

# **Raute Sickness Fund**

## **RULES**

as from August 1, 2018

**Unofficial translation of the Finnish original.  
In case of discrepancy, the Finnish language is prevailing**

# **RULES OF THE RAUTE SICKNESS FUND**

## **valid as from August 1, 2018**

### **GENERAL PROVISIONS**

#### **§ 1**

The name of the employee benefit fund is Raute Sickness Fund.  
The Fund is domiciled in Lahti.

#### **§ 2**

The purpose of the Fund is to grant benefits according to the Health Insurance Act and additional benefits under the rules established in this document. The Fund is an employee sickness fund as defined in the Health Insurance Act (1224/2004).

Additionally, the Fund is subject to the regulations of the Employee Benefit Funds Act (1164/1992).

The general supervision of the Fund's operations falls under the jurisdiction of the Financial Supervisory Authority. The operations of the Fund in accordance with the Health Insurance Act are supervised by the Social Insurance Institution.

#### **§ 3**

The Fund shall have at least 300 members.

### **SPHERE OF OPERATIONS AND MEMBERSHIP**

#### **§ 4**

The Fund's sphere of operation comprises the persons who are employed by companies Raute Oyj, RWS-Engineering Oy, HPP Bulk Technologies Oy, Lahti Precision Oy and those employees who, before joining Lahti Glass Technology Oy on June 1, 2018, were members of the Fund on May 31, 2018. The Fund's sphere of operation also comprises the employees employed by this Fund. The afore-mentioned companies are called Shareholders in these rules. A person belongs to the Fund's sphere of operation if he/she earns his/her main living from the Shareholder or the Fund. However, the Fund's sphere of operations does not comprise persons whose employment is meant to be temporary and short-term.

All persons belonging to the Fund's sphere of operation are entitled to join the Fund. The membership must be applied within three months of the beginning of the employment. Based on the Board's decision the afore-mentioned three months period may be deviated for a well-grounded reason.

It is the task of the Fund's Board to ascertain whether the membership requirements are fulfilled.

## **RESIGNING FROM THE FUND AND TERMINATION OF MEMBERSHIP**

### **§ 5**

A member resigns from the Fund if he/she no longer belongs to the Fund's sphere of operations. A member can also resign from the Fund by giving a notice in writing to the Fund. The resignation from the Fund is then considered to enter into force on the last day of the salary period following the notice of resignation.

A member who has resigned from the Fund without terminating his employment is not entitled to renew the membership.

Membership in the Fund cannot be terminated.

### **§ 6**

A Shareholder shall resign from the Fund by giving notice in writing at least six months before the date of resignation.

A Shareholder's membership in the Fund cannot be terminated.

### **§ 7**

A member or Shareholder who resigns from the Fund is not entitled to any shares of the Fund's assets.

## **INSURANCE PREMIUMS**

### **§ 8**

The membership fee of the Fund is 1.80 per cent of the salary that the employee receives from a Shareholder according to the Tax Prepayment Act (1118/1996), at most, however, per year the amount yearly decided at the General Fund Meeting. A membership fee is not deducted from the holiday pay or holiday bonus to be paid on termination of the employment.

The maximum amount of the membership fee is tied to the wage coefficient of the Employees Pensions Act (395/2006 96 §, 97 § and 100 §) so that the euro amounts correspond the annually informed wage coefficient.

Each Shareholder pays a contribution amounting to two per cent of the total amount of the membership fees of the members employed by the Shareholder.

### **§ 9**

A Shareholder withholds the membership fee from the member's salary in connection with salary payment. The membership fees paid to the Fund are entered in the accounts at least once a month.

The contributions to the Fund are entered in the accounts least once a month.

## § 10

If the financial situation of the Fund requires it, the Fund's Board can reduce or increase the fees and maximum amounts referred to in section 8 by at most 25 per cent. Fees can be changed only with the prior consent of the Shareholder. A change of fees for a period of more than six months, however, must be carried out as a change to the rules.

