

Unofficial translation

Act on Arrangements for the Establishment of a State-Owned Specialist Financing Company

(442/1998)

By decision of Parliament, the following is enacted:

Section 1

The Council of State is authorized to transfer the State assets and business operations administered by the Finnish Guarantee Board, which falls within the administrative purview of the Ministry of Trade and Industry, and the State-owned shares in the Kera Corporation, to a company to be established (*specialist financing company*) as referred to in the Act on the State-Owned Specialist Financing Company (443/1998).

Section 2

The Council of State is authorized to implement the merger of the Kera Corporation with the specialist financing company in accordance with the provisions of Chapter 14 of the Finnish Companies Act (734/1978). However, the Ministry of Finance grants permission for implementation of the merger, as laid down in Chapter 14, section 13, of the Finnish Companies Act. The provisions of Chapter 6, section 5(3), of the Finnish Companies Act do not apply to the preconditions for said permission.

A copy of the permission granted by the Ministry of Finance shall be attached to the notification referred to in Chapter 14, section 16, of the Finnish Companies Act. Sections 5, 14 and 15 of Chapter 14 of the Finnish Companies Act do not apply to the merger of the Kera Corporation with the specialist financing company.

The Ministry of Finance is authorized to issue more detailed provisions concerning the procedure to be followed when the Kera Corporation is merged with the specialist financing company.

The State assumes liability for the promissory notes issued publicly by the Kera Corporation, and for the guarantees provided by the Corporation, to the extent that they are not covered by State guarantees when the Act on Credit Institutions (1607/1993) ceases being applicable to the Kera Corporation.

Section 3

The Council of State confirms the value of assets to be transferred to the specialist financing company and the terms and conditions of the transfer, and

decides on other arrangements related to the transfer of assets and to the establishment of the company.

When the specialist financing company is established, the entire share capital of the company will be subscribed by the State.

Section 4

The specialist financing company shall be responsible for purchase and delivery contracts and other similar commitments and related obligations entered into by the Finnish Guarantee Board or by its predecessors, the Export Guarantee Board and the State Guarantee Board, during their respective periods of operation.

The financial statements on the last financial year of the Finnish Guarantee Board shall be approved by the Council of State. The specialist financing company shall discharge the duties of the Finnish Guarantee Board in this respect.

Section 5

No tax on asset transfers need be paid on the transfer referred to in this Act, by which the Finnish Guarantee Board assigns real estate or securities to the specialist financing company as capital contribution, or on the transfer through which the State assigns Kera Corporation shares to the specialist financing company.

No stamp duty as laid down in section 47 of the Stamp Duty Act (662/1943) need be paid on the transfer of loan agreements from the Kera Corporation to the specialist financing company in connection with the assignment referred to in this Act.

Section 6

With the abolition of the Finnish Guarantee Board, personnel in its employ shall be transferred to the specialist financing company. Persons employed by the Finnish Guarantee Board on a fixed-term basis will be transferred for the remainder of their term if said term has not expired when the Finnish Guarantee Board is abolished.

With the abolition of the Finnish Guarantee Board, personnel who have moved from the former regional offices of the Finnish Guarantee Board to the centres referred to in the Act on Employment and Economic Development Centres (23/1997), under section 11 of the said Act, shall be employed by the specialist financing company. The official posts of civil servants thus transferred to the specialist financing company shall be abolished at the same time as the Finnish Guarantee Board ceases its operations. When a post is abolished, the official employment relationship of the civil servant concerned will end automatically. Civil servants transferred to the specialist financing company will be employed under a contract of employment, and their duties will be similar to their earlier duties, unless they refuse their employment at least two months prior to being transferred to the specialist financing company.

Collective agreements made between the company and trade unions representing its personnel, as well as the relevant laws, will be applied to the wages and salaries, working hours and other working conditions of the personnel of the specialist financing company.

Section 7

With the abolition of the Finnish Guarantee Board, matters that are pending and that have been transferred from the former regional offices of the Finnish Guarantee Board to the centres referred to in the Act on Employment and Economic Development Centres, under section 10 of the said Act, will be transferred to the specialist financing company.

Section 8

This Act enters into force on July 1, 1998. However, section 9 of the present Act enters into force on a date to be defined by decree.

Measures necessary for the implementation of this Act may be undertaken before the Act's entry into force.

The Council of State may undertake measures referred to in sections 1-3 before the Act's entry into force.

Section 9

This Act repeals the following Acts, as amended:

- (1) The Act on the Finnish Guarantee Board of February 3, 1989 (111/1989); and
- (2) The Act on the limited-liability company called Kera Oyj (Kera Corporation) of January 22, 1971 (65/1971).

The Council of State may change its commitments to the Kera Corporation, made under section 11 of the Act on the limited-liability company called Kera Oyj (Kera Corporation).

The Ministry of Trade and Industry may change the consents granted by the Ministry to the Finnish Guarantee Board, under section 12 of the Act on the Finnish Guarantee Board, concerning the limitation of losses.

With abolition of the Finnish Guarantee Board, the State Guarantee Fund referred to in section 3 of the Act on the Finnish Guarantee Board shall be transferred to the Ministry of Trade and Industry for management.