

Salva Kindlustuse AS
GENERAL TERMS AND CONDITIONS OF GENERAL AND PRODUCT LIABILITY INSURANCE
(Effective from 01.04.1997)

I Insurance Agreement

Having regard to the provisions, restrictions, exceptions and other terms and conditions set forth in these general terms and conditions, as well as the insurance policy and any annexes thereto, and having regard to the fact that the Insured Person has paid the agreed insurance premium, the Insurer referred to in the insurance policy (hereinafter "Insurance Company") shall indemnify the Insured Person, or on behalf of the Insured Person, within the limits of the sum insured set forth in the insurance policy, for:

1. any amounts that the Insured Person is obliged to pay by way of compensation for damages caused, as well as all expenses that the person, who submitted the claim against the Insured Person, has borne in relation with the insured event:

- 1.1. to which this insurance contract pertains;
- 1.2. for which the Insured Person is liable pursuant to the law;
- 1.3. that are caused by the activities of the Insured Person described in the policy (including any insured events that occur in the structures or buildings related to the said activities, which are owned, leased or rented by the Insured Person);

2. Upon a prior written consent of the Insurance Company this contract shall also cover any expenses stemming from submitting of actions and judicial review of the claims to which this insurance coverage applies.

II Object of Insurance

(To be applied as set forth in the insurance policy)

1. General liability

a) bodily harm (including death, illness or infection) caused to any person;
b) loss or physical damages caused to a person's tangible property, which has taken place during the period of insurance covered by this insurance contract, except for the liability covered by the product civil liability insurance, set forth below, whereas the Insurance Company must be notified of the said event not later than within 3 (three) years after the expiry of the period of insurance.

2. Product liability

a) bodily harm (including death, illness or infection) caused to a person;
b) loss or physical damages caused to a person's tangible property, which has been caused by a product or a commodity produced, sold, offered, supplied, delivered, installed, erected, repaired, improved, modified, processed or handled by the Insured Person, and if this damage has occurred during the period of insurance covered hereby outside the buildings and/or structures possessed by the Insured Person, and provided that the Insurance Company has been notified thereof not later than within 3 (three) years after the expiry of the period of insurance.

III Sum Insured

Sum insured means an amount of money that constitutes the limit of disbursement in the case of an insured event, unless otherwise provided by the insurance contract.

1. Insurance indemnity in the case of one insured event

The liability of the Insurance Company for all expenses, claimed by one or several claimants, deriving from one and the same insured event shall not exceed the amount of the indemnity payable for one insured event, set forth in the insurance policy.

Several claims clause

For the purpose of establishing the extent of the liability of the Insurance Company it is understood that the following shall be deemed one insured event, which took place within the period of insurance when the first loss event occurred:

- 1) in the case of general liability –

any damages that occur on a continuous basis, or are recurring due to the same hazardous conditions;

2) in the case of product liability – any damages that occur during the effective period of the insurance contract, and:

- (a) are caused by one and the same reason, including one and the same design, manufacturing, operating instruction or labelling error pertaining to the product;
- (b) stem from supplying of products or rendering of services with similar defects or defects that can be attributed to products and services with similar defects.

2. Total indemnity amount for the period of insurance

The liability of the Insurance Company for all indemnities and expenses deriving from all insured events occurring during the period of insurance shall not exceed the amount of the indemnity set forth in the insurance policy for the entire period of insurance.

IV Territorial Validity of Insurance /Jurisdiction

The territory of insurance shall mean the Republic of Estonia. Estonian laws apply to this insurance contract.

At the same time this insurance is effective worldwide:

1) with respect to persons referred to in subsections 1.1 and 1.2 of Section V hereof, if they stay on a temporary basis in another country outside the territory of insurance for business reasons;

2) with respect to products sold, supplied or offered by the Insured Person, or the services rendered within the limits of the activity set forth in the insurance policy, unless the same is done in the United States or Canada, or any other territories belonging to them, or on territories that have adopted a legal order similar to that of the jurisdiction of these countries, unless the insurance policy provides otherwise on the basis of an agreement between the parties.

V Broadening concepts

1. Additionally insured persons

Upon the request of the Insured Person, and subject to a relevant provision of the insurance policy, the "Insured Person" shall also mean:

- 1.1. all directors or managers or shareholders of the Insured Person, within their powers,
- 1.2. any persons working for the Insured Person under an employment or training contract, within their powers,
- 1.3. all officials or employees, within the scope of their powers, who work in a public sports or service organisation or first aid, fire fighting or emergency service managed or controlled by the Insured Person;

2. Sports, social welfare and service activities, and maintaining of buildings and/or structures of the Insured Person

The concept "Activity" shall also cover delivering of supplies, management and arrangement of catering, sports, social welfare and service agencies for the benefit of the staff of the Insured Person, as well as any first aid, fire fighting and emergency service, and maintaining of any buildings and structures of the Insured Person.