## **OPERATIONS ACCORDING TO THE HEALTH INSURANCE ACT**

### § 11

Fund members are, according to the Health Insurance Act and the provisions based on it, entitled to:

- 1) compensation for expenses arising from necessary medical treatment of an illness,
- 2) daily allowance for a period of disability due to illness,
- 3) compensation for necessary expenses in connection with pregnancy and childbirth,
- 4) maternity, paternity and parental allowance as well as special maternal allowance,
- 5) special care allowance,
- 6) daily allowance and compensation for loss of income according to the Communicable Diseases Act, section 27 and
- 7) daily allowance according to the Act of the Medical Use of Human Organs and Tissues, section 11.

### § 12

Benefits under the Health Insurance Act, their amounts and restrictions, commencement and expiry of the insurance, application for and payment of benefits, appeals and tasks related to Health Insurance Act are defined by the Health Insurance Act and the provisions and regulations based on it.

### § 13

The Fund is entitled to obtain from the health insurance fund of the Social Insurance Institution the resources required for the payment of the benefits defined in the Health Insurance Act and a compensation for its administrative expenses as regulated in the Government Decree on the implementation of the Health Insurance Act (1335/2004).

## **ADDITIONAL BENEFITS**

### § 14

The Fund compensates expenses arising from necessary treatment if a member resorts to the care of a doctor or another person with appropriate professional training in case of illness, pregnancy or childbirth. Costs are compensated only as far as the medical care from which they resulted was necessary to prevent risks to the member's state of health. In this document dentists are also defined as doctors. Before payment, a deduction is made to the compensation according to section 19.

Employed members are paid compensation as follows:

1 a) 80 per cent of doctor's fee, however not a dentist's fee, which will be compensated according to section 8, and not any other doctor's fee related to dental care. A doctor's fee charged for an operation or some comparable measure will not be compensated, unless the Board does not see compensation either in full or in part be reasonable.

1 b) the fees paid for outpatient care at a health center, with the exception of dentist's fees, outpatient fees, basic fees for institutional care and fees for day care surgery within the limits defined by the Decree on Client Fees in Social Welfare and Health Care (912/1992).

2 a) daily fees of a hospital or a health center and the related basic contribution up to the maximum amount of the lowest contribution category of the central hospital (with the exception of psychiatric wards) for a maximum stay of 90 days due the same illness.

2 b) hospital fees of a special category and fees for care in a private medical facility, to be compensated either in full or in part, if considered reasonable by the Board in individual cases and if the costs of the treatment are not otherwise covered by paragraphs 1–8.

3 physician-prescribed prescription medication, clinical nutritional supplements, products corresponding to these and basic creams when compensation has also been granted based on the Health Insurance Act. The amount of compensation is calculated from the same price (reference price) as the compensation defined in the Health Insurance Act. In deviation from this, the initial deductible for medicines in accordance with the Health Insurance Act is also compensated.

4 Laboratory and pathological analyses prescribed by a physician and their related sampling are compensated in full.

Radiological examinations and measures, 90 per cent of the charged fee.

Sleep apnea examination, 80 per cent of the fee.

Physiotherapy, physiotherapeutic examination, cytostatic, artificial kidney and phototherapeutic treatment, 80 per cent of the charged fee.

The afore-mentioned compensations are paid when they are compensated by the Health Insurance Act.

5 a) travelling expenses according to the General Instructions given by the Fund's Board that are necessary for receiving medical treatment or for procuring and maintaining aids or other equipment prescribed by the doctor. When travelling, the cheapest means of transport shall be used, unless the nature of the illness or traffic conditions are considered to require other means of transport.

5 b) travelling expenses resulting from visits to the patient by a doctor or other person with appropriate professional training as defined in section 15, subsection 1, and

5 c) necessary accommodation expenses according to the General Instructions given by the Fund's Board, in cases when the Fund member during a journey covered by the insurance has had to stay overnight in a commercial accommodation establishment or an accommodation arranged for the patient by the research or medical institution.

6 a) costs of the acquisition of dressings, aids and artificial replacements prescribed by a doctor, if these items cannot be permanently or temporarily obtained free of charge, up to the amount yearly informed by the General Fund Meeting. The Fund's compensation responsibility is limited to a maximum amount, where the compensation or payment discount available from elsewhere has been taken into account.

