



Working machine insurance

TK YR 17

Insurance terms and conditions. Valid as of 1 January 2017

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Read the cover restrictions and exclusions carefully.

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WORKING MACHINE INSURANCE TERMS AND CONDITIONS

10 Content of insurance

10.1 Working machine insurance contains one of the following insurance combinations as the basic element, as stated in the insurance policy:

10.1.1 Combination I

- This insurance contains motor vehicle own damage, vandalism, fire and theft insurance.

10.1.2 Combination II

- Combination II contains vandalism, fire and theft insurance.

10.1.3 Combination III

- Combination III contains theft and fire insurance.

10.1.4 Combination IV

- Combination IV contains fire insurance.

10.1.5 Comprehensive working machine insurance

- This insurance contains motor vehicle own damage, vandalism, fire and theft insurance.

All of the insurance combinations under clauses 10.1.1–10.1.5 above also include legal expenses insurance under clause 26 below.

10.1.6 Transportation cover

The fire insurance included in the working machine insurance (Combinations II–IV) also contains transportation cover which provides compensation for accidents that have been caused by the overturning or running off the road of a transportation vehicle, a collision or the collapse of the ground when transporting the object of insurance using another transportation vehicle. The deviating deductible for the transportation cover can be found in clause 18.4.1.1 below.

A transportation vehicle refers to a vehicle that is intended to run on the ground, not on rails. A vehicle combination consisting of a vehicle and a trailer connected to it is also considered a transportation vehicle. The object of insurance is considered to be undergoing transport when it is being transported on, or towed by, a transportation vehicle.

10.1.6.1 Exclusions to transportation cover

Transportation cover does not cover any damage to the object of insurance caused when it is being loaded into or onto the transportation vehicle or being unloaded from the transportation vehicle. Damage to the object of insurance will not be covered unless the transportation vehicle has been subject to a loss event referred to in clause 10.1.6 above.

10.1.17 Supplementary insurance cover

If separately agreed upon and specified in the insurance policy, the insurance also contains the following supplementary cover:

- Hire purchase, leasing or motor vehicle mortgage insurance (see 14.6)
- Breakage insurance (see 14.8)
- Consequential loss insurance for motor vehicle own damage, vandalism, fire and theft (see 14.5.1.1)
- Consequential loss insurance for motor vehicle own damage, vandalism, fire and theft (see 14.5.1.2)
- Consequential loss insurance for fire and theft (see 14.5.1.3)
- Consequential loss insurance for fire damage (see 14.5.1.4)
- Business interruption insurance for farming (see 14.5.1.5)

11 Purpose of insurance

On the basis of these terms and conditions and the General Terms of Contract, A-Insurance Ltd or OP Insurance Ltd (hereinafter 'the Insurance Company') undertakes to cover direct material damage

caused to the object of insurance by an insurance event, and other expenses specified in the terms and conditions.

12 Object of insurance

12.1 The object of insurance is the machine or device with its standard accessories specified in the insurance policy. Working machine insurance also includes permanently fitted additional equipment intended for use only in the object of insurance to perform various tasks.

Exclusions:

- towable trailers, other wagons, machines, devices and optional extras with a bearing wheel which are coupled to the object of insurance are not, however, regarded as permanently fitted extras.
- The insurance will not cover damage if a machine, trailer, another wagon, equipment, additional equipment or any other property is insured under farm insurance or is otherwise included in a farm insurance policy.

12.2 A machine or piece of equipment rented or lent without a driver is covered by the insurance only if

- it has been separately agreed upon and
- the object is a machine or piece of equipment rented for public use without a driver and
- an entry of this has been made in the insurance policy.

The insurance is valid for rentals if

- the lessee has proved his/her identity with a driving licence from which the lessee's full name and personal identity number have been recorded in the rental agreement, and which has been copied on as attachment to the rental agreement and
- in cases of renting, the advance payment for vehicles was made by credit card or Finnish bank card. The instructions given separately by each individual credit institution must then be observed.

Only one set of keys may be given to the lessee. For the locking requirements of a rented or lent machine, see clause 14.2.

13 Territorial scope

The insurance cover is valid throughout the Nordic countries. When a machine or piece of equipment has been rented out, the insurance is nevertheless only valid in Finland. The territorial limits of the basic insurance (10.1.1–10.1.5) can be extended. Such an extension must be agreed upon separately and recorded in the insurance policy.

If the territorial limits of the basic insurance (10.1.1–10.1.5) has been extended, the supplementary insurance included in the basic insurance specified in clause 10.1.7 above will also be valid within the territory covered by the extension.

14 Coverable insurance events

14.1 Fire insurance

Fire insurance provides cover for loss caused by uncontained fire or short-circuit occurred in the electrical equipment of the object of insurance.

Fire insurance does not cover any damage to any of the following: a short circuit in a generator, electric motor, battery or other electrical appliance, such as the engine's control device, or fire or explosion in the engine or exhaust pipes.

If a motor vehicle was damaged in connection with unauthorised use or theft for temporary use of the vehicle, or after them, the loss is covered only if the loss is coverable under theft insurance. (See clause 14.2.)

14.1.1 Storm damage

Fire insurance also covers loss caused by a storm. A storm refers to wind with a velocity of at least 20 metres per second. The fire insurance deductible applies to storm damage.

The insurance does not cover loss caused by heavy seas, the movement of ice or the weight of ice or snow, flood, or a rise in the water level.

14.2 Theft insurance

Theft insurance will cover loss of or damage to the object of insurance only if:

- this was caused by theft, or theft as referred to in Section 28 of the Penal Code, unauthorised use or theft for temporary use of a machine, its standard accessory or additional equipment or an attempt at any of the above.
- the object of the act was locked at the time of the act (its body space was closed and locked) or the object of insurance was in a locked shelter and
- the policyholder or another insured party has demanded conviction for a crime committed.

The shelter must be a locked or covered space or place to which there is no access without keys except by burglary. By burglary we refer to a person entering a locked space by force and breaking locks or structures in a manner that leaves signs of this having taken place.

14.2.1. Exclusions

In case any of the acts referred to above was committed using a key, the insurance will cover loss only if the person who committed the act obtained the keys to the object of insurance or its shelter through theft in connection with a break-in or robbery. Burglary refers to a person entering a locked space by using force and breaking locks or structures in a manner that leaves signs of this having taken place.

14.2.2 Special provision due to working conditions

Theft of an insured object will be covered if

- the object of insurance cannot be locked without preventing it to be used appropriately and
- the insured object is supervised on the farm's premises or is otherwise guarded.

However, the insurance will not cover loss caused by theft if

- the insured object is not locked, moved to a locked or continuously guarded shelter immediately when this is possible with respect to the work that is being carried out.

