



TARVO PURI, NOTARY PUBLIC IN AND FOR TALLINN

REGISTRATION NUMBER

IN THE REGISTER OF NOTARIAL ACTS

1570

DIVISION PLAN OF AS MERKO EHITUS

This notarial deed has been prepared and attested by TARVO PURI, notary public in and for Tallinn, in his office at R vala 3 / Kuke 2, Tallinn, on this thirtieth day of April of the year two thousand and eight (30.04.2008). The party to this notarial deed is:

Aktsiaselts MERKO EHITUS, registry code 10068022, having its seat at J rvevana tee 9G, Tallinn, 11314, Estonia, email address merko@merko.ee, hereinafter referred to as the Company Being Divided and/or the Founder, represented by its registered management board member, **Alar Lagus**, personal identification code 36902150343, who has been identified based on his identification card,

who has decided to prepare the following division plan:

1. THE COMPANY BEING DIVIDED

1.1. The Company Being Divided is AS MERKO EHITUS, registry code 10068022, with its seat at J rvevana tee 9G, Tallinn, 11314, and its share capital amounting to one hundred and seventy-seven million (177,000,000) EEK.

2. THE RECIPIENT COMPANY

2.1. The Recipient Company is AS MERKO EHITUS (being founded), a public limited company to be founded in the course of division, with its seat at J rvevana tee 9G, Tallinn, 11314, and its share capital amounting to one hundred and seventy-seven million (177,000,000) EEK. The Founder has decided to found a public limited company and requests that a public limited company (the "Company") with the following data be entered in the commercial register:

- 2.1.1.** The business name of the recipient company is AS MERKO EHITUS. Upon division, the Company Being Divided will transfer the business name of “MERKO EHITUS” to the Recipient Company and will adopt a resolution on the change of its business name along with the division resolution.
- 2.1.2.** The Company has its seat in Tallinn, Estonia, and its address is Järvevana tee 9G, Tallinn, Estonia, postal code 11314;
- 2.1.3.** The planned amount of the Company’s share capital is 177,000,000 (one hundred and seventy-seven million) EEK, which is divided into 17,700,000 (seventeen million seven hundred thousand) shares with a par value of 10 (ten) EEK. The shares will be paid for by the assets to be transferred to the Recipient Company in accordance with this division plan. The valuation of the non-monetary contribution will be carried out by the management board of the Recipient Company and will be audited by an auditor.
- 2.1.4.** The Company’s management board members are Tiit Roben, personal identification code 36601050214, residing in Saue rural municipality, Harjumaa; Veljo Viitmann, personal identification code 36203130270, residing in Tallinn; Alar Lagus, personal identification code 36902150343, residing in Tallinn; Andres Agukas, personal identification code 36507154213, residing in Saue rural municipality, Harjumaa; and Tõnu Korts, personal identification code 37404166013, residing in Saue. The right of representation of the members of the management board is unlimited and each member of the management board is entitled to represent the Company in all legal acts.
- 2.1.5.** The Company’s supervisory board members are Teet Roopalu, personal identification code 34908300259, residing in Tallinn; Jaan Mäe, personal identification code 36409260289, residing in Tallinn; and Tõnu Toomik, personal identification code 36103080339, residing in Tallinn. The monthly remuneration to be paid to the chairman of the supervisory board is 50,000 (fifty thousand) EEK. The monthly remuneration to be paid to members of the supervisory board is 45,000 (fifty thousand) EEK. The amount of remuneration paid to members of the supervisory board may be increased annually to the extent corresponding to the change in the consumer price index, but not less than by 10 (ten) per cent. In addition, the chairman of the supervisory board is entitled to a bonus of 0.4 per cent, and members of the supervisory board to a bonus of 0.35 per cent, of the Company’s profit before income tax less the respective minority share. Bonus payments are made after approval of the annual report for the respective financial year by the general meeting of shareholders. A maximum of 75 per cent of the bonus can be paid to the members of the supervisory board in advance. Upon removal of a supervisory board member before the end of his term of office, or expiry of his term of office, and provided that the member is not re-elected for an additional term or offered another managerial position on terms

similar to those applicable to supervisory board members, the member will be paid compensation within 12 (twelve) months in the amount of the monthly remuneration paid to the member during the last 12 (twelve) months (excluding bonuses). A member of the supervisory board is not entitled to receive a bonus if the member has been removed from the supervisory board with good reason due to his violation of law, the articles of association or conditions of employment, or failure to perform his duties.

