefits must be processed as urgent. Late payment of benefits is subject to the provisions in chapter 6, section 8.

- 18.** If an insured member has received a larger amount of a benefit as specified in these rules than they are entitled to, the amount unduly paid must be recovered. The recovery of benefits unduly paid must comply with good collection practice and the insured member must be heard.

Recovery may be waived fully or partly if this is considered to be reasonable and the undue payment was not due to a deceptive practice by the insured member or if the amount paid is low. The amount to be recovered may be deducted from a benefit due to be paid by the fund later if the insured member consents to this.

The Board of Directors of the fund must prepare standard operating procedures for these types of situations in order to ensure equal treatment of insured members.

APPEALING A BENEFIT DECISION

- 19.** A person dissatisfied with a benefit decision made by the fund may request a recommendation on how to resolve the matter from the Finnish Financial Ombudsman Bureau (FINE). The request for a recommended solution must be submitted to the fund or the Finnish Financial Ombudsman Bureau within 30 days of when the insured member was notified of the decision. The insured member is considered to have been notified of the decision on the seventh day from the date of which the decision was posted.

A person dissatisfied with a benefit decision may also bring the matter before a court for resolution. Proceedings must be brought within three years of when the person dissatisfied with the benefit decision was informed by the fund in writing of the decision and the three-year deadline. The competent court is the general lower court of the fund's domicile, i.e. the District Court of Southwest Finland. The application may also be considered by the district court in whose jurisdiction the claimant's domicile or permanent place of residence is located.

EQUITY FUNDS

- 20.** The fund has a reserve fund and an operating fund.

Each year, the reserve fund must be increased by at least 20% of the surplus indicated by the financial statements after deducting the deficit for previous financial years, as indicated by the balance sheet.

Once the reserve fund is at least equal to the average insurance premium income for the current and two preceding financial years, transfers to the reserve fund are no longer mandatory.

The reserve fund may only be reduced by decision of the fund meeting for the purpose of covering a deficit indicated by the confirmed balance sheet.

Notwithstanding the provisions of paragraph 4, the Financial Supervisory Authority may, upon application, permit the fund to reduce its reserve fund for specific reasons, but usually not lower than the amount of a full reserve fund.

- 21.** The share of a surplus not transferred to the reserve fund must be transferred to the operating fund.

The operating fund may be used:

- 1) to cover a deficit indicated by the financial statements
- 2) at the discretion of the Board of Directors, to increase the benefits mentioned in the fund's rules for a fixed period of time
- 3) at the discretion of the Board of Directors, to pay benefits for the duration of unpaid leaves of absence in accordance with a fixed-term plan.

A plan on the use of the operating fund is made for a maximum period of one year.

If the operating fund has increased to the point that it exceeds the full amount of the reserve fund by more than 30%, the fund must take action to either increase the benefits specified in these rules or reduce the insurance premiums.

TECHNICAL PROVISIONS

- 22.** The fund's technical provisions comprise the liabilities corresponding to the amount of unpaid compensation and other amounts payable on account of insured events that have occurred. Liabilities are calculated for the financial statements in accordance with the Financial Supervisory Authority's calculation criteria.

FINANCIAL STATEMENTS

- 23.** The fund's financial period is one calendar year.

For each financial year, financial statements must be drawn up in accordance with Decree 1196/2021 of the Ministry of Social Affairs and Health and regulations issued by the Financial Supervisory Authority, comprising the income statement, balance sheet and related notes. An annual report must be appended to the financial statements. The financial statements and annual report must be submitted to the auditors for an audit at least a month before the ordinary fund meeting.

- 24.** If the operating fund is not sufficient to cover the fund's deficit, the reserve fund is used for this purpose.

