

CONSTRUCTION AND ERECTION WORKS ALL RISK INSURANCE CONDITIONS 1/2006

Effective as of 01.02.2006

These conditions of construction and erection all risk insurance of Seesam International Insurance Company Ltd. (hereinafter Seesam) consist of the conditions of property insurance (ES), the conditions of liability insurance (VA) and the safety requirements (ON).

ES – PROPERTY INSURANCE

1 PURPOSE OF INSURANCE

The purpose of the insurance is to indemnify for direct material damage arising from a sudden and unforeseen event and separately specified costs pursuant to these conditions, the general conditions and the insurance policy.

2 INSURED OBJECT

The insured object is the work or property set out in subsections 2.1-2.5, which has been noted in the policy.

2.1 Construction and installation

2.1.1 Construction and installation (hereinafter the construction work) means the construction work and the built object, incl. installed machines, equipment, permanent and temporary constructions, furniture, materials and raw material, included in the sum insured and the general budgetary cost of the object, which Seesam has been informed of.

2.1.2 A policy which does not contain any respective notation does not cover bridges, premises built into rocks, tunnels, dam constructions, hydro power plants, port equipment, port facilities or other work performed underneath or beneath a body of water or its surface, construction of landfills, work related to the petrochemical industry or oil refinement, if the general budgetary cost of such object exceeds EEK 150,000.

2.2 Tools

2.2.1 Tools mean hand tools and portable scaffolding used by the policyholder during the construction work and on the construction site.

2.2.2 Machinery (e.g. mixers, compressors, mobile or tower cranes, lifts, hoists), motor vehicles, engine-powered machines or equipment towed by them, pontoons, air or water craft and the constructions or equipment located on them.

2.3 Temporary structures

Temporary structures mean portable office, warehousing or other structures used by the policyholder during the construction work and on the construction site.

2.4 Office appliances and furniture

Office appliances and furniture means the office appliances and furniture which are located in a temporary structure and used by the policyholder during the construction work and on the construction site.

2.5 Plans and documents

2.5.1 Plans and documents mean the plans, working drawings, documents, manuscripts, files and computer recordings used by the policyholder during the construction work and on the construction site.

2.5.2 In the event the plans and documents are damaged or destroyed, the reasonable costs of their restoration are compensated for, except the damage suffered due to the insufficiency or unavailability of the information to be provided by the policyholder for restoration.

3 SUM INSURED

3.1 The sum insured of the construction work is the general budgetary cost of the object.

3.2 The sum insured of the tools, temporary buildings, office appliances and furniture is their acquisition cost less the depreciation, i.e. their value of the day.

3.3 The policyholder is liable for the correctness of the data given to Seesam, which serve as the basis for the sum insured.

4 INSURED EVENT

4.1 Insured event

Insured event means damage, destruction or loss of the built object or the insured property due to a sudden and unforeseen event. Seesam indemnifies the direct material damage arising from the insured event and the additional costs specified in subsection 4.3.

4.2 Restrictions

4.2.1 Work errors

4.2.1.1 Damage caused by the following is not indemnified:

- 1 a shortcoming or fault of the material;
- 2 defective or substandard work;
- 3 an error in the design, plan or specifications.

4.2.1.2 The damage caused to another part of the built object or to another insured property due to what has been set out in clause 4.2.1.1 shall be indemnified.

4.2.2 Long-term process

4.2.2.1 The damage arising from deterioration, rusting, corrosion, spoilage, decaying, moulding, fungi, oxidation, the material's fatigue or other similar long-term process shall not be indemnified.

4.2.2.2 The damage caused to another part of the built object or to another insured property due to what has been set out in clause 4.2.2.1 shall be indemnified.

4.2.3 Maintenance costs

The damage or costs arising from adjustment or maintenance work or from replacement or repairs of details related to maintenance.

4.2.4 Contractual liability

4.2.4.1 The damage for which a third party or the insured person is liable under a sales, maintenance or another contract, incl. as the guarantor, shall not be indemnified.

4.2.4.2 If the insured person is the producer of the object, the damage, provided that the producer would be liable pursuant to law or the general principles of practice of its field of business or professional activities, shall not be indemnified.

4.2.5 Offence

4.2.5.1 The damage arising from an offence committed by a third party, except theft, robbery or deliberate damaging or destruction of a thing, shall not be indemnified.

4.2.5.2 The damage shall not be indemnified if the insured persons did not follow the safety requirements or reasonable precautions.

4.2.6 Loss

4.2.6.1 The damage caused by the loss of the built object or a part thereof or the insured property, if the loss of the property was discovered in the course of making an inventory, shall not be indemnified.

4.2.6.2 The loss arising from theft, robbery or deliberate damaging or destruction of a thing shall be indemnified.

4.2.6.3 The damage shall not be indemnified if the insured persons did not follow the safety requirements or reasonable precautions.

4.2.7 Blasting operations

The damage arising from blasting operations or from the related excavation work or from an explosion in an explosives warehouse shall not be indemnified.

4.2.8 Flood

4.2.8.1 Damage caused by floods, incl. the rising of the surface of a body of water, waves emerged as a result of a strong wind, movement or accumulation of ice, spring high water upon snow melting, or downpour shall not be compensated for.

4.2.8.2 A flood is a temporary rising of the water surface and spread of the water in land which is usually dry, as well

as temporary accumulation of water or accumulation of things or substances carried by water in the land which is usually dry, if the ground and drainage system established according to the design cannot accept the extraordinary amount of water induced by a natural event.

4.2.9 Weather conditions

The damage caused by weather conditions to the insured property which is located outdoors or in an open structure shall not be indemnified if the property is not meant to be used or kept in such a place.

4.2.10 Cash and securities

The damage arising from the destruction or damage of accounts, invoices, cash, stamps, banknotes, bonds, documents or securities shall not be indemnified.

4.2.11 Indirect damage

Any indirect damage, e.g. contractual penalty, default interest or claims based on performance or efficiency guarantees shall not be indemnified.

4.2.12 Equipment failure

The costs of repairs or replacement of tools or parts thereof, which arise directly from a mechanical or electrical failure or disturbance, internal explosion or the wrong use of the tools, shall not be indemnified.

4.3 Additional costs

4.3.1 Removal of debris

The reasoned costs of elimination of the consequences arising directly and unavoidably from the insured event (incl. removal of debris) shall be indemnified. The maximum limit for indemnification for such costs per insured event shall be 10% of the general budgetary cost of the damaged object, but not more than EEK 100,000, unless otherwise noted in the policy.

4.3.2 Additional and overtime work

4.3.2.1 If the policy contains a special notation, the reasoned costs of additional and overtime work, which arise directly and unavoidably from the insured event, incurred for the purpose of prevention or reduction of a delay upon performance of the construction contract, shall be indemnified. The costs of additional and overtime work means the differences between the usual pay and overtime pay and the pay difference paid due to working at the weekend or on public holidays as well as the difference between usual transport and express transport (excluding transport by air). Such costs shall be indemnified to the extent of the sum insured of the additional and overtime work.

4.3.2.2 The additional and overtime work insurance cover does not include the costs incurred for amendment or improvement of the design, materials used or intended to be used or as-built drawings.