6 b) acquisition costs of treatment devices, equipment and measuring instruments prescribed by a doctor, to be compensated in full or in part, if considered reasonable by the Board in individual cases,

7) acquisition costs for one eyeglasses prescribed by a doctor or an optician are compensated to a member whose membership has lasted for at least two years up to the maximum amount yearly stated by the General Fund Meeting per each compensation case. The condition for compensation is that the lenses of the eyeglasses are ground optically to correct eyesight. Compensation for new eyeglasses can be paid again, if at least two years have passed since the previous compensation for eyeglasses.

A lump-sum compensation equaling the amount of acquiring one eyeglasses, confirmed yearly by the General Fund Meeting.

8 a) fees for treatment given by a dentist, a dental technician or a dental hygienist of a Fund's member whose membership has lasted for at least two years. Dental examination, orthodontics, dental prosthetics and dental technical work are also considered as treatment. The year-level compensation to be paid as addition benefit is at most the maximum amount yearly defined by the General Fund Meeting.

8 b) dentist's fee, in case the treatment is necessary in order to recover from some other illness than dental illness.

## § 15

According to these rules, the person carrying out the examination or providing the treatment shall have received appropriate professional training and shall be included in the central register of health care professionals maintained by the National Authority for Medicolegal Affairs, or the examination and the treatment shall take place in an institution as referred to in the Health Insurance Act, paragraph 3, section 3, subsection 1.

Examinations and treatment are considered medically necessary if they are generally accepted and conform to the principles of good clinical practice. A medical prescription must be obtained prior to the occurrence of an event entitling to compensation. The prescription entitles to compensation within a period of one year upon its issue. One prescription entitles to compensation for at most 15 examination or treatment sessions, if the examination has been made or the treatment given within a period of one year upon its issue. Medicines, nutritional preparations and basic creams can be compensated at a time only in such quantities as are needed for a treatment period of three months.

Treatment provided abroad is compensated up to the maximum amount that equal treatment would have cost in Finland. No compensation is paid for travel expenses abroad.

The afore-mentioned maximum amounts mentioned in section 14, subsection 2, items 7 and 8 may be checked at the discretion of the General Fund Meeting to be held in November to be in line with the increased costs and to be applied from the beginning of the following year.

§ 16  
Nullified

§ 17  
Nullified

§ 18

At the death of a Fund member a funeral grant is paid in the amount in euros that is annually confirmed by the General Fund Meeting. The funeral grant amount may be checked at the discretion of the Annual Fund Meeting to be held in November to correspond the change in money value and to be applied from the beginning of the following year.

If the deceased member was married, the funeral grant is paid to the spouse, otherwise to the children of the member, or if he/she has no children, to the parents of the deceased. If neither parent is alive the funeral grant is paid to the estate of the deceased. If there is reason to assume that the person entitled to the grant will not take care of the funeral arrangements, the Board can decide that the grant shall first of all be used to refund the actual funeral expenses to the person who has taken care of the funeral arrangements.

A funeral grant will be paid in the afore-mentioned way also to the relatives who will take care of the funeral arrangement of a member who has been a member of the Fund and employed by the companies belonging to the Fund's sphere for 15 years and then retired.

§ 19

The benefits defined above in section 14 are paid by the Fund only if and insofar as they exceed the corresponding compensations to be paid according to the Health Insurance Act. If the Fund member is entitled to receive compensation under Finnish laws other than the Health Insurance Act he/she shall be paid compensation only in the amount that exceeds the compensation paid under the other laws. Correspondingly, if the Fund member is entitled to compensation under the legislation of a country other than Finland, this compensation can, at the discretion of the Board, be taken into account in full or in part when determining the amount of compensation to be paid by the Fund.

§ 20

The Fund's responsibility concerning additional benefits begins with the commencement of the membership and ends with the termination of the membership. The Fund only compensates expenses incurred during membership. The compensation of hospital fees, however, ends with the end of the maximum period defined in section 14, subsection 2, item 2 a, if the hospital care started during membership, or if the member retires before this, with the commencement of the old-age pension.

## **RESTRICTIONS CONCERNING ADDITIONAL BENEFITS**

§ 21

If the member falls ill during a work stoppage or a temporary lay-off due to a lack of work or during an absence from work due to other reasons than illness or childbirth and he/she does not

receive pay during this period, he/she is not paid any additional benefits under sections 14–15 of these rules for the period in question.