"Being supervised" means that the insured object must be under constant supervision except when carrying out necessary tasks related to the performance of work duties or to an employee's basic personal needs. "Being guarded" means that the insured object is guarded around the clock

14.2.3 Notification to the insurance company

The insured is obliged to notify the insurance company immediately if the perpetrator of the act has been established or if stolen property has been recovered.

14.3 Vandalism insurance

Vandalism insurance indemnifies for damage to the object of insurance caused by a wilful act of vandalism on condition that the time and place where the damage occurred can be determined with accuracy. Wilful damage means damaging the object of insurance specifically with intent to damage. (Note. Vandalism insurance does not cover damage types specified in exclusion clause 15 below.)

This insurance does not cover loss caused by any act of vandalism that has occurred during unauthorised use of an unlocked object

of insurance. Nor does the insurance cover any damage caused to the interior of an unlocked object of insurance while parked.

If a motor vehicle was subject to vandalism in connection with unauthorised use or theft for temporary use of the vehicle, or after them, the loss is covered only if the loss event is coverable under theft insurance. (See clause 14.2 above)

The insurance does not cover any damage caused by another vehicle or the object of insurance.

14.4 Motor vehicle (own) damage insurance

Motor vehicle own damage insurance indemnifies for damage to the object of insurance directly caused by the object of insurance overturning or running off the road, a collision, collapse of the ground or some other unforeseeable external reason causing damage to the object of insurance, or the object of insurance sinking through the ice, into a swamp or water and costs arising from lifting the machine including related costs. (See section 18.4.2, Special deductibles.) Motor vehicle own damage insurance also covers loss caused by an external event when loading the object of insurance or during transportation.

14.5 Supplementary insurance cover for loss of benefit of use

14.5.1 Consequential loss insurance

14.5.1.1 Consequential loss insurance for motor vehicle own damage, vandalism, fire and theft

The purpose of this insurance is to indemnify for non-use days of the object of insurance following coverable loss caused by motor vehicle own damage, vandalism, fire and theft sustained by the object of insurance in so far as no corresponding daily indemnity has been paid for the same period under, for example, motor liability or general liability insurance. (See clause 14.5.3.5 below).

If business interruption insurance for farming is used to cover any additional costs of using machinery owned by another party, such as rental costs of equivalent machinery, due to damage to a tractor, combine harvester or some other agricultural machine in agricultural use, no compensation will be paid under this insurance.

If the scope of cover of the working machine insurance for the object of insurance (10.1.1–10.1.5) has been selected to be narrower than that of this consequential loss insurance, compensation will not to that extent be paid under this consequential loss insurance.

14.5.1.2 Consequential loss insurance for vandalism, fire and theft

The purpose of this insurance is to indemnify for non-use days of the object of insurance following coverable loss caused by vandalism, fire and theft sustained by the object of insurance in so far as no corresponding daily indemnity has been paid for the same period under, for example, motor liability or general liability insurance. (See clause 14.5.3.5 below).

If business interruption insurance for farming is used to cover any additional costs of using machinery owned by another party, such as rental costs of equivalent machinery, due to damage to a tractor, combine harvester or some other agricultural machine in agricultural use, no compensation will be paid under this insurance.

If the scope of cover of the working machine insurance for the object of insurance (10.1.1–10.1.5) has been selected to be narrower than that of this consequential loss insurance, compensation will not to that extent be paid under this consequential loss insurance.

14.5.1.3 Consequential loss insurance for fire and theft

The purpose of this insurance is to indemnify for non-use days of the object of insurance following coverable fire damage and theft sustained by the object of insurance in so far as no corresponding daily indemnity has been paid for the same period under, for

example, motor liability or general liability insurance. (See clause 14.5.3.5 below)

If business interruption insurance for farming is used to cover any additional costs of using machinery owned by another party, such as rental costs of equivalent machinery, due to damage to a tractor, combine harvester or some other agricultural machine in agricultural use, no compensation will be paid under this insurance.

If the scope of cover of the working machine insurance for the object of insurance (10.1.1–10.1.5) has been selected to be narrower than that of this consequential loss insurance, compensation will not to that extent be paid under this consequential loss insurance.

14.5.1.4 Consequential loss insurance for fire

The purpose of this insurance is to indemnify for non-use days of the object of insurance following coverable fire damage sustained by the object of insurance in so far as no corresponding daily indemnity has been paid for the same period under, for example, motor liability or general liability insurance. (See clause 14.5.3.5.)

If business interruption insurance for farming is used to cover any additional costs of using machinery owned by another party, such as rental costs of equivalent machinery, due to damage to a tractor, combine harvester or some other agricultural machine in agricultural use, no compensation will be paid under this insurance.

14.5.1.5 Business interruption insurance for farming

The purpose of this insurance is to indemnify for loss when the use of a tractor, combine harvester or other agricultural machinery used in farming is interrupted following a loss coverable under working machine insurance (Comprehensive working machine insurance, Combination II–IV). Compensation will be paid under business interruption insurance for farming (fire, theft, vandalism and motor vehicle own damage insurance) only if compensation, after subtracting the deductible, is or were paid for material damage under working machine insurance.

The insurance covers reasonable and necessary extra costs arising from work carried out using machinery owned by another party. Machinery owned or controlled by a person living in the same household as the policyholder or that owned or controlled by a company or one-man business of a person living in the same household as the policyholder is not regarded as machinery owned by another party. Machinery rented by an agricultural group from its joint owner who owns or controls the machinery, or rented by a joint owner from another joint owner and used in work for the agricultural group is not regarded as machinery owned by another party. If work has not been carried out using machinery owned by another party, no compensation will be paid under this insurance. If a tractor, combine harvester or some other agricultural machine is in other than agricultural use, no compensation will be paid under this insurance.

If business interruption insurance for farming is used to cover damage or loss, no separate daily indemnity will be paid under the insurance types of clauses 14.5.1.1–14.5.1.4.

Compensation is calculated on the basis of going hourly rates. Actual costs less costs saved due to the loss will be taken into account in calculating the amount of compensation. If a tractor or combine harvester is used for the purpose of earning a secondary income in farming, a specified loss of net income will be compensated.

Compensation is paid for a maximum of one month. The deductible stated in the policy is subtracted from the coverable expenses. The maximum amount of compensation is stated in the insurance policy.

Sections 14.5.2–14.5.3.5 of the terms and conditions of consequential loss insurance do not apply to this insurance.

14.5.2 Non-use days

Non-use days are considered to be full days (24 hours/day) from the date of the loss event until the object of insurance is ready for delivery at the repair shop, or the insured party is given another equivalent object acquired by the insurance company or the insured party, including the day of delivery. If the actual date of the loss event is not known, the date on which the loss was detected is considered to be the date of the loss event.