5 POLICYHOLDER'S OBLIGATIONS

5.1 Work stoppage

The policyholder shall immediately, but not later than within 3 workdays, notify Seesam in a format which can be

reproduced in writing about partial or full work stoppage with respect to which the policyholder knows or has to know that it will last for over 30 calendar days.

5.2 Access and inspection

The policyholder shall grant Seesam's representative access to the object and the insured property and provide the representative with necessary information. The Seesam's representative has the right to inspect the insured object and give instructions, where necessary.

6 VALIDITY OF INSURANCE COVER

6.1 Validity of insurance cover

6.1.1 The insurance cover is valid during the insurance period specified in the policy (the insurance cover in the course of the construction work) and during the agreed maintenance period after the expiry of the insurance period (the insurance cover during the maintenance period).

6.1.2 If the date of completion of the construction work or the date of delivery of the structure or a part thereof to the owner by the building contractor falls within the insurance period, the insurance cover during the construction work shall expire as from the same date when the insurance cover during the maintenance period becomes effective.

6.1.3 If the date of completion of the construction work or the date of delivery of the structure or a part thereof to the owner by the building contractor comes after the insurance period, the construction work performed shall have no maintenance period insurance cover.

6.2 Insurance cover during maintenance period

6.2.1 Maintenance period

6.2.1.1 The damage caused to the construction work by the following shall be indemnified during the maintenance period:

- 1 the building contractor, in the course of the construction work performed during the maintenance period, which the building contractor performs for the purpose of elimination of a construction error.

6.2.1.2 The damage caused by or arising from the activity or omission of the insured persons in connection with training, supervision, instruction or ordinary maintenance shall not be indemnified.

6.2.1.3 The insurance cover during the maintenance period shall be effective for 24 months, unless agreed otherwise.

6.2.2 Extended maintenance period

6.2.2.1 The damage caused to the construction work by the following shall be indemnified during the maintenance period:

- 1 the building contractor, in the course of the construction work performed during the maintenance period, which the building contractor performs for the purpose of elimination of a construction error;
- 2 a construction error made during the construction period.

6.2.2.2 The damage caused by or arising from the following shall not be indemnified:

- 1 the activity or omission of the insured persons in connection with training, supervision, instruction or ordinary maintenance;
- 2 shortage of a material;
- 3 mistakes in the design, plans or specifications.

6.2.2.3 The extended maintenance cover during the maintenance period shall be effective for 12 months, unless agreed otherwise.

7 EXISTING PROPERTY

7.1 If the policy contains a respective notation, the insurance cover shall extend to the existing property of the contracting entity of the construction work, provided that the direct material damage arising from the sudden and unforeseen event has been caused by the performance of the construction work at the object directly by the insured person.

7.2 The following shall not be indemnified:

- 1 the damage caused before commencement of the insurance period;
- 2 the damage caused as a result of an offence;
- 3 the damage which, considering the nature of the performed construction work or the manner of performance thereof, the insured person foresaw or should have foreseen.

7.3 The deductible of the existing property has been noted in the policy. In the event of damage caused by vibration, fatigue or removal of supports, subsidence, falling, cracking or breaking the deductible of the existing property shall be 20% of the amount of the damage, but not less than the deductible noted in the policy.

8 CALCULATION OF INSURANCE PREMIUM

8.1 After expiry of the insurance period the policyholder shall notify Seesam within a reasonable period about the actual cost of the construction work on the basis of which the final insurance premium is calculated.

8.2 If the difference between the actual cost and the general budgetary cost of the object does not exceed 10% of the general budgetary cost of the object, the insurance premium shall not change and the notification set out in subsection 8.1 shall not be necessary. Seesam shall not refund more than 50% of the initial insurance premium.

9 INDEMNIFICATION OF DAMAGE

9.1 Reinstatement value

9.1.1 Reinstatement value means the cost of reinstatement of property in its initial form in the place of insurance. Upon establishment of the sum insured of the construction work, it shall be proceeded from the reinstatement value, unless agreed otherwise.

9.1.2 The amount of the damage shall be calculated by subtraction of the value of the remaining property from the pre-insured event value of the property. Both values shall be calculated on the basis of the reinstatement value.

9.1.3 If the damaged property can be repaired, the amount of damage shall be the repair costs.

9.2 Value of the day

9.2.1 The value of the day means an amount of money which is calculated by subtracting from the acquisition cost the part of the value which the property has, due to age, deterioration or a decrease of the consumption value, lost by the date of occurrence of the damage.

9.2.2 The amount of the damage shall be calculated by subtraction of the value of the remaining property from the pre-insured event value of the property. Both values shall be calculated on the basis of the value of the day.

9.2.3 If the damaged property can be repaired, the amount of damage shall be the repair costs, but not more than the value of the day.

9.3 Underinsurance

If the sum insured is smaller than the insurable value at the time of occurrence of the insured event, Seesam shall be liable for the damage in proportion to the ratio of the sum insured and the insurable value at the time of occurrence of the insured event.

9.4 Overinsurance

9.4.1 If the sum insured is higher than the insurable value, Seesam as well as the policyholder may reduce the sum insured along with respective reduction of the insurance premium in order to avoid overinsurance. The sum insured and the insurance premium shall be reduced by submission of an application to the other party in a format which can be reproduced in writing.

9.4.2 The indemnity paid in the event of overinsurance shall be confined to the actual damage.

9.5 First risk insurance

If the policy contains a notation that the property has been insured with the first risk insurance, the actual damage shall be indemnified to the extent of the sum insured without taking underinsurance into account.

9.6 Multiple insurance

9.6.1 Multiple insurance means a situation where the policyholder insures the same insured risk at several insurers and the total amount payable by the insurers would exceed the amount of damage or where the total insured sums would exceed the insurable value.

9.6.2 In the event specified in clause 9.6.1 each insurer shall be liable before the policyholder to the extent of the sum insured under the contract, but in total the policyholder may not claim more than the amount of the damage.

9.6.3 If the insurer has taken multiple insurance with the intention of gaining an illegal proprietary advantage, such contracts shall be null and void. If at the time of entry into the contract Seesam did not know about the invalidity, it shall be entitled to the insurance premium until the end of the insurance period when it learned or had to learn about the invalidity of the contract.

10 DEDUCTIBLE

10.1 The insurer shall have a deductible in respect of any insured event.

10.2 Only the amount exceeding the deductible shall be indemnified. Upon application of several deductibles of property insurance, only the largest deductible shall be subtracted from the indemnity (except the deductible of the existing property).

10.3 If a fire has started from hot work (see the safety requirements), the policyholder shall have a tenfold deductible, but not over EEK 250,000 or a higher deductible which has been specified in the policy.

11 OTHER RULES RELATED TO INDEMNITY

11.1 Value added tax

The amount of value added tax to be refunded to the policyholder on the basis of the Value Added Tax Act of the Republic of Estonia shall not be indemnified.

11.2 Manners of indemnification

Seesam has the right to repair, replace or construct the property instead of paying a monetary indemnity.

11.3 Damaged and lost property

11.3.1 If Seesam indemnifies the acquisition of a new equal thing, the ownership of the damaged thing shall be transferred to Seesam. The policyholder must immediately transfer the damaged thing to Seesam.