If the member's work input is less than 50 per cent of the normal, he/she is entitled for additional benefits only on days worked. A new Kela card will be applied for such a person without notification of being a Fund member. The person must apply for the Fund's additional benefits afterwards against payment receipts and give a clarification on his/her working days.

In situations as mentioned above in section 14, a compensation may, however, be paid based from the contingency reserve based on the Board's decision.

#### § 22

If, after the occurrence of an insured event, the member has in bad faith given the Fund false or incomplete information of importance for the payment or the amount of the additional benefit, the benefit may be reduced or refused as considered reasonable under the circumstances.

#### § 23

As far as additional benefits are concerned, the Fund has no liability towards a member or other beneficiary who has wilfully caused an insured event.

If the member or other beneficiary has caused the insured event through gross negligence, his/her benefit can be refused or reduced or the payment of an already granted benefit can be discontinued, insofar it is reasonable under the given circumstances.

The provisions made in subsection 2 apply also when a member has wilfully prevented the restoration of his/her health or has without good reason refused the examination or treatment prescribed by a doctor authorized by the Fund, with the exception of measures causing a considerable health risk.

#### § 24

The Board is entitled to determine in the General Instructions which doctor or person with appropriate professional training as defined in section 15, subsection 1, and which research or medical institution or pharmacy shall be used as far as compensation of treatment as an additional benefit under these rules is concerned.

The Fund member is obliged, by order of the Fund's Board, to visit a doctor or a research or medical institution stipulated by the Board in order to be examined in connection with his/her compensation claim at the expense of the Fund.

If the member does not follow the Board's stipulation based on subsection 1 or 2, the compensation can be refused in full or in part.

### **APPLYING FOR AND PAYMENT OF ADDITIONAL BENEFITS**

#### § 25



Additional benefits under these rules shall be applied for in writing. A clarification that is considered necessary shall be attached to the application.

Compensation for expenses resulting from illness or pregnancy and childbirth shall be applied for within six months after the expenses to be compensated have been paid. Funeral grants must be applied for within one year after the event. If the application is delayed the benefit can still be granted in full or in part if a refusal would seem to be unreasonable.

Benefit applications shall be dealt with as urgent. In case of delay the provisions of section 91 of the Employee Benefit Funds Act are applied.

#### § 26

Compensation under section 14 of these rules can, notwithstanding the provisions of section 19, be paid in full if the payment of other compensation referred to in the latter section is delayed for reasons beyond the control of the Fund member, provided that the member obligates him-/herself to repay to the Fund the corresponding amount of the compensation that he/she was paid under the law.

#### § 27

If a Fund member or another beneficiary has under these rules received more additional benefits than he/she is entitled to, the unduly paid benefits shall be collected from the member.

The collection of an unduly paid additional benefit can be overlooked in part or in full if this is considered reasonable and if the payment of the benefit cannot be regarded as the result of deceitful behavior on the part of the member or beneficiary or his/her representative or if the amount to be repaid is minimal.

An unduly repaid additional benefit can be recovered also by setting it off against future benefit payments.

### **APPEAL AGAINST A DECISION ON ADDITIONAL BENEFITS**

#### § 28

If a member is dissatisfied with the Fund's decision on additional benefits he/she can ask the Finnish Financial Ombudsman Bureau (FINE) to recommend a settlement.

### **EQUITY FUNDS**

#### § 29

The Fund has a legal reserve and a contingency reserve.

The legal reserve shall annually be increased by at least 20 per cent of the profit recognized in the balance sheet less the losses from previous financial periods recognized in the balance sheet. When the legal reserve is at least as big as the average premium income of the financial period and the two previous periods, the increase is no longer obligatory.

The legal reserve may be reduced at the discretion of the General Fund Meeting only in order to cover losses recognized in the balance sheet.

Notwithstanding what is said in subsection 3, the Financial Supervisory Authority can, on application, give the Fund a permission to reduce the legal reserve for special reasons, generally not, however, to an amount lower than the amount of the full legal reserve.

### § 30

The part of the profit that is not transferred to the legal reserve shall be transferred to the contingency reserve.