If the loss or damage resulted from unauthorised use or theft for temporary use, the number of non-use days is calculated from the date the insurance company received a copy of the report of an offence issued by the police on the unauthorised use of the object of insurance until the date when:

- the object of insurance is ready for delivery at the repair shop,,
- another equivalent object acquired by the insurance company or the insured party is handed over to the insured party, or
- the stolen object of insurance is returned to the policyholder, or
- indemnity is paid to the insured party for the object of insurance at its current value.

However, non-use days do not include

- additional days of non-use caused by negligence or other actions on the part of the insured party or the repair shop
- Additional time caused by a national labour dispute or failure to perform a temporary repair to make the object of insurance fit for use before the actual repair work begins.

14.5.3 Indemnification regulations for consequential loss insurance

14.5.3.1 General

Under consequential loss insurance, indemnity will be paid only if indemnity, after subtracting the deductible and applying any age reduction, is or would be paid for material damage, or if the object of insurance has been stolen. Moreover, indemnity will be paid only for the days during which the object of insurance has been unfit for use or undergoing repair at a repair shop or during which it has not been possible to use the object of insurance as a result of theft, unauthorised use, or theft for temporary use of the object.

In each insurance event, the policyholder has a qualifying period specified in the policy. A qualifying day consists of 24 hours. A daily indemnification is paid for non-use days in excess of the qualifying period, the size of the indemnification being agreed separately and stated in the policy. (See also clause 14.5.3.5 Coordination of indemnities.)

14.5.3.2 Maximum indemnity

Under consequential loss insurance, the maximum number of coverable non-use days is forty (40).

14.5.3.3 Calculation of indemnity

Indemnity is paid for a maximum of forty (40) days for an object of insurance undergoing repair.

If the insurance company redeems the object of insurance, indemnity will be paid for a maximum of fourteen (14) days.

If the object of insurance has been stolen and is not found, indemnity is paid for a maximum of forty (40) days.

If the object of insurance has been stolen and is found damaged in a way that repairing it is economically viable, indemnity is paid for the period the object was stolen and for the period of repair, up to a total of forty (40) days.

If the object of insurance has been stolen and is found damaged in a way that repairing it is not economically viable and the object is redeemed, indemnity will be paid for the period the object of insurance was stolen and redeemed, up to a total of forty (40) days.

14.5.3.4 Indemnity for delayed repairs

Indemnity for the waiting period prior to repair of an object of insurance that has been damaged to the extent that it is unfit for use is paid for a maximum of seven (7) days.

If the repair is delayed owing to a wait for spare parts, indemnity will be paid only for the spare parts that are essential for making the object of insurance fit for use, but for a maximum of seven (7) days.

If the waiting period prior to repair of an object of insurance that has been damaged to the extent that it is unfit for use and the delay in the delivery of spare parts coincide, the total number of non-use days is a maximum of seven (7) days.

14.5.3.5 Coordination of indemnities

The corresponding daily indemnity paid to the insured party for the same period e.g. under motor liability insurance or general liability insurance is deducted from the daily indemnity paid under consequential loss insurance. In the event that the insured party is entitled to indemnity for rental costs for a similar object of insurance for the same period e.g. under motor liability insurance or general liability insurance, the indemnity will apply only to that part of the rental costs which remains to be paid by the insured party and will not exceed the agreed daily indemnity.

However, fuel costs, additional payment to cancel the deductible or other voluntary payments related to rental are not coverable.

14.5.3.6 Transfer of claim to the insurance company

The insured party's entitlement to compensation from a liable party for days of non-use is transferred to the insurance company up to the amount of indemnity paid.

14.5.4 Other applicable insurance terms and conditions

In other respects, the terms and conditions of this working machine insurance will apply.

14.6 Hire purchase, leasing or motor vehicle mortgage insurance

14.6.1 Purpose of insurance

The hire purchase, leasing and motor vehicle mortgage insurance has been designed to safeguard the interests of the car dealer who sold the object of insurance, and the leasing lessor (does not apply to renting), pledgee or holder of motor vehicle mortgage.

If the loss is not indemnified as specified in clause 14.2 above because the object of the act was not locked or kept in a locked or guarded shelter when the act was committed or if the indemnity under clause 14.3 above and clauses 15.1–15.4 below is disallowed or reduced, the seller of the object of insurance, lessor, pledgee or holder of motor vehicle mortgage is entitled to indemnity under this insurance.

14.6.2 Validity of insurance

The insurance is valid only until the termination of the basic part of the insurance and will always terminate when instalments are fully paid, the lease has expired or the loan granted against the motor vehicle mortgage has been fully paid.

14.6.3 Calculation and payment of indemnity

14.6.3.1 Deductible

In all loss events, the policyholder is responsible for a deductible equal to the deductible applied in similar loss events indemnified from the basic part of the insurance.

The deductible is subtracted from the total amount of loss as determined by the basic part of the insurance and this supplementary insurance and applies to the same loss event only once.

14.6.3.2 Determining the indemnity

The indemnity constitutes the part disallowed or deducted from the basic part of the insurance for a loss as set out in clause 18.2 less the deductible.

14.6.3.3 Maximum indemnity

The indemnity payable from the insurance cannot exceed the receivables as specified by the terms of the hire purchase contract with the seller or the pledgee's receivables or the unpaid portion of the loan granted against a motor vehicle mortgage at the time of loss.

The seller, lessor or pledgee is responsible for sending the insurance company an analysis showing the amount of the receivable for the damaged object of insurance.

No indemnity is paid for failure to pay instalments of receivables.

14.8 Breakage insurance

Breakage insurance covers losses caused to the object of insurance directly by a sudden and unforeseeable internal breakage of the object.

Items excluded from cover:

- brake system, such as brake plate assemblies or equivalent
- fuel system, such as fuel jets and fuel pumps

14.8.1 Losses excluded from cover under Breakage Insurance

The insurance does not cover losses specified in the following clauses nor losses caused for the following reasons:

14.8.1.2 Insufficient air and liquid circulation, inappropriate fluids and contamination

- damage owing to insufficient circulation of air, oil, hydraulic fluid or coolant, affecting the engine or its accessory equipment, gears, power transmission
- damage to the motor, its accessory equipment or power transmission owing to contamination, soiling or inappropriate fluid circulating in them
- damage to, for example, the breakage, contamination and soiling of the fuel and hydraulic system of other than the object of Breakage Insurance, which leads to an object of the Breakage Insurance, such as the engine, being damaged
- damage caused by the contamination, soiling or circulation of inappropriate fluid to another part of the object of insurance, such as the engine

14.8.1.3 Wear and tear

The insurance does not cover wear and tear, rust, corrosion, deterioration, material fatigue or any similar gradual damage, or malfunction of the object of insurance or any of its parts.