11.3.2 If the policyholder fully or partially regains a lost thing after receipt of an indemnity, the policyholder shall immediately transfer or return to Seesam the respective portion of the indemnity.

11.4 Sum insured after insured event

The sum insured shall be reduced by the amount of the indemnity if the indemnity amounts to no less than 10% of the sum insured of the insured object.

VA – LIABILITY INSURANCE

1 PURPOSE OF INSURANCE

The purpose of the liability insurance is to indemnify the damage provided in sections 2 and 5.

2 INSURED EVENT

The personal or property damage, which has been caused to a third party (the injured party) during the insurance period by the insured person due to negligence or severe negligence in connection with the construction work, and with respect to which the insured person has civil liability shall be indemnified.

2.1 Personal damage

The following shall be indemnified:

- 1 medical treatment expenses;
- 2 damage arising from temporary incapacity for work;
- 3 damage arising from permanent incapacity for work;
- 4 pension;
- 5 funeral costs.

2.1.1 Medical treatment expenses

2.1.1.1 Medical treatment expenses are reasoned expenses of hospitalisation, treatment of physical harm and acquisition of medication.

2.1.1.2 Reasoned expenses are expenses which do not exceed the price of the medical treatment service prescribed by legislation or the average price level in the market of the respective service.

2.1.1.3 The service provider or the person who actually bears the expenses is compensated for the medical treatment expenses on the basis of an invoice accepted by Seesam.

2.1.1.4 Seesam has the right, upon consent of the third party, to receive documentary evidence about the physical harm suffered before the insured event and about treatment thereof.

2.1.1.5 Medical treatment expenses are included in damage arising from death or incapacity for work.

2.1.2 Damage arising from temporary incapacity for work

2.1.2.1 Damage arising from temporary incapacity for work means a decrease of the income which is subject to social tax due to temporary incapacity for work.

2.1.2.2 The basis for calculation of the amount of the indemnity is the average net income per calendar day (hereinafter the net income). The net income is the person's income earned in the previous period which is subject to social tax, debited with the income tax and divided by the length of the period in calendar days.

2.1.2.3 The amount of the indemnity per calendar days is calculated as a difference between the net income preceding the damage and the period of temporary incapacity for work. To identify the total amount of the indemnity the said difference is multiplied by the number of days of temporary incapacity for work and the indemnity or compensation received on the basis of other mandatory insurance or a law is subtracted from the result.

2.1.2.4 To calculate the net income of a third person before occurrence of the damage:

- 1 the income earned in the six months preceding the damage is divided by the number of calendar days of the respective period. If in the period preceding the damage the person earned income in a period which is shorter than six months, the income of the period is divided by the number of calendar days of the period;
- 2 in case of a sole proprietor, the income subject to social tax, which has been declared in the tax returns of the last two calendar years, is divided by the number of calendar days of the period. If before the occurrence of the damage the person had been a sole proprietor for less than two years, the income earned in the period of being a sole proprietor shall be divided by the number of the calendar days of the respective period;
- 3 in case of a non-working or unemployed person who was capable for work before occurrence of damage and who is not under 16 years of age or of retirement age at the moment of occurrence of the damage the minimum monthly salary effective at the moment of occurrence of the damage or loss is divided by 30.

2.1.3 Damage arising from permanent incapacity for work

2.1.3.1 Damage arising from permanent incapacity for work means a decrease of the income of a third person, which is subject to social tax, due to a permanent physical injury arising from damage and proven pursuant to the procedure prescribed by legislation.

2.1.3.2 The amount of the indemnity per calendar day is calculated pursuant to the procedure set out in clause 2.1.2.3.

2.1.3.3 The indemnity for the loss of the permanent capacity for work is given per calendar month, multiplying the amount of the indemnity per calendar day by 30 and subtracting from the result the total amount of other monthly mandatory insurance or permanent indemnity or compensation given on the basis of law.

2.1.3.4 The indemnity for the loss of the permanent capacity for work shall be recalculated if:

- 1 the third person's pay has increased;
- 2 the permanently given indemnity or compensation to be received by the third person due to the insured event on the basis of other mandatory insurance or law has changed;
- 3 the third person has obtained the right to old-age pension.

2.1.3.5 The payment of the indemnity for the loss of the permanent capacity for work is terminated if the capacity for work is restored or the third person deceases.

2.1.3.6 In the event of the loss of the permanent capacity for work the reasoned one-time expenses which have been approved by Seesam are compensated:

- 1 for learning a new profession if the acquired profession improves the living standards of the injured party;
- 2 for acquiring tools needed for coping;
- 3 for adjustment of the dwelling in the event of physical disabilities.

2.1.3.7 The compensation specified in clause 2.1.3.6 is paid to the provider of the service approved by Seesam or the actual bearer of the costs on the basis of an invoice accepted by Seesam.

2.1.4 Pension

2.1.4.1 Pension is a compensation for reduced income of a dependent family member due to the death of the injured party (deceased).

2.1.4.2 Family members may be:

- 1 a widow or widower, who shared a household with the deceased at the time of the insured event;
- 2 minors;
- 3 a child, who is a under 24 years of age and engaged in daytime or full-time or another medically indicated form of upper secondary school or vocational school studies or in full-time studies at a university or institution of higher professional education.
- 4 adult children incapacitated for work, who were maintained by the deceased at the time of the insured event;
- 5 parents incapacitated for work, who were maintained by the deceased at the time of the

- 6 insured event;
other persons incapacitated for work, who were maintained by the deceased at the time of the insured event;

2.1.4.3 The pension is paid to each and every family member, whose income reduced due to fall-off of the deceased's income, based on the following principles:

- 1 the subsistence of the family is formed of the family members' income, periodic pensions, benefits and alimonies (subsistence);
- 2 the family overhead account for up to 30 percent of the family's subsistence. The remaining amount of the subsistence is divided among the family members so that the head of the household will be paid three shares, his or her spouse two shares and the remaining members of the family one share of the subsistence. The head of the household is the person who earns the highest periodic income of the family members.
- 3 the subsistence for each family member shall be compensated for in periodic pension payments to the amount that was borne by the deceased. In addition, the head of the household shall be compensated for the share of the family overhead borne by the deceased;
- 4 the pension shall be calculated on the basis of the rules for calculation of the income specified in section 2.1.2.4 of these terms and conditions.

2.1.4.4 The pension shall be subject to recalculation, if:

- 1 the income of the family member who is entitled to receive the pension has increased in comparison with his/her income at the time of the insured event more than the prices during the same period (compared with the price index);
- 2 from the month following the arrival of retirement age of the deceased the pension is paid to the amount of 50 percent of the former pension.

2.1.4.5 Payment of the pension to a family member is terminated, if his/her:

- 1 income reaches the level preceding the occurrence of the insured event;
- 2 attains 18 years of age or, in the case of continuous studies, 24 years of age and is capable of work.
- 3 becomes a member of a new family; or
- 4 becomes deceased.

2.1.4.6 The amount of pension designated to a head of the household to cover the family overhead shall be designated to a new head of the household, if the present head of the household becomes a member of a new family or becomes deceased.

2.1.4.7 The amount of pension payable to cover the family overhead shall be reduced pro rata the amount of pension payable to the dependants, which has been reduced due to the pension recalculation or termination of payment.