The contingency reserve may be used

- 1) to primarily cover losses recognized in the balance sheet;
- 2) to increase, at the discretion of the Board, benefits under section 14 according to a plan approved by the Board for a maximum period of one year at a time; and
- 3) for the purpose mentioned in section 21, subsection 2.

If the contingency reserve has become so large that it exceeds the amount of the full legal reserve by more than 30 per cent, the Fund shall take measures either to increase the additional benefits under these rules or to lower the premiums.

## **TECHNICAL PROVISIONS**

### § 31

The Fund's technical provisions consist of a provision for claims outstanding that corresponds to the amount of additional benefits payable due to insured events that are still unpaid at the end of the financial period. The provision for claims outstanding is calculated in the financial statements according to the calculation principles issued by the Financial Supervisory Authority.

## **FINANCIAL STATEMENTS**

### § 32

The Fund's financial period is the calendar year.

For each financial period financial statements shall be drawn up in accordance with the Decree of the Ministry of Social Affairs and Health (1336/2002) and the regulations of the Financial Supervisory Authority, consisting of a profit and loss account and a balance sheet including notes. A report of the Board of Directors shall be attached to the financial statements. The financial statements and the report shall be submitted to the auditors at least one month before the General Fund Meeting.

### § 33

If the contingency reserve is not sufficient to cover the Fund's losses the legal reserve will be used for this purpose.

The Fund does not have the obligation to contribute referred to in section 76 of the Employee Benefit Funds Act.

## **AUDITING**

### **§ 34**

The Fund shall have two auditors who are elected for one calendar year at a time. The auditor can be a natural person or an approved auditing company.

If the auditor is a natural person, a deputy auditor shall be elected. If the auditor is an auditing company no deputy auditor shall be elected.

The auditors and deputy auditors shall be auditors or auditing companies approved by the Central Chamber of Commerce or the Chamber of Commerce (APA or CA).

The Fund members and the Shareholders shall both separately elect one auditor and, if necessary, a personal deputy auditor.

A person who has reached the age of 64 shall not be elected as an auditor.

### **§ 35**

The auditors shall, to the extent required by good auditing practice, audit the Fund's financial statements and its accounting records and administration and, for each financial period, submit an Auditors' Report to the Board at least two weeks before the General Fund Meeting.

## **GENERAL FUND MEETING**

### **§ 36**

The supreme decision-making power in Fund matters rests with the General Fund Meeting in which all members and Shareholders are entitled to participate.

The General Fund Meeting shall be held either in Lahti or Nastola.

### **§ 37**

Each member has one vote in the General Fund Meeting. The member can exercise his/her vote in person or through a representative. The representative must also be a Fund member and he/she is entitled to represent at most one member.

In the General Fund Meeting the Shareholders carry 25 per cent of the total votes of the members participating in the meeting. The votes are divided between the Shareholders in relation to their contributions during the previous financial period.

Representatives of Fund members and Shareholders shall produce a dated and signed letter of attorney.

No assistants shall be used at the General Fund Meeting.

## § 38

The Fund annually holds two General Fund Meetings, one in April and the other in November.

The General Fund Meeting in April

- 1) deals with the financial statements and the auditors' report;
- 2) decides on the approval of the profit and loss account and the balance sheet;
- 3) decides on the discharging of the Board members and the Fund Director from liability;
- 4) decides on the disposal of profit/the covering of losses;
- 5) decides on other measures required by the operations and Financial Statements of the previous year; and
- 6) deals with other matters possibly mentioned in the notice of meeting.

The General Fund Meeting in November

- 1) determines the remuneration of the Chairman and the members of the Board and that of the Auditors;
- 2) elects Board members and deputy members to replace Board members and deputy members with expiring terms
- 3) elects the auditors and, if necessary, deputy auditors; and
- 4) deals with other matters possibly mentioned in the notice of meeting.

## § 39

An Extraordinary General Meeting shall be held when the Board of Directors considers it necessary.

An Extraordinary General Meeting shall furthermore be held, if the persons at the General Fund Meeting with more than one tenth of the total votes of those entitled to vote or the Financial Supervisory Authority or the auditor of the Fund demand so in writing for a notified matter.