14.8.1.4 Maintenance expenses

The insurance does not cover expenses caused by adjustments and maintenance, preventive or periodic servicing or the elimination of functional disturbances, nor does it cover any parts replaced in connection with such work

14.8.1.5 Manufacturing flaws

The insurance does not cover damage caused by deficient structure or material, a manufacturing flaw, faulty design or measuring error, and expenses caused by the repair of an object or a component that has been made deficiently or from deficient materials, even if the cause of the deficiency is faulty design or measuring or incorrect advice or instructions.

14.8.1.6 Flaws covered by contractual liability and guarantee

The insurance does not cover loss or expenses for which the manufacturer, importer, vendor, supplier or some other party is responsible on the basis of an agreement, guarantee, service agreement, product liability or similar commitment.

Loss covered otherwise by the insurance is, however, indemnified to the extent that the policyholder shows that the responsible parties are unable to meet their liability to make good the loss.

If the policyholder him/herself is the maker or seller of the object, the loss is not covered if the maker or seller would be responsible for the loss on the basis of an established guarantee in the business.

14.8.1.7 Consumables

The insurance does not cover damage caused to consumables used in machinery or equipment, such as fuels and lubricants and other fluids, except when the consumables have been damaged in connection with a coverable breakage loss.

14.8.1.8 Circuit boards and data storage media

The insurance does not cover loss caused by the discontinuance of performance or non-performance of an individual circuit board, data storage medium or an equivalent component.

14.8.1.9 Impairment

The insurance does not cover any reduction in value or any loss that does not affect the usability of the insured item.

14.8.2 Reductions based on the age of the machinery and hours of use

Any breakage loss is reduced by a certain percentage, based on the number of hours of use. If this reduction is less than the deductible, the compensation will be subtracted with the deductible entered in the policy document. If the number of hours used cannot be reliably verified, an age reduction percentage is deducted instead.

| Hours used | Reduction, % | Years | Reduction, % |
|--------------|--------------|-------|--------------|
| 1 to 1000 | 0 | 1. | 0 |
| 1001 to 1500 | 10 | 2. | 20 |
| 1501 to 2000 | 15 | 3. | 40 |
| 2001 to 2500 | 20 | 4. | 60 |
| 2501 to 3000 | 25 | 5. | 80 |
| 3001 to 3500 | 30 | 6. | 90 |
| 3501 to 4000 | 40 | | |
| 4001 to 4500 | 50 | | |
| 4501 to 5000 | 60 | | |
| 5001 to 6000 | 70 | | |
| 6001 to 7000 | 80 | | |
| 7001 – | 90 | | |

As to extras fitted to the object of insurance, we apply the normal age reduction.

15 Losses not covered by property insurance

Fire, storm, theft, vandalism, motor vehicle own damage, consequential loss and machinery breakdown insurance policies (clauses 14. –14.5 and 14.8) do not cover:

15.1

- by damage to some part of the object of insurance caused by a structural, manufacturing or material fault in the part or device, by wear and tear, deficient maintenance or unskilled or careless handling of the part or device or for which the manufacturer or repairing party is responsible on the basis of a guarantee or other obligation

15.2

- damage to the engine and its optional extras, gears, power transmission or cooling system caused by deficient circulation of air, oil, hydraulic fluid or coolant etc.
- breakage, contamination or soiling of the fuel system
- damage caused to the gears by contamination or soiling

- damage caused to fuel or hydraulics systems or the gear by breakage, contamination or soiling which causes damage to some other part of the object of insurance, for example the engine

15.3

- damage caused by water (to the engine with accessories) if the vehicle is driven on a fully or partially waterlogged road or area. This clause shall also apply if the vehicle is driven in such a place and the vehicle or other road users' vehicles in motion causes a rise in the water level

15.4

- damage caused by the load or overload of the object of insurance or overstress on the object, deficient maintenance or unskilled or careless handling

15.5

- loss or damage due to nuclear accident, terrorism, revolution, war, rebellion, shell, mine or any other such reason, or if the object of insurance has been confiscated or otherwise requisitioned by the authorities

15.6

- damage caused by the weight of ice or snow, rain or by rusting, corrosion or gradually increasing moisture

15.7

- damage to a tyre if it has burst

15.8

- wear and tear arising from use of the object of insurance or for any fuel used or stolen;

15.9

- loss or damage due to participation in a competition, in training for a competition and the like, or loss or damage due to the object of insurance having been abandoned.

The working machine insurance does not cover loss or damage coverable on the basis of a guarantee, a product defect or product liability.

16 Safety regulations

The purpose of these safety regulations is to prevent risks and minimise damage.

The safety regulations included in these terms and conditions or otherwise issued in writing by the insurance company must be observed. Failure to observe the special clauses and regulations may result in reduction or disallowance of indemnity (see General Terms of Contract, section 6).

16.1 The object of insurance and its optional extras must be in safe working order as specified in the relevant rules and regulations. The object of insurance must be serviced and used in the manner required or recommended by its importer or manufacturer. A service log must be kept. The installation rooms and operating conditions of the object of insurance, such as operating voltage, air humidity and temperature, must comply with the recommendations of the importer or manufacturer.

16.1.1 Supervision of the object of insurance

The object of insurance must be supervised weekly during a period of non-use, of which the insurance company has been notified, or whenever it is not in use for a longer time.

If the object of insurance is in a place where it cannot be normally supervised, the person in charge of the object of insurance must check that it is safe by visiting the place personally or arrange to have it checked by someone else at least once a month.

16.1.2 Right to drive or use the object of insurance

The driver or user of an insured object must have the right to drive it or some other right to use it issued for the relevant vehicle class by the authorities, or the age-based right to drive or use the vehicle or any other insured object. The insured object may not be driven or used by a person who is tired or unwell (cf. sections 63 and 64 of the Finnish Road Traffic Act).

An insured object may not be given to another person to drive or use without ascertaining his identity and that he has the right to drive it or some other right to use it issued for the relevant vehicle class, or the age-based right to drive or use the insured object (cf. Section 65 of the Road Traffic Act).

16.2 The shelter for the object of insurance may not be used for anything that can compromise fire safety, and smoking and the use of a naked flame is also prohibited in the shelter. Official fire safety regulations and the Decree on the Industrial Handling and Storage of Dangerous Chemicals must be observed with respect to the shelter.

16.3 Only electric lighting may be used to illuminate the engine space, fuel tank and other parts of the object of insurance.

16.4 The standard accessories of the object of insurance or approved devices must be used to heat the engine, transmission equipment or other parts of the object of insurance. When heating the object of insurance using any other device or by any other means, sections 16.8 and 18.4.2 will apply. Placing a cover between the engine and the hood is not allowed.