If the reserve fund is not sufficient to cover the deficit, the fund meeting must, without delay, impose a supplementary premium as specified in the Insurance Fund Act, chapter 4, section 12, on those who were obligated to pay premiums to the fund during the financial year. The supplementary premium must be proportionate to the amount paid for the financial year and amount to no more than 10% of it. The supplementary premium may exceed the missing amount by up to 20%. The payment schedule for the supplementary premium and the amount of the instalments must also be decided at the same time. The supplementary premium and late payment interest are directly enforceable.

AUDIT

- 25.** The fund has an auditor who is assigned for one calendar year at a time. The auditor may be a natural person or an approved audit firm. A substitute auditor must be chosen for a natural person assigned as auditor. No substitute auditor is chosen for a chosen audit firm. The auditor and their substitute must be auditors as specified in the Auditing Act (114/2015).

FUND MEETING

- 26.** The highest authority to decide on matters concerning the fund rests with the fund meeting, which each insured member and shareholder has the right to attend and where they have the right to speak.

The fund meeting must be held in the fund's domicile. Insured members and shareholders are also allowed to take part in the meeting by post or via a telecommunications connection or another technical tool.

- 27.** Each insured member has one vote at the fund meeting. Insured members may exercise this right at the fund meeting personally or through a proxy. A proxy has the right to represent up to 10 insured members.

At the fund meeting, shareholders represent a number of votes equivalent to 100% of the total number of votes held by the insured members represented at the meeting. The number of votes is divided between the shareholders relative to the contributions paid by the shareholders during the previous financial year.

Proxies for insured members and shareholders must present a unique dated proxy document.

- 28.** The fund holds two ordinary fund meetings each year, with the first taking place in April at the latest and the second in November at the latest.

At the ordinary meeting held in April at the latest:

- 1) the financial statements and auditor's report are presented
- 2) the decision is made on the confirmation of the previous year's financial statements
- 3) the decision is made on the use of the surplus or covering the deficit
- 4) the decision is made on releasing the Board members and CEO from liability
- 5) the decision is made on other actions that may be necessitated by the previous year's operations and financial statements
- 6) any other agenda items mentioned in the meeting invitation are considered.

At the fund meeting held in November at the latest:

- 1) the remuneration payable to the chair and other members of the Board of Directors and auditors is specified
- 2) new members and deputy members are chosen as needed to replace the members and deputy members whose turn it is to resign from the Board of Directors
- 3) the auditors and the necessary substitute auditors are chosen
- 4) any other agenda items mentioned in the meeting invitation are considered.

- 29.** An extraordinary fund meeting must be held when deemed pertinent by the Board of Directors.

An extraordinary fund meeting must also be held if requested in writing by those with the right to vote at fund meetings, provided that they account for at least 10% of the total number of votes held by those with voting rights, or by the Financial Supervisory Authority or the fund's auditor for the purpose of considering a matter specified by the requester.

- 30.** Insured members and shareholders have the right to bring matters for consideration by the fund meeting. The request must be presented to the Board of Directors in writing well enough in advance that the matter can be included in the meeting invitation.

- 31.** The invitation to a fund meeting must be delivered no earlier than four weeks and no later than one week before the meeting. If the decision on a matter considered at a fund meeting is postponed to a follow-up meeting, a separate invitation to the follow-up meeting must be delivered if the meeting will take place later than in four weeks time.

Meeting invitations and other notices are published on the fund's website and sent to the shareholders separately by email.

Invitations to an extraordinary fund meeting must be delivered within two weeks of the submission of a request as specified in section 29, paragraph 2, of these rules.

- 32.** An invitation to a fund meeting must mention the time and place of the meeting as well as the agenda items to be considered at the meeting. If a change to the rules will be discussed at the meeting, the primary content of the change must be mentioned in the meeting invitation.

When the financial statements are set to be discussed at a fund meeting, the documents pertaining to the financial statements or copies thereof must be kept available to those with voting rights at the fund's office or website for at least a week prior to the meeting. The documents must also be available at the fund meeting. The same practice must be followed when a change to the rules will be discussed at the fund meeting. The meeting invitation must mention the availability of the documents.