The notice of meeting shall be delivered within a fortnight after the demand referred to in subsection 2 has been presented.

## § 40

The notice of the General Fund Meeting shall be delivered no earlier than four weeks and no later than one week before the meeting. If the decision on a matter discussed at the General Fund Meeting is adjourned to a continued meeting a separate notice shall be delivered if the meeting is to take place after more than four weeks.

The notice of meeting and other disclosures of the Fund shall be delivered through a written notification to be posted on the Shareholders' notice boards and to be sent separately to the Shareholders.

## § 41

The issues to be discussed at the General Fund Meeting shall be specified in the notice.

When the Financial Statements are discussed at the General Fund Meeting the relevant documents or copies of them shall be made available to the persons entitled to vote at the Fund's office no less than a week before the meeting. The same applies if an issue concerning

the change of rules is to be discussed at the General Fund Meeting. The accessibility of the documents shall be mentioned in the notice of meeting.

If a change of rules is to be discussed at the General Fund Meeting the main content of the change shall be described in the notice of meeting.

#### § 42

The General Fund Meeting shall be chaired by the person who has been elected for this task by the Meeting.

The opinion that is supported by more than 50 per cent of the votes cast shall become the decision of the General Fund Meeting, unless Finnish law or these rules stipulate otherwise. If the votes are cast equally, the chairman shall have the casting vote. The person who receives the highest number of votes in the elections shall be considered as elected. If the votes are cast equally, the decision shall be made by lot.

A decision concerning a change of the Fund's rules shall be valid only if supported by at least two thirds of the votes cast. The same applies to the setting into liquidation and the dissolution of the Fund, unless the law prescribes otherwise, and to the approval of agreements concerning a merger.

#### § 43

If the provisions defined by the law or these rules concerning the notice of meeting or the availability of relevant documents have not been complied with, no decision shall be made on the issue in question without the consent of those affected by the negligence. If an issue, according to the law and these rules, is to be dealt with at the General Fund Meeting, the Meeting can make a decision on it even if the issue was not mentioned in the notice. The General Fund Meeting can also always decide to convene an Extraordinary Fund Meeting to deal with a specific issue.

A Fund member or Shareholder shall have the right to bring issues of his/her own to the meeting for discussion, provided that he/she sends a written request to the Board early enough for the issue to be included in the notice of meeting.

#### § 44

At the General Fund Meeting minutes shall be kept, recording the persons present and entitled to vote and their votes, the decisions made at the meeting and the time and the results of the voting. The minutes shall be examined and signed by the Chairman and by at least one person elected for this purpose at the General Fund Meeting. The minutes shall be made available to the members and the Shareholders at the Fund's office no later than two weeks after the Meeting.

### **BOARD OF DIRECTORS**

#### § 45

The Fund's Board of Directors consists of seven members, each of whom has a personal deputy.

The Board of Directors is elected by the General Fund Meeting. The Fund members elect five Board members and their deputies. The Shareholder elects two members and their deputy members. A person who has reached the age of 62 shall not be elected as a member of the Board.

A Board member's term of office is two calendar years. Every other year two Board members and their deputy members and every other year three Board members and their deputy members elected by the Fund members, and one Board member and deputy member elected by the Shareholder shall resign from the Board of Directors.

#### § 46

The Board of Directors represents the Fund and handles its administration and the proper organization of its business operations.

In particular, the Board of Directors has the task to

- 1) appoint and dismiss the Fund Director, Fund's employees and its consultant physician and to determine the conditions of their employment,
- 2) give the Fund Director the instructions and orders necessary for the proper handling of the routine administration and other operations,
- 3) ensure the appropriate organization of the control of the Fund's accounting and finance,
- 4) decide on the investment of the Fund's assets and the taking out of loans referred to in section 52,
- 5) decide on the granting of benefits, unless the Board of Directors has authorized the Fund Director or the Fund's employees to make decisions themselves, and
- 6) convene the General Fund Meeting and prepare the issues to be dealt with at the Meeting as well as to present to the Meeting in the report a proposal of measures concerning the profits/losses recognized in the Financial Statements.
- 7) grant authorization to sign the Fund's name referred to in section 51.