Approved devices are

- mains-operated devices which are approved specifically for use in the object of insurance
- liquid gas-operated devices and equipment with CE markings, or liquid gas devices and equipment approved by the Safety Technology Authority (TUKES) for use in the object of insurance.

16.5 When repairing the object of insurance by welding, cutting or grinding, any combustible structures must be removed from a sufficiently large area, and first-aid extinguishing equipment and the necessary surveillance including surveillance after the work has been completed must be organised on the site. The repair person must have a hot work card granted by the Finnish National Rescue Association (SPEK).

16.6 A working machine, tractor or other object of insurance weighing over three tonnes must be equipped with two (containing a minimum of 6 kg of extinguishing material) frost-resistant chemical hand extinguishers of extinguisher class 34 A 233BC. If the object of insurance chips/crushes wood material, it must be equipped not only with a permanently fitted, automatic fire-extinguishing system approved by the insurance company but also four (4) hand extinguishers mentioned above.

When working on street or road construction sites, building construction sites in urban areas, in gravel pits and goods terminals or depots, it will suffice if the working machine, tractor or another object of insurance has one (containing a minimum of 6 kg of extinguishing material) frost-resistant chemical hand extinguisher of extinguisher class 34A/233BC. (See clause 18.4.2. below).

This clause (16.6) does not apply only to tractors and machines in agricultural use, but also to tractors, working machines or other objects of insurance used to earn a secondary income in farming.

16.6.1 Inspection of extinguishers

Extinguishers must be inspected and maintained only by a maintenance or service shop approved by the Safety Technology Authority. After maintenance, the extinguisher must be equipped with an inspection and maintenance label.

Extinguishers must be inspected at least once a year.

16.7 If the engine of the object of insurance is heated using an approved heater which does not have a flame guard, the heating process must be supervised continuously (See clause 18.4.2. below).

16.8 If the object of insurance is heated using a flame, naked flame or embers, or another non-approved heating device, the heating process must be supervised continuously in its immediate vicinity. If this supervision is neglected, no indemnification will be paid. (See clause 18.4.2. below).

16.9 If the object of insurance is used in a peat bog, forest or any other place under conditions where there is a particularly high risk of fire, special attention must be paid to the cleanliness of the machine. If required, the flammable parts of the machine must be cleaned several times a day. (See clause 18.4.2. below).

17 Measures to be taken on occurrence of an insurance event

The insurance company must be given the opportunity to inspect the damaged object of insurance before it is repaired. The insurance company has the right to decide on the repair shop to use for repair. Loss assessment, advice on a garage or other technical investigation of the loss carried out by the insurance company is no proof of the insurance company's liability.

18 Appraisal and indemnification regulations

18.1 Scope of indemnity

18.1.1 The insurance covers direct material damage caused by an insurance event. Material damage refers to an object being damaged, destroyed or lost.

The insurance does not cover loss arising from a reduction in value, alterations or improvements made in conjunction with repairs, or costs caused by redoing deficient or unsuccessful repairs, washing or any other treatment not connected with the damage, fuel, overtime charges or air freight. The insurance does not cover expenses arising from non-use of an object of insurance due to damage, unless it is compensated on the basis of a separate business interruption or consequential loss insurance.

In addition to direct material damage, the insurance covers the cost of lifting the damaged object of insurance back onto the road. Expenses arising from the transportation of the object of insurance to the nearest appropriate repair shop will also be covered, if the object of insurance cannot be driven there by the power of its own engine.

18.1.2 Theft insurance covers material loss or damage caused directly by losing an object of insurance provided that the insured party or the police has not been informed of recovery of the object of insurance within 30 days of the date on which the insurance company was given a copy of the report of an offence concerning unauthorised use or theft for temporary use of the object of insurance. Theft insurance also covers reasonable costs incurred due to transporting or returning the object of insurance as a result of a coverable event referred to in clause 14.2 above.

18.2 Determining and payment of indemnity

18.2.1 Current value

Direct material damage is indemnified up to the fair value of the object of insurance or its part. The current value is considered to be the cash price which is generally obtainable for an object of insurance or its part on the market at the time of the loss when sold in the appropriate manner. Current value does not refer, for example, to the selling or asking price set by a machine shop, nor to the trade-in price, but to a price that several buyers would have been ready to pay for the insured object. In determining

the current value of the object of insurance, the insurance company takes account of the current market price of the object, its condition, its accessories, the year when first used, the year of manufacture, the manner of use, the hours of use and other factors affecting the price.

When determining the current value of the optional extras of an object of insurance, the claimant must provide the insurance company with a receipt or other proof from the dealer indicating the make and model, and the purchase date and price.

If the claimant does not, without good cause, send the reports required for determining the current value, the current value will be estimated at a reasonable price.

18.2.1.1 Sum insured

The sum insured entered in the insurance policy, the replacement price or the current value given as the basis of the premium are no proof of the current value at the time of the loss.

18.2.2 Loss amount

If the object of insurance or part of it is so badly damaged that it cannot be repaired at reasonable cost, the amount of damage is considered to be the difference between its fair value immediately before and after the loss event.

If the damaged property can be repaired at reasonable cost, the loss amount equals the repair costs or an equivalent sum of money.

18.2.3 Repairs

18.2.3.1 The damaged object of insurance must be repaired using parts of equivalent age and condition or which are otherwise suitable, if such parts are available and their purchase does not delay the repair work unreasonably.

The insurance company is not obliged to use new parts to replace damaged parts that the repair shop can repair to meet their intended purpose.

18.2.3.2 If, in connection with the repair of the object of insurance, worn, rusted or corroded parts have been replaced with new ones because they are damaged or if such painting, upholstering or other work is carried out that results in a situation where the condition of the object of insurance regarding these parts is substantially better than previously, this will be taken into account when calculating the amount of indemnity, and the indemnity will be reduced correspondingly.

18.2.4 Redemption at current value

If the amount of loss is assessed at over 60% of the current value of the insured object, the insurance company will have the right to redeem the object at its current value.

18.2.5 Payment of indemnity

The Insurance Company fulfils its obligation to indemnify in accordance with the amount of loss and the possibility of repair either by:

- paying reasonable repair costs as shown by receipts
- paying reasonable repair costs in cash as lump-sum compensation if the property is not repaired even if repair were possible. The maximum lump-sum compensation payable is the current value of the property immediately before the loss event less the residual price of the damaged property.
- paying in cash the difference between the current value of the insured object before the loss and its value unrepaired
- redeeming the object of insurance for its current value before the loss as referred to in clause 18.2.4, or
- purchasing in replacement an equivalent object of insurance or its part or one of the same value.