- 33.** A fund meeting is chaired by the person chosen for this role by the meeting.

To be recorded as a decision made by the fund meeting, an opinion must be supported by more than half of the votes cast, unless otherwise provided by the law or another section of these rules. If the vote is tied, the chair has the decisive vote. During an election, the person who receives the most votes is chosen. When the votes are tied, the election is decided by drawing lots.

A decision concerning a change to the fund's rules is only valid if it is supported by at least two thirds of the total number of votes represented at the meeting.

If the change to the rules directly concerns the shareholders' rights or obligations, another condition for the confirmation of the change is that the shareholder approves it at a fund meeting or by other means. If there is more than one shareholder, the condition for the confirmation of the change is that at least two in three of all shareholders approve it at a fund meeting or by other means. Another requirement is that the number of votes held by the shareholders who support the change represent two thirds of the total number of votes that the shareholders would have had if all shareholders had been represented at the fund meeting.

- 34.** A matter that has not been considered in accordance with the procedural provisions of the Act on Pension Foundations and Pension Funds or the provisions concerning meeting invitations in these rules may only be decided on with the consent of the insured members and shareholders affected by this negligence.

If the law or these rules require the matter to be considered at a fund meeting, the fund meeting may decide on the matter despite the matter not being mentioned in the meeting invitation. Similarly, the fund meeting may always decide to convene an extraordinary fund meeting in order to consider a specific matter.

- 35.** Minutes are kept at fund meetings, recording those present who have the right to vote and the number of votes held by them, the decisions made at the meeting and the outcome of votes when a decision is put to vote. Minutes must be inspected and signed by the chair and at least one voting member chosen for this task at the meeting. Minutes must be numbered with a running number and stored in a reliable manner. Minutes must be made available to the insured members and shareholders at the fund's office or by other means within two weeks of the meeting at the latest. The shareholders and insured members have the right to access a copy of the minutes and their appendices.

BOARD OF DIRECTORS

- 36.** The Board of Directors of the fund comprises six actual members who must each have a personal designated deputy member.

The Board of Directors is chosen by the fund meeting. The members of the fund choose four Board members and deputy members for them, of whom two represent workers and two represent salaried employees. The shareholders choose two actual members and deputy members for them. Members of the Board of Directors must be members of the fund.

The Board members are paid a meeting fee, the amount of which is decided by the fund meeting.

The term of a Board member is two calendar years. Each year, two actual members chosen by the members of the fund, as well as their designated deputy members, resign from the Board of Directors, with one having been chosen by workers and the other by salaried employees. Additionally, one actual member and deputy member chosen by the shareholders resigns each year.

- 37.** The Board of Directors represents the fund and takes care of the fund's management and appropriate arrangement of the fund's operations.

The Board of Directors is tasked with the following in particular:

- 1) appointing and dismissing the CEO and the fund's employees as well as deciding on their terms of employment
- 2) providing the CEO with the necessary instructions and orders for taking care of the day-to-day management and other activities of the fund
- 3) ensuring appropriate organisation of the fund's accounting and financial control
- 4) deciding on the investment of the fund's assets and taking out loans
- 5) deciding on the granting of benefits, unless the Board of Directors has delegated this decision-making power to the CEO or an employee of the fund
- 6) convening a fund meeting and preparing the matters to be discussed at the meeting as well as proposing measures in the annual report on how to address the surplus or deficit indicated by the financial statements
- 7) providing the authorisation to sign for the fund.

- 38.** The Board of Directors selects a chair and vice chair from among its members on an annual basis. The CEO may not chair the Board of Directors.

The Board of Directors convenes by invitation of its chair or, in the chair's absence, the vice chair. The chair must convene the Board of Directors if called for by a member of the Board or by the CEO.

A quorum is constituted when the chair or vice chair and at least three other members are present.