- 2.1.6. The auditor of the Company is AS PricewaterhouseCoopers, registry code 10142876, having its seat in Tallinn, Estonia; entered in the list of companies of auditors on 11 January 2000;
- 2.1.7. The financial year of the Company begins on 1 January and ends on 31 December;
- 2.1.8. The articles of association of the Company being founded, which are approved by the division resolution, will be annexed to this notarial deed (Annex No. 2 to the notarial deed);
- 2.1.9. The foundation expenses are expected to amount to 165,000 (one hundred and sixty-five thousand) EEK, and those expenses will be paid by the Founder;
- 2.2. AS MERKO EHITUS, registry code 10068022, as the owner of the trade mark "m merko" (registration number 40292), hereby gives its consent to the use of the trade mark "m merko" in the business name of the public limited company being founded, MERKO EHITUS.

3. REPRESENTATIONS AND WARRANTIES MADE BY THE PARTY

- 3.1. The representative of the Company Being Divided represents and warrants that:
 - 3.1.1. as at the date of notarising this division plan, no resolution on altering the amount of the registered share capital of the Company Being Divided has been adopted;
 - 3.1.2. the reports of the Company Being Divided have been drawn up in accordance with the Estonian Accounting Act and International Financial Reporting Standards (IFRS);
 - 3.1.3. the shares of the Company Being Divided have been registered with the Estonian Central Depository for Securities;
 - 3.1.4. the assets of the Company Being Divided are encumbered with the following commercial pledges:
 - a first-rank commercial pledge in the sum of 40,000,000 (forty million) EEK for the benefit of AS Hansapank;
 - a second-rank commercial pledge in the sum of 40,000,000 (forty million) EEK for the benefit of AS Hansapank;

- a third-rank commercial pledge in the sum of 10,000,000 (ten million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank);
- a fourth-rank commercial pledge in the sum of 20,000,000 (twenty million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank);
- a fifth-rank commercial pledge in the sum of 60,000,000 (sixty million) EEK for the benefit of AS Hansapank; and
- a sixth-rank commercial pledge in the sum of 30,000,000 (thirty million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank).

3.1.5. The documents of the Company Being Founded give a true and fair view of its assets and liabilities, it has no liabilities, has not provided any guarantee or security, and its assets have not been encumbered or otherwise restricted in favour of any third party other than set out in the documents;

3.1.6. The data contained in clause 1 above have not changed.

4. DIVISION BY SEPARATION AND EXCHANGE OF SHARES

- 4.1.** According to this division plan, the Company Being Divided referred to in clause 1 above will be divided such that it will transfer all of its business to the Recipient Company according to the terms and conditions of this division plan, as described in clause 5 below.
- 4.2.** As a result of division, the shareholders of the Company Being Divided will become shareholders of the Recipient Company, who will own 17,700,000 (seventeen million seven hundred thousand) shares with a par value of 10 (ten) EEK, which account for 100 per cent of the share capital of the Recipient Company. The exchange ratio of shares is 1:1 (one for one), i.e. each shareholder of the Company Being Divided will receive one share of the Recipient Company for one share of the Company Being Divided.
- 4.3.** As of entry of the division in the commercial register of the seat of the Company Being Divided, the shareholders of the Company Being Divided will become shareholders of the Recipient Company and will have all the rights of a shareholder in accordance with the articles of association of the Recipient Company annexed hereto as Annex No. 2.
- 4.4.** The shares of the Recipient Company will be transferred to the shareholders of the Company Being Divided entitled to receive such shares, to their securities accounts opened with Estonian Central Register of Securities within 10 (ten) days as of entry of the division in the commercial register of the seat of the Recipient Company.
- 4.5.** No additional payments will be made.