#### § 47

The Board of Directors elects its Chairman and Deputy Chairman from among its members each year.

The Board of Directors is convened by the Chairman, or, when he/she is prevented from attending to his/her duties, by the Deputy Chairman. The Chairman must convene a meeting of the Board of Directors at the request of a Board member.

The Board of Directors constitutes a quorum when the Chairman, the Deputy Chairman and at least three other members are present.

The Board of Directors' decision shall be the opinion supported by more than half of the members present at the meeting. If the votes are cast equally, the Chairman shall have the casting vote.

A member of the Board or the Fund Director shall not take part in the handling of any issue concerning his/her relationship with the Fund or otherwise his/her own private benefit.

#### § 48

The minutes of the Board meeting shall be drafted and signed by the Chairman of the meeting and the drafter of the minutes. The minutes shall be checked by at least one member specially elected by the Board for each particular meeting. The member of the Board and the Fund Director have the right to have their dissenting opinions noted in the minutes. The minutes shall be numbered sequentially and kept in a reliable manner.

The minutes shall record

- 1) the date and place of the meeting and its starting and ending time;
- 2) the Board members and other persons present at the Meeting;
- 3) the issues dealt with at the Meeting, the decisions made, the votes cast and the dissenting opinions voiced; and
- 4) cases of lack of impartiality and other matters considered necessary.

### **FUND DIRECTOR**

#### § 49

The Fund Director is the managing director of the Fund whose task is to handle the Fund's routine administration according to the instructions and orders given by the Board. The Fund Director shall see to it that the accounts of the Fund are in compliance with the law and its financial affairs have been arranged in a reliable manner. The Fund Director is entitled to represent the Fund in matters which are part of his responsibility according to section 33 of the Employee Benefit Funds Act.

### **CONSULTANT PHYSICIAN**

#### § 50

The Fund shall have a Consultant Physician whose task it is to act as the Fund's medical expert.

### **SIGNATURE OF THE FUND**

#### § 51

The Fund's name shall be signed by a member of the Board, the Fund Director or a Fund's employee authorized by the Board, two together.

### **INVESTMENT OF FUND ASSETS AND TAKING OUT LOANS**

#### § 52

The Fund shall invest its assets securely and profitably and with an eye to the Fund's liquidity. The Fund's assets shall not be used for purposes obviously outside the Fund's sphere of operations.

The Fund shall take out loans only under the conditions mentioned in section 7, subsection 2 of the Employee Benefit Funds Act. The total amount of the loans taken out by the Fund shall not, however, without consent of the Financial Supervisory Authority exceed one tenth of the Fund's premium income during the previous financial period.

## **CHANGE OF SHAREHOLDER'S OBLIGATIONS**

### **§ 53**

If a Shareholder wishes to change the contribution referred to in section 8, subsection 3 of these rules or to revoke other obligations concerning him/her in these rules he/she shall notify the Fund of this in writing no later than six months before the change comes into effect.

After having received the notice referred to in subsection 1, the Fund shall take immediate action to implement the required changes. The same applies if a Shareholder gives notice of his/her resignation from the Fund as mentioned in section 6, subsection 1.

## **DEMERGING**

### **§ 54**

The Fund cannot be demerged in the way stipulated in Article 13 of Employee Benefit Funds Act.

## **DISSOLUTION OF THE FUND**

### **§ 55**

The Fund shall be set in liquidation and dissolved in the way stipulated in Article 11 of Employee Benefit Funds Act

- 1) if the Fund membership has not reached the minimum prescribed in section 3 at the end of the previous two calendar years and if it does not seem likely that the number of members will reach this minimum during the following four months,
- 2) if the Fund's Financial Statements show a loss which remains uncovered during the following two financial periods, and
- 3) if the General Fund Meeting has decided to dissolve the Fund.

### **§ 56**

When the Fund is dissolved, the remaining assets shall be distributed among those who were Fund members at the beginning of the liquidation process. The assets shall be distributed in proportion to the membership fees paid during a period of sixty months immediately before the beginning of the liquidation. If the distributable amount is small, the General Fund Meeting can decide with a two-thirds majority of the votes that the assets shall be used for another purpose corresponding to the activities of the Fund or for non-profit purposes.