If the party entitled to compensation does not wish to have the damaged property replaced with equivalent property, even if this

were possible, the compensation in cash will be calculated based on the price at which the insurance company would be able to purchase equivalent, replacing property. This price will be subject to reductions based on the age of the property. The insurance company has the right to decide which repair shop or supplier will be used.

The insurance company has the right to decide on what repair shop or source of supply to use, and for this purpose the insured party must contact the insurance company. The insurance company is not responsible for the quality of repairs or the purchased product. This responsibility rests with the service provider or supplier in question.

Redemption of an indemnifiable object of insurance or any of its parts transfers title to the insurance company. Title to the object of insurance must be transferred to the insurance company in writing. Compensation for redemption is paid provided that any registration documents for the object of insurance and its keys as well as keys to all devices designed to prevent unauthorised use of the object of insurance are handed over to the insurance company.

The portion of the lowered or refunded motor vehicle tax that would have been collected had the vehicle been sold on the day of the insurance event is deducted from such compensation.

The insurance company undertakes to pay the portion of the motor vehicle tax which may be collected later and which has been deducted from the compensation.

No separate compensation is paid for motor vehicle tax under the insurance or any corresponding tax the payment of which is a prerequisite for using the vehicle. Moreover, no compensation is paid under the insurance for fees paid for a special licence plate decision.

18.3 Value added tax

If the owner or keeper of an object of insurance is or has been entitled, under the Value Added Tax Act, to deducting in their own value added taxation the value added tax or the corresponding foreign consumption tax included in purchase invoices for goods or services arising from the loss or to have the tax refunded, these taxes will be deducted from the indemnity.

Compensation for redemption is reduced by an amount corresponding to the value added tax in cases where the insured party would be liable to pay tax on the sales price of the object of insurance if it had been sold on the day the insurance event occurred or if the party suffering loss has the right to refund in accordance with the Value Added Tax Act.

18.4 Deductibles and their order of subtraction

18.4.1 Basic deductible

The policyholder is responsible for a basic deductible for any one loss event and specified in the insurance policy or otherwise notified to the policyholder in writing.

18.4.1.1 Deductible for transportation cover

The deductible for the transportation cover accounts for 25% of the loss amount, but a minimum of the deductible payable under the fire insurance included in the working machine insurance.

If the working machine insurance selected for the object of insurance includes motor vehicle own damage insurance, the loss will be covered under the latter insurance.

18.4.2 Special deductibles

If any of the safety regulations under clauses 16.6, 16.7 and 16.9 is neglected, the policyholder must, in each insurance event, pay a deductible of 25%, or at least an amount equalling the basic deductible.

If the object of insurance is heated as described under clause 16.8 above, the policyholder must, in each insurance event, pay a deductible of 50%, or at least an amount equalling the basic deductible. If supervision required under clause 16.8 is neglected when heating the object of insurance as described in that clause, no compensation will be paid.

If the object of insurance sinks through the ice, into a swamp or water, the policyholder must, in each insurance event, pay a deductible of 25% of the loss amount, or at least an amount equalling the basic deductible for the motor vehicle own damage insurance (the loss amount also includes any lifting expenses and the like).

If the loss is caused by a machine or equipment or its part, or a load in or on the machine or equipment, coming into contact with an obstacle above, the policyholder's deductible, contrary to clause 18.4.1, accounts for 25% of the coverable loss amount, but no less than the amount of the deductible applied under motor vehicle own damage insurance. This special deductible does not apply in cases where the object of insurance has been loaded into or onto a transportation vehicle while being transported, which is owned or possessed by a party other than the policyholder. This special deductible also applies in cases where the object of insurance has been loaded into or onto a transportation vehicle while being transported, which is driven by the policyholder or an employee of the policyholder.

18.4.3 Depending on the type of machine and insurance cover, special conditions (such as M4 and M8) and fire extinguishing system conditions (such as S1 and S2), shown on the insurance policy, will also be applied to the loss covered by the policy. These clauses can be found in clause 25 below.

18.4.4 Subtraction order of deductibles

Unless otherwise stated, deductibles and reductions are subtracted from the loss amount in consecutive calculations in the following order:

- value added tax
- motor vehicle tax
- deductible
- any reduction in indemnity
- percentage deductible.

19 General provisions

19.1 Premium

The amount of insurance premium is determined by a separate insurance tariff set by the insurance company, and more specifically by the extent of insurance, length of insurance period, amount of deductible and the bonus. The premium charged for the insurance period is always the minimum premium separately confirmed for the insurance company.

19.2 Premium reduction (no-claims bonus)

The reduction given on the basis of no-claims periods on a premium for working machine insurance issued with bonus rights is 10% a year up to 70%.

Bonus entitlement requires that the object of insurance is on the road for at least 180 days during the year. An insurance period entitling to non-claims bonus refers to an insurance period of at least six (6) months during which the object of insurance was on the road and within which the insurer did not, under the insurance, pay any indemnity affecting the bonus. The insurance can, however, transfer to a higher bonus class no more than once within a period of one year.

Compensation paid under motor vehicle own damage insurance reduces the bonus by 20%, but in the 10% bonus class only by 10%.

19.3 Clause 4 of the General Terms of Contract will apply to insurance premium payment and payment default.

If the policyholder has failed to pay the premium by the due date, the insurance company has the right to terminate the insurance contract 14 days after sending a notice of termination.

20 Change of owner

The insurance will expire when the ownership of the insured object is transferred to another person, but not when the possessor of an insured object sold on hire-purchase becomes the owner. The following owner after the policyholder is entitled, if the loss occurs within 14 days of the transfer of ownership, to indemnity unless he/she has taken out insurance for the vehicle. When the possessor of an insured object sold on hire-purchase becomes the owner, the new owner has the right, within 30 days from becoming the owner, to give notice, in writing, of termination of the insurance as of the date when the insurance company received the notification of termination at the earliest.

20.1 Change of insurer

Voluntary motor insurance policies taken out on a motor vehicle will terminate without notice on the date when an entry is made in the Vehicular and Driver Data Register recording that the motor liability insurance for the motor vehicle has been transferred to another insurance company.

21 Unexpected change in circumstances

21.1 Increase in risk

If there has been a change in the conditions compared with the information provided to the insurance company when the insurance contract was concluded or with what was entered on the policy that will materially increase the risk of loss or damage, the policyholder must inform the insurance company of this without delay. This notification must be sent, for example, if

- the purpose of use of the object of insurance changes or its structure undergoes substantial changes
- a registered object of insurance is deregistered
- the object of insurance is taken outside the Nordic countries and the policyholder wishes the insurance to be effective outside the Nordic countries (See clause 13).