2.1.4.8 The amount to be paid is calculated by indexing the designated amount of pension to the CPI published in the month preceding the month of disbursement in relation to the CPI published in the month preceding the month of occurrence of the insured event.

2.1.5 Funeral costs

Reasonable funeral costs shall be compensated for on the

basis of invoices and bills acceptable to Seesam to the person who actually bore the costs.

2.2 Property damage

The following shall be indemnified:

- 1 repair expenses, consisting of the cost of restoration of the damaged property and other expenses which are directly related to the restoration, including the costs related to saving the property;
- 2 the damage arising from destruction, i.e. the value of the property before the insured event.

2.3 Legal assistance and court expenses

The following shall be indemnified along with the damage set out in section 2:

- 1 court expenses payable by the insured person;
- 2 reasonable legal assistance costs incurred by the insured person in connection with causing damage and identification of the amount of the damage;
- 3 reasonable and necessary legal assistance or court expenses incurred by the insured person upon prior approval of Seesam.

2.4 Restrictions

The following shall not be indemnified:

- 1 personal damage suffered by a person working at the object in the course of the construction work;
- 2 damage which is subject to indemnification or on the basis of motor third party liability insurance or compulsory liability insurance;
- 3 damage caused by:
 - (a) the use of a vehicle which is not subject to insurance on the basis of the Motor Third Party Liability Insurance Act, except if such vehicle has caused damage at the object; or
 - (b) the possession or use of any water or air craft;
- 4 damage caused by pollution, except if it has been caused by a sudden and unforeseen event which occurs at the object in the course of the construction work;
- 5 damage caused to the construction work or to the property used at the object by the insured persons;
- 6 indirect material damage, incl. revenue foregone;
- 7 damage suffered in connection with penalties or default interest;
- 8 damage for which the insured person bears liability on the basis of a contract or guarantee;
- 9 damage arising from the technical or professional consultations, survey or measurement results, calculations, drawings, work descriptions or product advices given by or on behalf of the insured person;
- 10 effects damage caused by subsidence, falling, cracking or breaking, vibration or absence, insufficiency or removal of supports;
- 11 damage caused to underground utilities or structures at the object;
- 12 damage arising from the destruction or damage of plants, horticultural or arable crops, animals, birds, fish, etc.

3 SUM INSURED

At maximum the damage caused shall be indemnified to the extent of the sum insured both per insured event as well as in total during the insurance period.

4 DEDUCTIBLE

4.1. The insurer shall have a deductible in respect of any insured event. Seesam shall indemnify only the amount exceeding the deductible.

4.2. Upon concurrent application of several deductibles, only the largest deductible shall be deducted from the insurance indemnity.

5 SPECIAL AGREEMENTS

5.1 Cross-liability

5.1.1 If a respective notation has been made in the policy, each insured person (the contracting entity, the general contractor and subcontractors) shall be deemed an independent person in such a manner as if a separate policy had been issued to each such person.

5.1.2 In the event set out in clause 5.1.1 the damage caused by all the insured persons shall be indemnified at the maximum of the extent of the sum insured both per insured event as well as in total during the insurance period.

5.2 Maintenance period

If the policy contains a respective notation, Seesam shall indemnify the personal or property damage caused to third parties in the course of performance of maintenance work set out in clauses ES 6.2.1 and 6.2.2.

5.3 Vibration, fatigue and removal of supports

5.3.1 Unlike in clause 10 of subsection 2.4 Seesam shall compensate for the property damage caused to third parties as a result of subsidence, falling, cracking, breaking, vibration or absence, insufficiency or removal of supports, provided that it has been noted in the policy.

5.3.2 In the event set out in clause 5.3.1 the deductible shall be 25% of the amount of the damage which is subject to indemnification, but not less than the triple deductible of the liability insurance set out in the policy.

5.4 Insurance cover of underground structures

5.4.1 Unlike in clause 11 of subsection 2.4 Seesam shall indemnify third parties for the property damage caused to underground utilities or structures at the object, provided that it has been noted in the policy.

5.4.2 Clause 5.4.1 shall be effective if the insured person:

- 1 before commencement of work, obtains a plan for a state agency or the landowner, indicating the exact location of the utilities or structures at the object in the course of performance of work, and
- 2 uses only hand tools upon working near these utilities or structures.

5.4.3 In the event set out in clause 5.4.1 the deductible shall be 25% of the amount of the damage which is subject to indemnification, but not less than the triple deductible of the liability insurance set out in the policy.

ON – SAFETY REQUIREMENTS

1 GENERAL SAFETY REQUIREMENTS

1.1 The policyholder shall ensure that the management of the building contractor, the persons directly in charge of the construction work and employees are informed of the content of the safety requirements.

1.2 Upon performance of the construction work, the requirements established by legislation for performance of the respective work, e.g. the Hot Work Fire Safety Requirements, the General Fire Safety Requirements and the Requirements and Need for Basic Fire Extinguishment Equipment, shall be followed in addition to the safety requirements established by Seesam.

1.3 The policyholder and person for whom the policyholder is liable shall follow the safety requirements set out in the policy and in the insurance conditions (see also the General Conditions ÜL), including:

- 1 upon performance of hot work, follow the hot work safety requirements (see section 3);
- 2 close the windows, doors and other openings of the rooms in such a manner as to protect against a break-in and theft;
- 3 keep small tools in a locked cupboard outside the working time. If the windows of the room(s) are at the street level, there must be bars on the inner side of the windows;
- 4 for the duration of the non-working time, take the portable equipment and tools from cars, other means of transport or unlocked rooms to locked rooms;
- 5 store the material, goods or equipment preserved in the basement at the height of no less than 10 cm from the floor. The basement is a room the floor of which is fully or partially at least one metre below the ground;
- 6 maintain the piping of the structure and protect it against freezing. If the structure is left without sufficient heat or supervision during a cold season, the piping shall be emptied of a liquid;
- 7 ensure the compliance of the installation, usage and maintenance conditions of the insured property (incl. the consumed current intensity, air humidity, temperature) with the instructions given by the importer or the producer;
- 8 ensure the protection of computers and other electronic equipment and system and application software and the data contained therein in such a manner that at least two copies with a date have been made of the original data and stored on a magnetic tape, disk or another data medium. Copies shall be made at least once a week and one copy shall be kept in a fireproof cupboard designed for computer software, which shall be located separately from other copies, in the fire section of the structure or at least in a fireproof cupboard of class S60DIS.

2 SAFETY REQUIREMENTS OF CONSTRUCTION AND REPAIR WORK

2.1 Fire

2.1.1 General rules

2.1.1.1 The design shall indicate the locations of storage of tools and building materials and the locations of temporary structures, movement ways, the nearest telephone, first aid equipment and the main circuit breaker.

Upon planning the movement ways, access to the territory shall be ensured for the vehicles of the rescue service.

2.1.1.2 Upon selection of storage sites, the fire hazard and the possibility of a spread of fire shall be taken into account.

2.1.1.3 Upon selection of the location of a temporary dwelling, the requirements for ensuring the fire safety and the safety of employees shall be taken into account. Access to the fire hydrants located on the territory shall be ensured.