- 4.6. The shares of the Recipient Company will grant the right to a share of profit of the Recipient Company as of entry of the division in the commercial register of the seat of the Recipient Company.
- 4.7. The division of the Company Being Divided will not affect the content of employment contracts signed with its employees. All employment contracts will transfer to the Recipient Company on current terms and condition. The Company Being Divided will inform its employees of the division in accordance with the requirements established by the Employment Contracts Act.
- 4.8. No benefits will be granted to management or supervisory board members of the companies participating in the division in connection with the division.
- 4.9. The Recipient Company has not issued preferred shares or convertible bonds.
- 4.10. The auditor auditing the division plan will be paid remuneration in the sum of 50,000 (fifty thousand) EEK plus VAT for its services.

5. ASSETS TO BE TRANSFERRED

- 5.1 In the course of the division, the Company Being Divided will transfer to the Recipient Company all of its assets and business, including all things, rights and obligations, except for the assets and obligations that have been set forth in Annex No. 3 to this notarial deed and that are retained by the Company Being Divided.
- 5.2 In the course of the division, all the obligations of the Company Being Divided, except for the obligations arising from the criminal case No 05913000055, including damages, penalties and other claims along with legal costs, shall transfer to the Recipient Company.
- 5.3 Following the completion of the division contemplated herein the Recipient Company shall establish a branch in the Republic of Lithuania, hereinafter referred to as the Lithuanian Branch. After establishment, all assets, rights and obligations, including the rights and obligations arising from the contracts and agreements signed by the Company Being Divided, as well as building permits, activity licences and other certificates and registrations of the Lithuanian Branch of the Company Being Divided named as "AS MERKO EHITUS FILIALAS (registry code 300087307, location Laisves pr. 3, LT-C3150 Vilnius, Lithuania), shall be transferred to the Lithuanian Branch. Until transfer of the assets of the Company Being Divided by virtue of signing a relevant deed of acceptance and receipt, the Recipient Company shall be held liable for the said assets, rights and obligations.
- 5.4 In the course of the division, the Company Being Divided shall transfer to the Recipient Company the Latvian Branch of the Company Being Divided named AS MERKO EHITUS filiāle Latvijā (registry code 40003524128, location Skanstes iela 13, LV-1013, Riga, Latvia), including all assets and obligations related to the Latvian Branch of the Company Being Divided.

6. MISCELLANEOUS

6.1 The commercial pledges set out in clause 3.1.4 above shall be transferred from the registry card of the Company Being Divided to the registry card of the Recipient Company as follows:

- a first-rank commercial pledge in the sum of 40,000,000 (forty million) EEK for the benefit of AS Hansapank;
- a second-rank commercial pledge in the sum of 40,000,000 (forty million) EEK for the benefit of AS Hansapank;
- a third-rank commercial pledge in the sum of 10,000,000 (ten million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank);
- a fourth-rank commercial pledge in the sum of 20,000,000 (twenty million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank);
- a fifth-rank commercial pledge in the sum of 60,000,000 (sixty million) EEK for the benefit of AS Hansapank; and
- a sixth-rank commercial pledge in the sum of 30,000,000 (thirty million) EEK for the benefit of AS SEB Pank (former business name AS Eesti Ühispank).

The commercial pledges specified in clause 3.1.4 of this division plan shall be deleted from the registry card of the Company Being Divided.

6.2 The Company Being Divided and the Recipient Company have agreed to transfer the assets, rights and obligations of the Company Being Divided specified in this division plan to the Recipient Company pursuant to this division plan. The real rights and notations encumbering the immovables listed in Annex 4 to this notarial deed, which are to be transferred to the Recipient Company, shall remain effective also with respect to the Recipient Company and the Company Being Divided has no need to remove them.