VI Exceptions

This insurance contract does not provide insurance coverage against:

1. any liability that stems from any injuries or illness of a person related with the Insured Person on the basis of an employment, service or training contract, if the said person has suffered such injury or illness in the course of performing his/her job obligations;
2. any liability that stems from:
 - 2.1. a vehicle (or a trailer connected therewith) that carries a permit of rendering general transport services, or that fall under a mandatory

liability insurance requirement set forth by any legislation governing traffic, if such vehicle is owned, rented, borrowed, used or driven by the Insured Person referred to in the insurance policy, or a person claiming insurance indemnity;

2.2. loading or unloading of a vehicle or trailer;

3. any liability that stems from:

water or air craft (except for manually driven boats) that are used or intended to be used for water, air or space travel, if such water or air craft is owned, rented, borrowed, used or controlled by the Insured Person;

3.2. loading or unloading of craft referred to in subsection 3.1;

4. supporting, professional or other advice and services rendered by the Insured Person (professional liability);

5. any liability for financial damage that does not derive from any proprietary damage, set forth in Section II of these general terms and conditions, or from injuries (pure monetary damage);

6. any liability that is directly or indirectly caused by, accompanies or stems from air, water or soil contamination;

7. any liability stemming from damage caused to property:

7.1. owned by the Insured Person;

7.2. that is processed by, deposited with, maintained or controlled by the Insured Person or any person working under or for the Insured Person;

8. any liability for any property damage, that is caused by fire or explosion in the structures and/or buildings and/or premises of the Insured Person, or any similar liability caused by lightning;

9. any claims related to delays with rendering of services or performing of contracts, or payment of compensation substituting for the performance thereof;

10. any claims that stem from damages suffered by work performed or products manufactured, supplied or delivered by the Insured Person due to manufacturing, supply or delivery error;

11. any liability that stems from the return or cancellation, removal, repair, replacement, reconditioning, etc. of any goods or products delivered, installed or erected by the Insured Person;

12. any liability that stems from any goods or products that the Insured Person has delivered to or installed for the use of aviation, space craft or car industry;

13. any liability caused by the intent of the Insured Person;

14. any liability assumed by the Insured Person under any contract or another agreement, unless such liability would have applied to the Insured Person without executing such contract or agreement;

15. any liability that is directly or indirectly caused by, is accessory to or results from:

15.1. ionising irradiation or radioactive contamination in relation with nuclear fuel or nuclear waste generated as a result of burning nuclear waste;

15.2. radioactive, toxic, explosive or other hazardous properties inherent to explosive nuclear equipment or nuclear compounds;

15.3. asbestosis or other similar illness (including cancer) that is caused by presence, production, handling, finishing, processing, sale, distribution, storing, depositing or use of asbestos products and/or products containing asbestos;

16. any liability caused by war (including civil war), invasion, an act committed by an external enemy, hostile acts (whether or not a war is declared), terrorism, insurrection, revolution, public disorder, military or unlawful government or sabotage;

17. payment of fine, punitive or precautionary penalty.

VII Provisions and Procedures Related to Claims

1. The Insured Person shall apply all reasonable measures necessary to prevent or reduce injuries, illness, losses and damages that could give rise to claims covered by this insurance contract.

2. The Insured Person shall notify the Insurance Company as soon as possible in writing of any event that could give rise to a claim. If at all possible the circumstances related to the event shall not be modified or rectified before the Insurance Company has had time to investigate the same. The Insured Person shall notify the Insurance Company as soon as possible of all possible and/or presented accusations (judicial) enquiry or investigations, of any lethal injuries or civil actions related to the event, and deliver the Insurance Company forthwith all relevant documents.

3. The Insured Person shall assume no liability or give any promises regarding disbursements without a written consent of the Insurance Company. The Insurance Company shall have the right to take over and

arrange in the name of the Insured Person any negotiations, judicial protection and/or execute agreements and submit at its own expense and for its own benefit actions against other persons in order to demand compensation for damages or to cause other relevant persons to be declared liable; for this purpose the Insurance Company shall have the right to reasonably request any information and other necessary assistance from the Insured Person.

4. In the case of an insured event the Insurance Company may pay the Insured Person the maximum indemnity amount payable under this insurance contract, or a smaller amount that covers the claim stemming from the particular insured event. After that the Insurance Company shall bear no responsibility with regards to such insured event, except for any costs and expenses related to court hearings occurring before such disbursements.

5. If at the time of occurrence of any insured event or submitting of any claim there is another effective insurance contract executed for the benefit of, by or with the participation of the Insured Person, the Insurance Company shall bear no liability before the Insured Person for such insured events or claims, except to the extent that would exceed the insurance coverage provided by that other insurance coverage, should the insurance coverage provided hereunder be invalid.

VIII General Terms and Conditions

1. These general terms and conditions, the insurance policy, its annexes and special clauses constitute one integral contract.

2. In the event that the insurance premium for this insurance is calculated based on the budget presented by the Insured Person the Insured Person shall keep a register, containing exact relevant data, and shall grant the Insurance Company at any reasonable time an opportunity to review the register; furthermore, after the expiry of every period of insurance the Insured Person shall present the Insurance Company an accurate report that allows to calculate the insurance premium applied to the said period, and to refund, if necessary, the difference of the premium amount to the Insured Person.

3. The Insurance Company may review any property at any reasonable time. In the event that the Insurance Company discovers any defect, error or obvious hazard, the Insurance Company shall notify the Insured Person in writing of the date of expiry of the entire liability of the Insurance Company stemming from such defect, error or hazard.

4. The Insured Person shall notify the Insurance Company in writing within 7 (seven) days of any significant changes of the risk.

5. The condition precedent to the emergence of the liability of the Insurance Company is the performance of and the compliance with the provisions, deadlines and conditions set forth in these general terms and conditions to the extent that they pertain to the obligations of the Insured Person, and the assumption that the statements contained in the Proposal submitted by the Insured Person to the Insurance Company (also constituting the basis for the execution of the insurance contract, and an integral part thereof) are correct.

IX Period of Insurance

The period of insurance is 1 (one) year. In the event that none of the parties notifies the other party in writing within three (3) weeks prior to the expiry of the current period of insurance of its intent to extend the insurance contract, the insurance contract shall become invalid on the Date of Expiry set forth in the insurance policy.