2.1.1.4 The territory shall be kept in order and the waste shall be collected into special bags, containers or pallets for regular removal.

2.1.2 Hot work

Upon performance of hot work, the hot work safety requirements shall be followed (see section 3).

2.1.3 Smoking and using open fire

Smoking in dusty places and in places where inflammable liquids, gases and explosives are stored or used shall be prohibited. The areas where smoking is prohibited or allowed shall be equipped with respective signs.

2.1.4 Electrical equipment

2.1.4.1 Power conductors located on the ground and on the floor shall be protected against mechanical injuries.

2.1.4.2 Upon existence of an overhead electrical line it shall be made certain the overhead electrical line has a sufficient height and does not overlap the working zone of a crane.

2.1.4.3 Upon installation of lamps and cables, the protection zone and moisture requirements of the equipment shall be taken into account and their condition shall be checked regularly.

2.1.4.4 The main circuit breaker shall be marked. Switchboards shall be installed in places which are protected against damage.

2.1.5 Heating equipment

2.1.5.1 The building shall be heated using, first of all, the building's heating system.

2.1.5.2 Upon use of temporary heating equipment, the protective measures and safety distances prescribed for the equipment shall be taken into account. Before using the equipment, the condition and installation of the equipment shall be taken into account.

2.1.5.3 Heating equipment with glow surfaces or open electrical heating equipment with glow elements shall not be installed in dusty or potentially inflammable or explosive rooms.

2.1.6 Combustible liquids, liquid gases, highly flammable substances and explosives

2.1.6.1 Combustible liquids

2.1.6.1.1 Combustible liquids may be stored at the object in the following amounts:

- 1 in each fire section of the building a maximum of 60 litres of class I and II combustible liquids in total and a maximum of 400 litres of class III combustible liquids in total;
- 2 outside the building a maximum of 100 litres of class I and II combustible liquids in total and a maximum of 400 litres of class III combustible liquids in total;
- 3 at the object a maximum of 220 litres of class I and II combustible liquids in total and a maximum of 600 litres of class III combustible liquids in total.

2.1.6.1.2 The permitted maximum capacity of the fuel tank of an oven which consumes liquid fuel is 25 litres.

2.1.6.2 Liquid gases

2.1.6.2.1 Upon use and storage of a liquid gas, relevant instructions and other requirements shall be followed.

2.1.6.2.2 Up to 240 kg of liquid gas may be stored at the object. The maximum capacity of a liquid gas container which is connected to a bitumen boiler shall be 40 kg.

2.1.6.2.3 Upon storage of liquid gases it shall be taken into account that the liquid gas is heavier than air and therefore the liquid gas containers must not be placed in the basement or such places where it may flow to rooms which are located below the ground.

2.1.6.3 Highly flammable substances

2.1.6.3.1 Paints, varnishes, glues, solvents, plastic products, insulation materials and other highly flammable substances shall be preserved in hermetic vessels under which a metal tub must be placed for prevention of leakage damage and sufficient aeration of the rooms for preservation and usage of highly flammable substances shall be ensured.

2.1.6.3.2 Smoking and the use of open fire while working with highly flammable substances are prohibited.

2.1.6.4 Explosive substances

2.1.6.4.1 An explosive substance may be used by a company which possesses a relevant permit and competent blasters, pursuant to the intended purpose in the place of performance of the blasting operations and in compliance with the safety requirements.

2.1.6.4.2 The place of storage shall be marked. Sufficient guarding and protection shall be ensured in the place of storage.

2.1.7 Fire extinguishing appliances

2.1.7.1 The object shall have sufficient fire extinguishing appliances, i.e. fire extinguishers, fire plugs inside the structure, hydrants, etc.

2.1.7.2 According to the fire class of the built object, there must be at least the following amount of 6-kilogram portable fire extinguishers of capacity class AB at the object:

- 1 No fire hazard: virtually no or very unlikely fire hazard – 1 fire extinguisher for every 200 m², but at least 2 fire extinguishers per floor;
- 2 Flammable: the likelihood of a fire and a spread thereof is strong – 1 fire extinguisher for every 150 m², but at least 2 fire extinguishers per floor;
- 3 Flammable and explosive: in addition to the strong fire hazard there is also the explosion hazard – 1

fire extinguisher for every 50 m², but at least 2 fire extinguishers per floor.

2.1.7.3 The fire extinguishers shall be placed at the object in such a manner that the distance from any place to the nearest fire extinguisher does not exceed 30 metres. The locations of the fire extinguishing appliances shall be marked and free access shall be ensured to the fire extinguishers.

2.1.7.4 The policyholder shall ensure the installation and maintenance of the fire extinguishers.

2.1.7.5 The employees must be able to use the fire extinguishers.

2.1.8 Constructional fire safety of the object

2.1.8.1 The rooms where no construction work is performed shall be separated from the rooms of the object with constructional elements (e.g. partition walls). The separation must be implemented at least in compliance with the requirements of class B60, unless otherwise prescribed pursuant to the purpose of use of the rooms. The openings, bushings and cracks in the partition walls and floors shall be sealed pursuant to the requirements of the class of the separating constructional element.

2.1.8.2 There must be at least two independent exits for evacuation of employees. Escape routes or emergency exits shall not be blocked with equipment, packaging, empties, objects, furniture or other fittings.

2.1.8.3 By the time of performance of the construction work the automatic fire detection and alarm system and the fire extinguishing appliance may be turned off. The automatic fire detection and alarm system and the fire extinguishing appliance may be turned on and off only by the person maintaining them. Immediately after completion of the work the automatic fire detection and alarm system and the fire extinguishing appliance shall be switched on again. If the signal of engagement of the automatic fire detection and alarm system and the fire extinguishing appliance is under the control of the emergency centre of a rescue agency or security service, the guard of the emergency centre of the rescue agency or the security service shall be notified of the switch-off or switch-on.

2.2 Offences

2.2.1 Construction site

The construction site shall be marked and surrounded with a fence in such a manner that unauthorised persons cannot access the object.

2.2.2 Storage rooms

2.2.2.1 To prevent theft, the property located on the construction site shall be kept indoors outside the working hours. The property which is difficult to transport due to its qualities (e.g. measurements, form, weight) may be kept outdoors or in an open building.

2.2.2.2 The constructions and doors of the storage rooms shall be made of a strong and resistant material (e.g. stone, concrete, strong wood, metal or glass fibre), which gives protection against a break-in.

2.2.2.3 The windows and doors of the storage rooms shall be locked outside the working hours.

2.2.2.4 The doors of the storage rooms shall be equipped with a security lock which has been approved by the Estonian Insurance Association.

2.2.2.5 The windows of the temporary structures used as storage rooms shall have bars on them.

2.3 Damage arising from liquids

2.3.1 Precipitation and surface water

2.3.1.1 Parts of the structure, tools, equipment and materials which could be damaged by precipitation shall be protected with a durable waterproof cover. The joints of the cover shall be waterproof, the fittings of the cover shall, considering the circumstances, be sufficiently strong and the precipitation falling on the cover shall run off the cover.

2.3.1.2 A cover which has been removed for working purposes shall be replaced after finishing the work or as soon as it starts raining, snowing or hailing.