7. ORIGINAL COUNTERPART OF THE NOTARIAL DEED AND ISSUE OF FIRST TRANSCRIPT AND COPIES

7.1 This notarial deed has been made and signed in 1 (one) original counterpart, which shall be maintained at the notary's office.

7.2 First transcripts of the notarial deed shall be issued to the Company Being Divided and the Recipient Company at the date of this notarial deed.

7.3 Certified copy of this notarial deed shall be submitted to a commercial register and the Estonian Central Securities Depository.

8. TRANSACTION COSTS

8.1 The costs and expenses related to the making of this division plan shall be paid by the Company Being Divided.

8.2 The Company Being Divided shall pay the notary fee at the notary's office either in cash or by a bank card or transfer the notary fee to the notary's bank account within 10 (ten) working days from the date of this division plan. The notary public is entitled to withhold documents which have been submitted for the purpose of making the notarial deed and which are subject to return until the payment of the notary fees.

This notarial deed was read aloud to the parties in the presence of the notary, presented for review, and was thereafter approved and personally signed by the parties in the presence of the notary. The parties waived the right to have the documents annexed to this notarial deed read aloud to them. Those documents were presented to the parties for review and were thereafter approved and signed in the presence of the attester to this notarial deed.

This document contains 17 pages, bound with a string and sealed with an embossing seal.

Notary fee: Notary fee EEK 84,000 (Notary Fees Act §18 (3), §22, §23 2); transaction value EEK 100,000,000)
VAT EEK 15,120
Total: EEK 99,120

A fee for certification of first transcript and copies shall be added to the foregoing fees.

first name and surname in handwriting

signature

Signature and stamp of the notary

ANNEX 1 TO NOTARIAL DEED

9. The notary public has explained to the parties that:

9.1. Pursuant to §440 (1) of the Commercial Code the rights and obligations shall arise from a division agreement if the division agreement is approved by all companies participating in the division. A division resolution shall be in writing.

9.2. Pursuant to §436 (1) and (2) of the Commercial Code the management boards of or the partners entitled to represent the companies participating in a division shall prepare a written report (division report) in which the division and division agreement shall be explained and justified legally and economically. Upon distribution or separation whereby shares are exchanged with the partners or shareholders of the Company Being Divided, the share exchange ratio and the amount of additional payments, if additional payments are to be made, shall be justified in the report. Difficulties relating to valuation shall be referred to separately in the report. A division report need not be prepared upon separation by an exchange of shares with the Company Being Divided, or if this is agreed to by all the partners or shareholders of the companies participating in division.

9.3 Pursuant to §463 (4) of the Commercial Code at least one month before the general meeting to decide on division, the management board shall submit a division agreement to the registrar of the commercial register and shall publish a notice concerning entry into the division agreement in the official publication *Ametlikud Teadaanded*. The notice shall set out that the division agreement is available for examination in the registration department and in a place designated by the management board.

9.4. Pursuant to §447 (1) of the Commercial Code the companies participating in a division shall be solidarily liable for the obligations of the Company Being Divided which arise before entry of the division in the commercial register of the seat of the Company Being Divided. In relations between solidary debtors, only a person to whom obligations are designated by the division agreement shall be an obligated person. A company participating in a division to whom obligations are not designated by the division agreement shall be liable for the obligations of the Company Being Divided if the due date for their performance arrives within five years after entry of the division in the commercial register of the seat of the Company Being Divided. (2¹) Immediately after a division has been entered in the commercial register of the seat of the Company Being Divided, the company participating in the division shall publish a division notice to the creditors of the companies being divided in the publication *Ametlikud Teadaanded*, informing them of the possibility to submit, within six months after the publication of the notice, their claims in order to receive a security. (2²) The company participating in division must secure the claims of the creditors within six months after the publication of the notice specified in subsection (2¹) of this section, if the creditors have no possibility to demand satisfaction of the claims and they prove that the division may endanger the fulfilment of the claims. (3) The members of the management board and supervisory board, or the managing partners of a company participating in a division shall be solidarily liable to the company, the partners or shareholders, and the creditors of the

company for any damage wrongfully caused by the division. (4) The limitation period for a claim specified in section (3) of this article shall be five years from entry of the division in the commercial register of the seat of the Company Being Divided.