The decision by the Board of Directors shall be the proposal supported by more than half of those present.

If the vote is tied, the chair has the decisive vote.

A member of the Board of Directors or the CEO may not take part in the consideration of a matter concerning their relationship with the fund or other private interest.

- 39.** Minutes must be kept about Board meetings and signed by the chair of the meeting and the person who drew up the minutes. The minutes must be inspected by at least one member specifically chosen by the Board of Directors for this task at each meeting.

Members of the Board of Directors and the CEO are entitled to have their dissenting opinions recorded in the minutes. Minutes must be numbered with a running number and stored in a reliable manner.

Minutes must record the following:

- 1) the date, start and end times and location of the meeting
- 2) the members of the Board of Directors and other persons present at the meeting
- 3) the agenda items considered, decisions made, votes held, and dissenting opinions
- 4) any conflicts of interest and other information considered to be necessary.

40. CEO

The CEO is tasked with taking care of the current management of the fund in accordance with the instructions and orders provided by the Board of Directors. The CEO must make sure that the fund's accounting complies with legislation and the asset management arrangements are reliable.

The CEO is entitled to represent the fund in matters falling under the CEO's responsibilities in accordance with the Act on Pension Foundations and Pension Funds, chapter 4, section 13.

RIGHT TO SIGN FOR THE FUND

- 41.** The right to sign for the fund always requires two of the following persons: a member of the Board of Directors, the CEO or an employee of the fund authorised by the Board of Directors.

INVESTMENT OF ASSETS AND BORROWING

- 42.** The fund must invest its assets profitably and securely while ensuring liquidity. The fund's assets may not be used for purposes outside of the fund's sphere of operations. The fund must adjust its operations to make the operations possible to carry out without taking out loans. However, the fund may temporarily take out short-term loans in order to maintain liquidity. The fund may not provide a guarantee.

CHANGES TO SHAREHOLDERS' OBLIGATIONS

- 43.** If a shareholder wishes to change the shareholders' obligations as specified in these rules, they must notify the fund about this in writing at least six months before the change comes into force.

MERGER AND DEMERGER

- 44.** The fund may merge. Mergers and demergers and the actions required by them must be carried out in compliance with the provisions of the Insurance Fund Act, chapter 7.

The fund may not demerge as provided in the Insurance Fund Act, chapter 7.

TRANSFER OF THE INSURANCE PORTFOLIO, VOLUNTARY LIQUIDATION AND DISSOLUTION OF THE FUND

- 45.** A transfer of the insurance portfolio, voluntary liquidation and dissolution of the fund, as well as the actions required by these procedures, must be carried out in compliance with the provisions of the Insurance Fund Act, chapter 8.

STATUTORY LIQUIDATION AND DISSOLUTION

- 46.** Liquidation and dissolution of the fund, as well as the actions required by these procedures, must be carried out in compliance with the provisions of the Insurance Fund Act, chapter 9.

The fund must be liquidated and dissolved:

- 1) if the number of insured members does not meet the minimum number specified in these rules at the end of the last two calendar years and it cannot be considered likely that the number will exceed the minimum number in the next four months
 - 2) if the fund's financial statements indicate a deficit and this deficit is not covered over the next two financial years
 - 3) if the fund does not meet the calculation criteria for technical provisions or the requirements for covering the technical provisions and differentiation of the margin
 - 4) if all shareholders of the fund cease the operations under which the insured members operate
 - 5) if specifically provided in the rules
 - 6) if the Financial Supervisory Authority orders the dissolution of the fund.
- 47.** Upon dissolution of the fund, any remaining assets will be distributed among those who were insured members of the fund at the start of the liquidation process.

The assets will be distributed in proportion to the insurance premiums paid by the insured members during the 36 months immediately preceding the start of liquidation. If the amount to be distributed is small, the fund meeting may, with a two-thirds majority vote, decide to use the assets for another purpose similar to the fund's operations or for public benefit.