2.3.1.3 Upon installation or repairs of water insulation or upon construction of a new structure on top of structures which have water insulation, due installation and preservation of the water insulation shall be ensured.

2.3.2 Leakage

2.3.2.1 The locations of the pipes and tanks located in the building and on the construction site shall be identified in order to prevent damaging or congestion thereof and to protect them against freezing.

2.3.2.2 Upon filling and testing the piping, sufficient supervision and immediate reaction in case of a possible leak shall be ensured. Parts of the structure, tools, equipment and materials which liquids could damage shall be protected against a possible leakage.

2.4 Damage and destruction

2.4.1 Storage and movement of materials

Building details and materials shall be stored in a prescribed storage the base of which is resistant to weather conditions and the weight of the stored objects. Proceeding from the qualities of the stored objects, they shall be granted sufficient access.

2.4.2 Prevention of spreading of dust

2.4.2.1 Upon performance of work where dust is generated, the spread of the dust shall be prevented, using for instance the following methods where necessary:

- 1 building temporary protective walls;
- 2 sealing doors and windows;
- 3 increasing the pressure in the surrounding rooms;
- 4 an efficient local exhaust ventilation system;
- 5 moisturising the constructions;
- 6 closing the ventilation of the room.

2.4.2.2 Before commencement of work it shall be identified whether the structures contain asbestos and if yes, relevant rules shall be followed.

2.4.3 Demolition and excavation

2.4.3.1 Before commencement of demolition or excavation work the location of the utilities or structures in

the soil or in the constructions shall be identified and, on the basis thereof, the right work techniques shall be chosen.

2.4.3.2 To perform demolition, excavation and support work one shall have a competent design and one shall adhere to the requirements thereof.

2.4.4 Groundwater and surface water

The construction work shall be protected against the risk of movement and falling of soil caused by groundwater or surface water and the ground or structures under the construction work shall be protected against freezing or moisture damage.

2.4.5 Vibration

To perform work which results in vibration (e.g. driving in piles) or a shockwave such work techniques which do not harm the object or other property shall be chosen.

2.4.6 Formwork, scaffolding and construction elements

2.4.6.1 Formwork, scaffolding and constructional elements shall be installed pursuant to the requirements and design.

2.4.6.2 The formwork, supports and fittings used in the course of work may be removed only after the construction stands firmly without them.

2.4.7 Machinery and equipment

Upon installation, disassembly and use of machinery and equipment, their usage instructions and other requirements shall be followed. The support surface of the machinery and equipment shall be resistant to loads in any and all weather conditions.

3 HOT WORK SAFETY REQUIREMENTS

3.1 Hot work

Hot work is work involving heating a detail or material, generation of sparks or using open (out-of-furnace) fire, such as:

- 1 gas welding and flame spraying;
- 2 electric welding;
- 3 cutting metal with a burning liquid;
- 4 soldering using a burning liquid;
- 5 cutting metal with a cutting saw;
- 6 heating and using bitumen and other burning mastic;
- 7 using a gas flame and a hot blower;
- 8 blacksmith work;
- 9 making a fire outside a furnace.

3.2 Hot work safety requirements

The Minister of the Internal Affairs regulation Hot Work Safety Requirements, the fire safety requirements established by Seesam and other fire safety legislation and fire safety supervision precepts shall be followed upon performance of hot work.

3.3 Hot work permit

3.3.1 Upon performance of hot work at the object or upon construction of the object, the owner of the object, the

possessor of the object or the general contractor shall be liable for fire safety, unless otherwise provided by legislation or a contract. The owner of the object, the possessor of the object or the general contractor shall issue a permit to the performer of the hot work pursuant to the procedure established by them and appoint a hot work supervisor.

3.3.2 To perform hot work in a temporary place of hot work one shall have a hot work permit.

3.3.3 A hot work permit shall be made in writing in at least two equal copies, one for the issuer of the permit and one for the performer of the work or the operations manager. If necessary, a copy of the permit may be issued to the contracting entity or the person exercising supervision over the hot work.

3.3.4 A hot work permit shall contain the following:

- 1 the business name, registry code, phone and fax numbers of the agency or company which has issued the permit;
- 2 the first name and surname of the performer of the hot work and/or the operations manager;
- 3 the name of the contracting entity of the hot work, the place and class of the hot work;
- 4 the term of validity of the permit (date and time);
- 5 the list of fire safety measures;
- 6 the list of fire extinguishing appliances;
- 7 the name of the person exercising supervision and the procedure for supervision;
- 8 the date of issuing the permit, the name and signature of the issuer of the permit;
- 9 the date of receipt of the permit and the signature of the recipient of the permit;
- 10 the location of the nearest emergency telephone and the telephone number of the emergency centre of the local rescue service.

3.3.5 If the work is performed at objects which are extremely flammable or explosive or where there is highly valuable property, historically valuable property or works of art, etc., the hot work permit shall be coordinated with the local rescue service before commencement of the work.

3.4 Contractors

3.4.1 The policyholder shall ensure that all building contractors performing hot work and suppliers and installers of machinery and equipment follow the safety requirements and the policyholder shall be liable for the breach of these requirements.

3.4.2 The tools used by the performers of the work shall be in compliance with the legislation of the Republic of Estonia and with the installation and usage instructions of the tools.

3.4.3 The contract for services shall set out the protection operations required at the object and specify at least the following person liable for following the safety requirements:

- 1 persons in charge of performance of the hot work;
- 2 persons liable for performance of the protection operations specified in the hot work permit and for acquisition of the required extinguishing and other appliances;
- 3 persons liable for supervision of the hot work during and after performance of the work.

3.5 Hot work performer

3.5.1 Hot work may be performed by a person who has the respective qualification and a professional certificate and who has received a hot work certificate from the employer.

3.5.2 Performance of hot work without a valid hot work certificate is prohibited.

3.6 Permanent place of hot work

3.6.1 A permanent place of hot work is a building or a room designed or built for performing hot work or a part of a room used for another purpose, which has been separated from it with a barrier, or a marked open plot.

3.6.2 Hot work shall always be, if possible, performed in a permanent place of hot work.

3.6.3 A permanent place of hot work shall comply with the following requirements:

- 1 The barriers of the room or of the part of the room (the screens or shields) shall be of a non-combustible material. The structures made of a combustible material shall be protected against burning with a surface layer or a material;
- 2 The interior fittings of the room or of the part of the room separated with barriers shall be made of a non-combustible material;
- 3 No combustible material may be processed or stored in the room;
- 4 The room shall be separated from a flammable or explosive room with a firewall. The rooms shall be connected through a gateway lobby.
- 5 There shall be at least two portable fire extinguishers with a 6-kilogram charge in the place of hot work.

3.7 Temporary place of hot work

3.7.1 A place of hot work shall be temporary if it does not comply with the requirements of a permanent place of hot work as set out in clause 3.6.3.

3.7.2 Forging is prohibited in a temporary place of hot work.

3.7.3 Upon performance of hot work in a temporary place of hot work, the protective measures set out in clauses 3.7.3.1-3.7.3.4 shall be followed.