9.5. Pursuant to §463 (1) of the Commercial Code, at least one month before the general meeting to decide on a division, the management board shall present the following to the shareholders for examination at the seat of the public limited company: 1) division agreement; 2) annual reports and management reports for the last three years of the companies participating in the division; 3) division report; 4) auditor's report. (2) Copies of the documents specified in subsection (1) of this section shall be promptly given to a shareholder on the demand of the shareholder. (3) If the last annual report of the public limited company participating in a division is prepared earlier than six months before conclusion of the division agreement, a balance sheet (interim balance sheet) as at the last quarter shall be prepared pursuant to the requirements for an annual report and shall be presented to the shareholders for examination. (4) At least one month before the general meeting to decide on division, the management board shall submit a division agreement to the registrar of the commercial register and shall publish a notice concerning entry into the division agreement in the official publication *Ametlikud Teadaanded*. The notice shall set out that the division agreement is available for examination in the registration department and in a place designated by the management board.

9.6. Pursuant to §443 of the Commercial Code the management board of or the partners entitled to represent a company participating in a division shall submit a petition for entry of the division in the commercial register of the seat of the company not earlier than one month after approval of the division contract. The following shall be appended to the petition: 1) notarised transcript of the division agreement; 2) division resolution; 3) minutes of the meeting of shareholders, if the division resolution was adopted at a meeting; 4) division authorisation, if required; 5) division report or consents for non-submission; 6) auditor's report, if required, or consents for non-submission; 7) in the case of division, the final balance sheet of the Company Being Divided, if the application is submitted by the Company Being Divided. In a petition, the members of the management board of or the partners entitled to represent the company shall confirm that the division resolution is not contested, or that a corresponding petition has been denied. Pursuant to §449 (5) of the Commercial Code the management board of or the partners entitled to represent the Company Being Divided shall submit a petition for entry of the new companies in the commercial registers of their seats and for entry of the division in the commercial register of the seat of the Company Being Divided.

9.7. Pursuant to §446 (1) of the Commercial Code all assets of a Company Being Divided or, upon separation, the separated assets, shall transfer to the recipient companies pursuant to the distribution prescribed in the division agreement as of entry of the division in the commercial register of the seat of the Company Being Divided. After entry of the division in the commercial register of the seat of the Company Being Divided, entries regarding the transfer of assets shall be made in registers on the petitions of the recipient companies.

9.8. Pursuant to §446 (4) of the Commercial Code the shares held by the shareholders of the Company Being Divided shall be replaced with the shares of the Recipient Company.

The rights of third persons with regard to exchanged shares shall remain valid with regard to the shares of the Recipient Company.

9.9 Upon adoption or execution of this division plan a need may arise for application of foreign law, the purport and essence whereof the notary attesting hereto cannot and need not explain.

ANNEX 2 TO NOTARIAL DEED
AKTSIASELTS MERKO EHITUS
ARTICLES OF ASSOCIATION

Business name and location

1. The business name of the public limited company [Est. *aktsiaselts*] (hereinafter the Company) is Aktsiaselts MERKO EHITUS.
2. The domicile of the Company shall be Tallinn, Republic of Estonia.