A notification of change must be sent without delay and no later than within the time specified under clause 5.2 of the General Terms of Contract. The same clause details the consequences for the non-fulfilment of this obligation.

21.2 Decrease in risk of loss

If the risk of loss has decreased to such an extent that it has bearing on the insurance contract, the insurance company must, having been informed thereof by the policyholder, adjust the insurance premium and the insurance terms and conditions to correspond to the changed circumstances as of the date of the change, and at the earliest as of the beginning of the current insurance period.

22 Obligations of the insured in an insurance event

22.1 Prevention or limitation of loss

In case of loss or damage or immediate threat of loss or damage, the insured or persons identifiable with the insured (see the general terms and conditions, section 8) are obliged, according to their abilities, to take the necessary action to prevent or limit the loss or damage.

22.2 Investigation of loss at the place of loss

As far as possible, the insured must, in accordance with the regulations concerning off-road and road traffic, take part in

investigating the loss or damage at the scene of the loss, and contribute to determining the real reason for the loss or damage and identifying the person who caused it.

22.3 Submitting a loss report, and loss inspection

The insured is obliged to notify the insurance company, in writing and without delay, of the loss or damage and to provide the company with the documents and information pertinent to the investigation.

The insurance company must be given the opportunity to inspect the damaged object of insurance before it is repaired. Loss inspection, advice on a repair shop or other technical investigation of the loss carried out by the insurance company is no proof of the insurance company's liability or of the fact that the insurance company has ordered or paid for work to be done. Until a claim settlement decision has been made, liability for the costs arising from the loss rests with the owner or keeper of an object of insurance.

22.4 Notifying the police

In the case of loss or damage caused by fire, theft or vandalism, the insured party must promptly report to the local police. If an object of insurance is stolen or permanently lost abroad, the insured party must also report to the Finnish police.

If the Insurance Company so requires, a police investigation must be held at other times, too, and the related investigation report must be submitted to the Insurance Company. The Insurance Company will pay the costs of any reports it requires.

22.5 Consequences of failure to observe obligations

If the insured party fails to fulfil the obligations referred to in clauses 22.1–22.4 above, or fraudulently provides incorrect or insufficient information affecting the investigation of the loss or damage, the indemnity payable to him may be reduced or disallowed (§32–34, 69 and 72 of the Insurance Contracts Act).

23 Intent, gross negligence, and being under the influence of alcohol or other intoxicant

Indemnity may be reduced or disallowed if the policyholder or a person identifiable with the insured person in clause 8 of the General Terms of Contract has caused the insurance event

- wilfully, through gross negligence or by causing a serious road hazard
- by driving or handling the object of insurance under the influence of alcohol or other intoxicant, or both, thereby increasing the risk of making errors, or having a blood alcohol content of at least 0.5 per mille or a minimum of 0.22 mg per litre of exhaled air at the time of, or immediately after, the accident, with these factors affecting occurrence of the accident or the extent of the accident
- if the object of insurance was used for criminal purposes or committing a crime or concealing the offender.

24 Right of recovery

24.1 Insurance company's right of recovery vis-à-vis a third party

The insurance company is entitled to recover the compensation paid by it from a third party, if

- the damage/loss was caused wilfully or through gross negligence
- the tortfeasor is liable for the accident irrespective of his negligence
- an employer or public-sector entity is liable for the insurance event

- the road keeper is liable for an insurance event
- the tortfeasor is liable for the damage by virtue of an insurance contract or a commission or another agreement.

24.2 If the loss/damage was caused while an object of insurance was being driven, the insurance company has the right, in addition to what was stated in clause 24.1 above, to recover the compensation it has paid out owing to the loss:

- from the owner, keeper or driver of the object of insurance, if he caused the loss wilfully or through gross negligence
- from the person who through carelessness caused the loss while a vehicle that was used without permission was being driven
- from the driver of the object of insurance causing the loss while driving the object of insurance at the time of loss with a blood alcohol content of 1.2 per mille, or a minimum of 0.53 mg per litre of exhaled air at the time of, or immediately after, the accident
- from the driver of the object of insurance causing the loss if he, at the time of loss, was driving the object of insurance otherwise under the influence of alcohol or an intoxicant other than alcohol or under the influence of both alcohol and some other intoxicant in such a way that his ability to perform faultlessly was considerably diminished.

24.3 In addition to the circumstances referred to in clauses 24.1 and 24.2 above, the insurance company may recover the indemnity, or part thereof, paid to the insured party covered by the insurance, from the policyholder, the insured party or a corresponding person as referred to in clause 8 of the General Terms of Contract who has caused the insurance event or failed to fulfil the obligation prescribed in Chapter 4 of the Insurance Contracts Act (such obligations refer to the disclosure obligation when applying for insurance, the duty to inform of increased risk of loss, compliance with the safety regulations and the salvage obligation).

Under the right of recovery, the insurance company may recover the entire indemnity paid out if, on the grounds set out in Chapter 4 of the Insurance Contracts Act, the insurance company were exempt from liability or entitled to disallowing the indemnity. If the indemnity had been reduced on the grounds set out in chapter 4 of the Insurance Contracts Act, the insurance company may recover the portion of the indemnity corresponding to the reduction.

SPECIAL CLAUSES

25 Special clauses

The special clauses and regulations referred to in these terms and conditions provided by the insurance company or otherwise issued in writing must be observed. Failure to observe the special clauses and regulations may result in reduction or disallowance of indemnity (see General Terms of Contract, section 6).

Special Clauses

M4 Special clause for rock-drill hammers

This insurance does not cover damage caused to parts of a drilling machine, such as drill chucks, extension pieces or drill bits.

M8 Special clause for truck cranes

The charts of lifting values confirmed by the type approval resolution must be followed in lifting work. The load control equipment must be switched on and set correctly. Any non-fulfilment of the aforementioned obligations may lead to the indemnity being reduced or disallowed as laid down by the Finnish Insurance Contracts Act.

M16 Special clause for crusher

At least after every 10,000th service hour, the crusher must undergo a general overhaul arranged by the manufacturer, importer or representative of the crusher, in which the crusher is disassembled and cleansed and the condition of different crusher parts is checked using wear measurement methods and, if necessary, through non-destructive testing. Any parts in a deteriorated condition because of wear and tear, or for some other reason, to the extent that there is a risk of breakage, must be repaired or replaced in connection with the general overhaul.

Clauses for fire extinguishing systems

S1 In each loss event originating in the machine and covered by fire insurance, 25% of the loss amount will be subtracted, in addition to the deductible specified in the insurance policy, if the machine is not equipped with a functional automatic extinguishing system approved by the insurance company and maintained according to the manufacturer's instructions and inspected at least once a year.

Maintenance work performed must be recorded in a maintenance log and a report on each inspection must be drawn up.