3.7.3.1 Before commencement of work in a temporary place of hot work:

- 1 emergency instructions shall be given to all employees (incl. about notification of rescue agencies, usage of fire extinguishing appliances);
- 2 the place of work and its surroundings in the radius of no less than 3 metres shall be cleared of combustible waste and combustible materials shall be protected or removed;
- 3 combustible structures located less than 2 metres from the place of the hot work shall be covered with a non-combustible cover or screen or sprinkled with water;
- 4 the openings in the constructions shall be covered;
- 5 the adjacent rooms shall be inspected to make certain that no fire can break out in these rooms. If

necessary, these rooms shall be taken under the supervision of the hot work;

a welding cover for putting out the sparks generated during the hot work shall be installed in the in the place of work;

the transmission of the heat generated during the hot work through pipes, ventilation channels, etc., to other rooms shall be prevented;

the place of work shall be equipped with the first fire extinguishing appliances specified in the hot work permit – with at least two fire extinguishers which a 6-kilogram charge. Upon cutting metal with a cutting saw and upon making fire outside a furnace, the fire extinguisher may be replaced by a 10-litre bucket of water. The fire extinguishers may be located up to 10 metres from the place of the hot work;

before commencement of work the hose of a fireplug, if the latter is located in the proximity of the place of the hot work, shall be rolled out in the direction of the place of work;

all combustible material and devices shall be removed from the place of work located in a combustible or potentially explosive room and the room shall be cleaned of combustible materials and dust, and combustible gas or vapour of combustible liquids shall be removed completely;

to extinguish a possible fire upon performance of large-scale hot work in a combustible or potentially explosive place, a permanent or temporary firefighting unit shall be used;

before welding, cutting or soldering the vessel (cistern, tank or another similar closed space) which has contained a combustible liquid or gas or another similar substance shall be cleaned of the residues of the combustible substance, it shall be washed with hot water or another non-combustible substance, steamed, dried and ventilated and the dry air contained therein shall be analysed;

if necessary, the gas content shall be measured and the place of work shall be aerated;

the automatic fire alarm and detection system and the fire-extinguishing appliance may be switched off for the working time. The automatic fire detection and alarm system and the fire extinguishing appliance may be turned on and off only by the person maintaining it. If in the course of performance of firework the switch-off or switch-on of the appliance proves to be inevitable, the name of the person controlling switching shall be noted in the hot work permit. If the signal of engagement of the automatic fire detection and alarm system and the fire extinguishing appliance is under the control of the emergency centre of a rescue agency or security service, the guard of the emergency centre shall be notified of the planned switch-off or switch-on;

it shall be made certain that the safety measures provided in the hot work permit have been taken.

3.7.3.2 During performance of hot work in a temporary place of hot work:

1 the person exercising supervision over it shall systematically inspect the performance of the fire safety regulations. Supervision shall also be exercised during breaks;

2 the vessel which has contained a combustible liquid, gas or another similar substance shall, with a valve, be isolated from the piping to which the vessel is connected. During performance of the hot work the opening, latch or plug of the vessel shall be open and the device ventilating the vessel shall operate. If the listed work is performed inside the

- vessel, an employee ensuring the safety of the performer of the hot work shall be present at the opening of the vessel during performance of the hot work. If a vessel which needs welding, cutting or soldering on the outside has been filled with fire extinguishing foam before commencement of the hot work and during the work, additional safety measures shall not be compulsory;
- 3 the welding equipment used in the workroom upon repairing a gas pipe shall be placed as far from the place of the hot work as possible. In the emergency area the gas concentration in the air shall be measured with a gas analyser or another similar device and the oozing points of the piping shall be determined with the foam of soap or another surface-active substance. No open fire shall be used for such purpose.

3.7.3.3 After performance of hot work in a temporary place of hot work:

- 1 the performer of the work shall carefully inspect the place of work, water the combustible structures where necessary, eliminate other conditions which may cause a fire and deliver the tools and fire extinguishing appliances to the prescribed storage;
- 2 the owner or possessor of the object or the contractor shall ensure the supervision of the object for no less than 2-4 hours. Within the first two hours the place of the hot work and, where necessary, the area surrounding it shall be under constant and, within the period following it, under periodical supervision. The person issuing the hot work permit shall determine the duration (in hours) of inspection of the place of the hot work after performance of the work and make a respective note in the hot work permit.
- 3 immediately after completion of the work the automatic fire detection and alarm system and the fire-extinguishing appliance shall be switched on again. If the signal of engagement of the automatic fire detection and alarm system and the fire extinguishing appliance is under the control of the emergency centre of a rescue agency or security service, the guard of the emergency centre of the rescue agency or the security service shall be notified of the switch-on.

3.7.3.4 The following shall be prohibited upon performance of hot work:

- 1 to start or perform work with a dysfunctional appliance or equipment;
- 2 to wear clothes or gloves which have oil, fat, petrol or other combustible liquid stains;
- 3 to weld, cut or solder a recently painted structure or product before the paint has fully dried and to perform such work concurrently with the work upon performance of which a combustible liquid is used;
- 4 to weld, cut, solder or warm with an open fire a device, appliance or piping which is filled with a combustible or poisonous substance or which is under the pressure of a non-combustible liquid, gas, steam or air or which is energised.

3.8 Welding equipment, its storage and use

3.8.1 Gas welding

3.8.1.1 The storage designated for storing gas cylinders shall be in a well-aerated room where there is no heating installation. Gas cylinders shall be kept on a securely fixed

shelf which is not exposed to direct sunlight. Cylinders which are full, empty or contain different gases shall be kept separately and the shelves shall be marked accordingly.

3.8.1.2 Used gas cylinders shall be attached to a self or a cylinder cart.

3.8.1.3 The equipment of the performer of the work shall include a cylinder key, a protecting cap, a protective glove and a hand fire extinguisher with a 6-kilogram charge.

3.8.1.4 Gas hoses shall have check valves and flame arresters. After the working hours the cylinder cart shall be taken either to a separate storage room or as close to the external door as possible. The label "gas cylinders" must be on the external door of the storage room.

3.8.1.5 The following shall be prohibited upon performance of gas welding and gas flame work:

- 1 to heat a frozen acetylene generator or another part of the welding equipment with open fire, a glowing hot object or detail or use a tool which may generate sparks upon hitting;
- 2 to let an oxygen cylinder, redactor or another part of the welding equipment to come to a contact with oil or with clothes, gloves or cleaning materials which are impregnated with it;
- 3 to smoke or use open fire nearer than 10 metres from an oxygen cylinder, a flammable gas cylinder, an acetylene generator or a place of storage of mine waste;
- 4 to load an oversized piece of calcium carbide to an acetylene generator, to push the carbide in the funnel of the acetylene generator with a metal rod or a similar object or use carbide dust;
- 5 to use oxygen for purging a flammable gas hose or flammable gas for purging an oxygen hose or to switch hoses while working or to use a hose the length of which exceeds 30 m;
- 6 to twist, fold or squeeze the gas hose;
- 7 to transport an acetylene generator the collector of which contains acetylene;
- 8 to force the operation of an acetylene generator by excessive increase of the gas pressure or by loading an excessive amount of carbide.

3.8.2 Arc welding

In the course of arc welding:

- 1 the conductivity of the return conductor shall exceed that of the output conductor;
- 2 the return conductor shall be securely attached directly to the welded detail or, upon welding small details, to the welding base.