Share capital and shares

3. The minimum capital of the Company is EEK 88,500,000 (eighty eight million five hundred thousand) and maximum capital is EEK 354,000,000 (three hundred and fifty four million). The amount of the share capital can be changed pursuant to the procedure stipulated by law.
4. The Company has issued registered shares with a nominal value of EEK 10 (ten).
5. The holders of registered shares and the holders of registered shares to be issued in the course of conversion of convertible bonds are not entitled to request that share certificates be issued.
6. Contributions to the share capital may be both monetary as well as non-monetary. The non-monetary contributions shall be valued by the management board of the Company or by an expert appointed by the management board. The usual value of a thing or right being the object of non-monetary contribution shall be taken as the basis for the valuation of a non-monetary contribution. The valuation of a non-monetary contribution shall be audited by an auditor, except if the non-monetary contribution consists of securities, which are to be valued pursuant to a special procedure stipulated by the Commercial Code.
7. Registered shares are freely transferable. Upon transfer of shares third parties have no right of pre-emption.
8. Upon increase of share capital the shareholders have a preferential right to subscribe for the new shares pro rata with the total nominal value of their shares, unless the law prescribes otherwise.
9. A registered share may be pledged. A share encumbrance transaction shall be in writing.
10. The Company may, upon resolution of the general meeting, issue bonds, the holders of which are entitled to convert their bonds into shares.

11. Reserve capital shall be formed from annual net profit transfers and other transfers entered in the reserve capital pursuant to law or the articles of association. The amount of the reserve capital equals to one-tenth of the share capital. Each financial year, at least one-twentieth of net profit shall be transferred to the legal reserve. If the reserve capital reaches the amount prescribed in the articles of association, the net profit transfers to the reserve capital shall be terminated.

12. Subject to the resolution of the general meeting, the reserve capital may be applied towards covering loss, if this cannot be covered on account of the Company's unrestricted equity, as well as towards increase of share capital. Payments may not be made to shareholders from reserve capital.

Shareholders and general meeting

13. The rights attaching to a share shall belong to the person who is entered as the shareholder in the share register.

14. The shareholders have all the rights and obligations stipulated by law, other legislation and the articles of association.

15. Shareholders shall exercise their rights in the Company at the general meeting of shareholders. Each share in the Company shall grant its holder one vote at the general meeting of shareholders. The general meeting of shareholders is the highest directing body of the Company.

16. Payment of dividends to the shareholders shall be decided by the general meeting, which shall determine the share of the net profit to be paid in dividends as well as the procedure and terms for payment thereof.

17. An annual general meeting shall be held once a year. The management board shall call an annual general meeting not later than within six months from the end of each financial year.

18. The management board shall send the notice calling a general meeting by registered or regular post, facsimile transmission or email to all shareholders holding registered shares. The notice shall be sent to the address specified in the share register. If the number of the Company's shareholders exceeds the limit specified by law, notices need not be sent to the shareholders; however a notice of the general meeting shall be published in at least one national daily newspaper.

19. A notice of an annual general meeting shall be given at least three weeks in advance. A notice of a special general meeting shall be given at least one week in advance.

20. General meetings shall be held at the seat of the Company.

21. The general meeting may adopt resolutions if over one-half of the votes represented by shares are present.

22. If the votes specified in this article are not represented at the general meeting, the management board shall, within three weeks but not earlier than in 7 days, call another meeting with the same agenda. The new general meeting is competent to adopt resolutions regardless of the votes represented at the meeting.

23. A resolution of a general meeting shall be adopted if over one-half of the votes represented at the general meeting are in favour unless the law prescribes a greater majority requirement.

24. A resolution on amendment of the articles of association is adopted by the general meeting if at least two-thirds of the votes represented at the general meeting are in favour. A resolution on amendment of the articles of association will enter into force as of the making of a corresponding entry in the commercial register. The resolution of the general meeting on amendment of the articles of association, the minutes of the general meeting and the new text of the articles of association shall be appended to the petition submitted to the commercial register.

Supervisory Board

25. The supervisory board shall plan the activities of the Company, organise the management of the Company and supervise the activities of the management board. The supervisory board shall notify the general meeting of the results of a review.