S2 If the object of insurance is used in a place where there is a risk of fire, such as a forest or a peat bog, or in plant areas and indoor areas of production plants of industries listed below, 25% of the loss amount will in each loss event be subtracted, in addition to the deductible specified in the insurance policy if the machine is not equipped with a functional automatic extinguishing system approved by the insurance company and maintained according to the manufacturer's instructions and inspected at least once a year.

Maintenance work performed must be recorded in a maintenance log and a report on each inspection must be drawn up.

Such industries include the paper and sawmilling industry, power plants, the chemical, plastic and rubber industries, paint shops, landfill sites and the fuel and oil industry.

LEGAL EXPENSES INSURANCE

26 Legal expenses insurance

26.1 Those insured

Those insured include the owner, keeper or driver of the vehicle, working machine and piece of equipment in question.

26.2 Territorial validity, courts of law and boards

The insured person may use the policy for matters that are processed in Finnish district courts of equivalent foreign courts in countries listed under clause 13 and their appellate levels. The policy may only be applied to the appellate levels of such courts of law if permission for pursuing the case further has been granted.

In case of civil cases to be decided without a trial, the policy may be applied in cases that could immediately be brought to a district court or a foreign court referred to above.

The insured person may also apply the policy in matters related to arbitration and in the Traffic Accident Board, the Finnish Insurance Complaints Board and the Consumer Disputes Board.

26.3 Coverable insurance events

The insurance compensate expenses detailed below when

- the insured is the defendant in a case concerning the endangerment of traffic safety, negligent causing of a bodily injury or involuntary manslaughter. In matters concerning aggravated endangerment of road safety, compensation will only be paid if the charge is dismissed by a legal decision or

at least inasmuch as the defendant is accused of being guilty of such

- if the insured person is the complainant, or the claimant in a criminal case
- when the insured person is the plaintiff or defendant in a civil case concerning the ownership, repair, maintenance or insurance compensation of the insured person's vehicle, working machine, piece of equipment or their parts if the insured person or the counterpart has challenged the claim either in terms of grounds or the amount.

The insurance must be valid at the time of the alleged event in a criminal case, and in a civil case when an agreement was made, an event occurred or some other circumstance arose.

A 'single insurance event' refers to an insurance event where

- two or more people covered by this insurance are on the same side, or
- the insured party has several civil or criminal cases pending which are based on the same event, circumstance, legal act or legal offence, or which are based on the same or similar claim with different grounds.

Exclusions:

If such a case is processed in a criminal case that is not covered by the policy, no compensation will be paid.

If a civil case is processed as part of such a matter that is not covered by the policy, the policy only compensates for expenses that fall within the scope of coverage.

If insured person are on opposing sides, only the policyholder's expenses are compensated. However, expenses for the driver's defence are compensated in matters concerning endangerment of road safety.

Expenses are not compensated in matters relating to a bankruptcy, distraint, execution dispute referred to in the Execution Act or the execution of distraint.

Expenses are not compensated in cases where the question is whether the expenses due to the insurance event reported by the insured are fully or partly coverable under family legal expenses insurance.

Expenses are not compensated in a case that is dealt with as a class action.

26.4 Measures to be taken on occurrence of an insurance event

If the insured wishes to use the insurance, he must report it to the Insurance Company in advance and in writing.

The insured person must be represented by a solicitor, public legal aid counsel or other such lawyer who has the right to act as a representative or legal aid counsel in Finland or country referred to in clause 13. No expenses of any other legal aid counsel will be compensated.

26.5 Indemnification regulations

26.5.1 Deductible and maximum cover

The deductible recorded in the policy is subtracted from the coverable expenses.

The maximum compensation for each loss is EUR 10,000.

26.5.2 Coverable expenses

The policy compensates necessary and reasonable expenses to the insured person for the use of legal counsel and presentation of evidence.

If bringing the case before a court requires a juristic act or a

decision taken by a given body or in connection with any specific proceedings, the expenses are indemnified as of the date when the said requirement was fulfilled.

Exclusions:

The insurance does not cover

- any extra costs caused by changing legal counsel
- the costs of acquiring expert legal opinion
- costs incurred from reporting a criminal offence or making a request for investigation, or from pretrial investigation of a criminal case
- expenses incurred from the preliminary investigation of a case or from the investigation or handling of such a disputed case as a result of which the insured justifiably waives his/her claims
- expenses arising from the enforcement of a ruling or decision.

26.5.3 Claiming legal expenses

The insured must, during court proceedings or settlement negotiations, require the adverse party to reimburse his/her legal expenses. Failing to do so, or giving up the demands partly or in full, compensation may be reduced or withheld entirely.

26.5.4 Prohibition of admission of legal expenses

The insured party has no right to approve, in a manner that would be binding on the company, the amount of expenses incurred due to handling the case.

26.5.5 Common interest

If the case involves an interest essentially other than that of the insured or if the insured has an interest to safeguard in the insurance event in common with persons not covered by this insurance, the insurance indemnifies only for those costs which are attributable to the insured.

26.5.6 Indemnity amount

The expenses indemnified under the insurance are determined in accordance with the relevant provisions of the Procedural Code and the Act on Criminal Proceedings, taking into account the expenses ordered to be paid and actually paid for similar cases. However, the coverable expenses come to a maximum of the amount which the court orders the insured person's adverse party to pay, unless the court has specifically concluded, on the basis of the grounds appearing from its decision, that the insured must personally bear his/her expenses, in part or in full, to his detriment.

In case the monetary value of a disputed benefit is assessable, the insurance covers, in a civil case and when the insured is a litigant in a criminal case, a maximum of a twofold amount of the disputed benefit. No claims for interest, legal expenses or litigation costs or expenses arising from being party to the matter are taken into account when assessing the amount of compensation. If a dispute concerns a periodical payment, a maximum of a tenfold amount of the disputed periodical payment is taken into account when assessing the amount of benefit.

26.5.7 Payment of indemnity

The Insurance Company will indemnify for the insured person's expenses after a legal ruling has been issued or a settlement has been reached. Final compensation is paid after the insured person has, in response to the insurance company's demand, proved that he/she has paid the deductible on the costs into the same bank account of the legal counsel into which any indemnity from the insurance is to be paid.

26.5.8 VAT deduction

If, under the Value Added Tax Act, the insured is entitled to deduct the tax included in the expenses, the value added tax included in the expenses is deducted from the indemnity.

26.5.9 Refund of legal expenses and transfer of claim

If the counterparty has been sentenced or is committed to paying the insured person's legal expenses, the insured person must refund any compensation for expenses or transfer his/her right to such expenses to the insurance company up to the amount the latter has paid.

Pooling our resources.