3.8.3 Work performed with combustible liquids

3.8.3.1 Upon connection of a soldering lamp and a burner with a cylinder of a combustible liquid, there shall be a hose breaking safety valve in the cylinder-facing end of the hose. The soldering lamp and the burner shall not be connected to liquid gas cylinders designed for motor vehicles. The liquid gas cylinder shall not be heated with an open fire to promote vaporisation.

3.8.3.2 The following shall be prohibited upon cutting metal with a combustible liquid:

- 1 to cut if the air pressure in the tank of the combustible liquid exceeds the oxygen pressure in the cutting burner;

- 2 to heat the vaporiser of the cutting burner to 700°C (until it is cherry red) or hang the working cutting burner vertically, with its head above;
- 3 to squeeze, twist or fold the hose which supplies the cutting burner with oxygen or a combustible liquid;
- 4 to use an oxygen hose for supplying the cutting burner with a combustible liquid.

3.8.3.3 The following shall be prohibited upon using a soldering lamp:

- 1 to use a combustible liquid or a mixture of several different combustible liquids not authorised for the lamp;
- 2 to increase the pressure in the tank of the lamp by pumping in more air, exceeding the permitted working pressure;
- 3 to fill the lamp with a combustible liquid, exceeding ¾ of the capacity of the tank of the lamp;
- 4 to heat the burner with a lit liquid pumped out of the lamp;
- 5 to remove the air nut or the plug of the filler inlet while the lamp is still burning or has not cooled down;
- 6 to disassemble or to repair the lamp or pour out a combustible liquid from the lamp or fill it with a combustible liquid closer than 10 metres from the source of the open fire.

3.8.4 Cutting metal with a cutting saw

3.8.4.1 Upon cutting metal with a cutting saw, the combustible structure located in the place to where sparks may fly shall be protected with a non-combustible barrier, screen or cover or be watered. Other combustible material or fittings shall be removed from the place.

3.8.4.2 The blade of the cutting saw which has heated as a result of cutting metal or the non-cooled cutting point of the pipe or another detail cut with the blade shall not come to contact with a combustible liquid or structure.

3.8.4.3 After cutting metal with a cutting saw the place where sparks fall shall be watered and the combustible material or fittings removed from the place of work shall not be moved until the hot cutting point of the detail has cooled down.

3.9 Work performed with bitumen or another combustible mastic

3.9.1 Bitumen boiler

To heat bitumen and another combustible mastic (hereinafter bitumen) a boiler complying with the following requirements shall be used:

- 1 the construction of the boiler shall be such as to prevent the liquid bitumen falling on the boiler from igniting;
- 2 the boiler shall have a tightly sealed cover for protecting bitumen against precipitation;
- 3 a boiler the capacity of which exceeds 50 litres shall have a thermometer, a flame control device and a thermostat or another device which prevents bitumen from overheating and igniting;
- 4 a gas boiler shall have a gas burner;
- 5 the boiler's discharge valve shall be operational in any situation;
- 6 the boiler shall indicate the maximum permitted level of bitumen.

3.9.2 Usage of bitumen boiler

3.9.2.1 A bitumen boiler shall not be used inside a room. Outside a structure the bitumen boiler shall be installed on a non-combustible base which has been cleared of combustible material, at least 10 metres from any structure or an open place of storage of combustible material and at least 30 metres from a forest. Upon using a bitumen boiler it shall be located on a part of the roof where there are non-combustible structures. The use of a bitumen boiler located on a roof shall be suspended if the wind speed in the place of work exceeds 13.8 m/s.

3.9.2.2 A bitumen boiler may be filled with bitumen to the maximum permitted level. If the maximum level mark is not visible, the boiler may be filled to the extent of ¾ of its capacity. No frozen or snowy piece of bitumen may be put into a hot bitumen boiler. An empty bitumen boiler shall not be heated.

3.9.2.3 If a bitumen boiler leaks, the heating shall be suspended immediately and liquid bitumen shall be removed from the boiler.

3.9.2.4 Hot bitumen shall be delivered to the place of work in a special tightly sealed and closed metal tank which has a securely fixed lid or in another similar vessel. To prevent bitumen from spilling the tank or vessel shall be filled to the extent of ¾ of its capacity and put into a place where it cannot fall over.

3.9.2.5 Hot bitumen shall be administered to a structure or another surface which has been cleaned of combustible waste in such a manner that the surface to which bitumen is administered concurrently would not exceed 100 m². The work shall be commenced from the part of the roof or room which is located the furthest from the emergency exit.

3.9.2.6 3.9.2.7 A working bitumen boiler must not be transported or left without supervision.

3.9.2.8 The heating of bitumen shall be stopped one hour before the end of the working hours and the fire in the boiler shall be put out before leaving the place of work.

3.9.3 Gas cylinders and equipment

If liquid gas is used for heating a bitumen boiler, the capacity of the gas cylinder may be up to 40 litres. The hose of the gas cylinder shall be at least 2 metres long, it shall have forked supports and in the end of the hose which faces the cylinder there shall be a shutoff valve which is activated when the hose breaks.

3.9.4 Storage of material

Bitumen and solid fuel of the boiler may be stored in the temporary place of hot work to the extent of one shift and they shall be stored no less than 5 metres from the bitumen boiler. The packaging shall be removed from the place of work immediately.

3.9.5 Roof work preparations

3.9.5.1 Before commencement of roof work the fire safety of the room between the roof and the upper ceiling shall be ensured. Combustible materials and dust shall be removed and the necessary precautions shall be taken. To prevent accumulation of combustible gases the room between the roof and the upper ceiling shall be ventilated or there shall be forced ventilation.

3.9.5.2 To prevent the flame of the gas burner or bitumen drops from penetrating the room between the roof and the upper ceiling the feedthroughs in the roof shall be closed tightly.

3.9.6 First fire extinguishing appliances

In the place of heating the bitumen which is located on the roof there shall be, in addition to the fire extinguishers which are compulsory in the temporary place of hot work, at least one portable fire extinguisher with a 12-kilogram charge.

3.10 Measures taken in the event of fire

3.10.1 If a fire breaks out in a place of hot work which is related to using a combustible gas, the valve of the gas cylinder used shall be shut off immediately and the cylinder shall be removed from the place of fire and, if this proves to be impossible, the gas cylinder shall be cooled with water. There is no danger of explosion if one's arm can stand the temperature of the gas cylinder.

3.10.2 If the gas which has been emitted from a combustible gas cylinder ignites, the valve of the gas cylinder shall be shut off using a glove and, if this proves to be impossible, the emitted gas shall be allowed to burn out completely whilst cooling the cylinder with water.

3.10.3 If the gas which has been emitted from a combustible gas hose ignites, the valve of the cylinder shall be shut off and the use of the broken gas hose shall be stopped.

3.10.4 If bitumen ignites in a boiler, the lid of the boiler shall be closed tightly and upon continuance of the burning process the burning mass shall be extinguished with a fire extinguisher. To prevent the bitumen in the boiler from igniting again, solid bitumen shall be added to it or it shall be cooled down in another manner. No water shall be used for extinguishing the fire or cooling down the bitumen in the boiler.