26. The supervisory board shall give orders to the management board for organisation of the management of the Company. The consent of the supervisory board is required by the management board for conclusion of transactions beyond ordinary course of business. Consent of the supervisory board is required by the management board for conclusion of transactions, which bring about:

26.1 Conclusion of a transaction, including signing of a contract or agreement and placement of an offer, if the total value of the transaction or simultaneous transactions exceeds 10,000,000 (ten million) euros, or

26.2 Assumption of a loan and signing of a leasing agreement in the sum exceeding 1,000,000 (one million) euros, or

26.3 Granting of a loan, securing of a debt, acquisition of a claim and taking over of a debt in the sum exceeding 200,000 (two hundred thousand) euros, or

26.4 Making of investment, acquisition and disposal of fixed assets beyond the annual budget, if the total value of the transaction or simultaneous transactions exceeds 200,000 (two hundred thousand) euros, or

26.5 Acquisition and transfer of an immovable or registered immovable, if conclusion of such a transaction has not been prescribed by a business plan

or if the value of the transaction exceeds 200,000 (two hundred thousand) euros, or

26.6 The acquisition, transfer or dissolution of a company; or

26.7 The foundation or closure of foreign branches;

27. The supervisory board shall approve the annual budget of the Company.

28. The supervisory board of the Company has 3 to 5 members. A member of the supervisory board must be a natural person with active legal capacity. A member of the supervisory board need not be a shareholder.

29. The members of the supervisory board shall be elected and removed by the general meeting. In order to elect a member of the supervisory board, his or her written consent is required.

30. The members of the supervisory board shall be elected for a term of three years.

31. The members of the supervisory board shall elect a chairman from among themselves, who shall organise the activities of the supervisory board.

32. Meetings of the supervisory board shall be held when necessary but in any event not less frequently than once in every three months. A meeting shall be called by the chairman of the supervisory board or by a member of the supervisory board substituting for the chairman. A notice of the supervisory board meeting and of the agenda of the meeting shall be given to the members of the supervisory board at least 1 (one) day in advance.

33. A meeting of the supervisory board has a quorum if more than half of the members of the supervisory board are present. A member of the supervisory board may not be represented by another member of the supervisory board or by a third person at a meeting or in adoption of a resolution.

34. A meeting of the supervisory board shall be called if this is demanded by a member of the supervisory board, the management board, an auditor or shareholders whose shares represent at least one-tenth of the share capital.

35. A resolution of the supervisory board shall be adopted if more than one-half of the members of the supervisory board who participate in the meeting vote in favour. The chairman of the supervisory board shall have the deciding vote upon an equal division of votes.

36. Each member of the supervisory board shall have one vote. A member of the supervisory board may not abstain from voting or remain undecided.

37. The supervisory board is entitled to adopt resolutions without calling a meeting of the supervisory board.

38. The chairman of the supervisory board shall send a draft resolution of the supervisory board to all the members of the supervisory board and designate a term during which every member shall give his or her opinion thereon. If a member of the supervisory board does not give notice of whether the member is in favour of or opposed to the resolution during this term, it shall be deemed that he or she votes against the resolution.

39. Remuneration corresponding to the tasks of a member of the supervisory board and to the economic situation of the Company may be paid to a member of the supervisory board for performance of his or her duties; the amount and procedure of such remuneration shall be subject to a resolution of the general meeting.

Management board

40. The management board is a directing body of the Company, which represents and directs the Company. The management board shall direct the Company in accordance with the lawful orders of the supervisory board. The management board is required to act in the most efficient and rational manner.

41. The management board of the Company has 3 to 6 members. The supervisory board shall elect the chairman of the management board.

42. The members of the management board shall be elected and removed by the supervisory board. In order to elect a member of the management board, his or her written consent is required.

43. The members of the management board shall be elected for a term of three years. The supervisory board may remove a member of the management board regardless of the reason, but the rights and obligations arising from a contract concluded with him or her will terminate pursuant to the contract.

44. Upon election of the members of the management board, the supervisory board shall determine the responsibilities of the management board members.

45. The management board shall present an overview of the economic activities and economic situation of the Company to the supervisory board at least once in every three months and shall immediately give notice of any material deterioration in the economic situation of the Company or any other material circumstances related to the economic activities of the Company.

46. The management board shall organise the accounting of the Company.

47. The meetings of the management board shall be called by the chairman of the management board. A meeting of the management board is competent to adopt resolutions, if more than a half of the members of the management board are present. The

resolutions shall be adopted by simple majority of votes. The chairman of the supervisory board shall have the deciding vote upon an equal division of votes. Minutes shall be taken of the meetings of the management board.

48. Subject to a unanimous vote of the management board, the management board may adopt resolutions without calling a meeting by way of a telephone inquiry. The chairman of the supervisory board shall draw up a record of the inquiry, which shall be approved at the next meeting of the management board.

Reporting and distribution of profits

49. After the end of each financial year, the management board shall prepare the financial statements and management report pursuant to the procedure provided for in the Accounting Act.

50. The supervisory board shall review the annual report and prepare a written report concerning the annual report, which shall be presented to the general meeting. The supervisory board shall indicate in the report whether it approves of the annual report prepared by the management board. In addition, the report shall indicate how the supervisory board has organised and directed the activities of the Company.

51. A resolution on distribution of profit shall be adopted by the general meeting on the basis of the approved financial statements.

Merger, division, transformation and dissolution

52. According to the law, the merger, division and transformation of the Company shall be decided to the general meeting.

53. The Company shall be dissolved pursuant to the procedure prescribed by law. The members of the management board shall act as the liquidators of the Company, unless the dissolution resolution provides otherwise.

ANNEX 3 TO NOTARIAL DEED

ASSETS AND LIABILITIES RETAINED BY THE COMPANY BEING DIVIDED

The Company Being Divided shall retain the following assets and liabilities:

Immovables:

New immovable No	Cadastral reference	Address
152502	19801:002:0962	Harku municipality, Tiskre Village, Kallaste II
13290401	78403:315:2670	Tallinn, Valukoja Str 26
13290501	78403:315:2680	Tallinn, Valukoja Str 24
13291001	78403:315:2730	Tallinn, Valukoja Str 35
18460801	78407:701:0177	Tallinn, Tendre Str 55

The book value of the aforementioned immovables, hereinafter referred to as the Immovables, as of 31 March 2008 totalled 36,957,763 (thirty six million nine hundred and fifty seven thousand seven hundred and sixty three) EEK.

The Recipient Company and the Company Being Divided have the following option rights in relation to the Immovables:

- The Company Being Divided has the right to sell to the Recipient Company all or any of the Immovables, hereinafter the Put Option, by notifying the Recipient Company of its wish to exercise the Put Option at least 30 (thirty) days in advance;
- The Recipient Company is at any time entitled to buy from the Company Being Divided all or any of the Immovable, hereinafter referred to as the Call Option, by notifying the Company Being Divided of its wish to exercise the Call Option at least 30 (thirty) days in advance;
- The exercise prices of the Put and Call Options are the following:

New Immovable No	Option price per immovable (in EEK)
152502	9,500,000
13290401	21,000,000
13290501	28,000,000
13291001	4,500,000
18460801	37,000,000
Total exercise price of options (in EEK):	
	100,000,000

Claims:

Claims against the Recipient Company amount to 7,989,000 (seven million nine hundred and eighty nine thousand) euros. The Recipient Company has the following obligation outstanding to the Company Being Divided:

- The amount of loan 7,989,000 (seven million nine hundred and eighty nine thousand) euros;
- The loan is unsecured;
- Interest for the first 12 (twelve) months has been fixed at 6 (six) %; henceforth the interest rate is 12 (twelve) months' EURIBOR + 1 (one) %;
- The lender (Company Being Divided) is entitled to declare the loan principal or any portion thereof rounded to 500,000 (five hundred thousand) euros integer along with the interest accumulated thereon immediately due and repayable at least at 30 (thirty) days' advance notice.

Cash:

Cash in the sum of 25,000,000 (twenty five million) EEK.

Liabilities:

Liabilities related to the criminal case No 05913000055, including the provision reported on the balance sheet of the Company Being Divided in the sum of 17,500,000 (seventeen million five hundred thousand) EEK in connection with the estimated legal costs and off-balance sheet contingent liabilities, including the maximum contingent penalty of 250,000,000 (two hundred and fifty thousand million) EEK.