



Farm Production Insurance

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FARM PRODUCTION INSURANCE

Structure of insurance

The insurance includes property insurance for production assets (ES), general liability insurance (VA) and legal expenses insurance (OI) and the General Terms of Contract (YL).

If separately agreed and recorded in the insurance policy, the insurance also includes the additional cover referred to below. The prerequisite for the validity of additional cover is that the object of insurance has valid property insurance.

The policyholder may choose the property insurance coverage under either Farm Insurance (clause 4.1) or Extended Farm Insurance (clause 4.2). The extent of the cover is chosen separately for each object of insurance. The insurance coverage is specified in the policy document.

ES PROPERTY INSURANCE

ES 1 Purpose of insurance

1.1 Purpose of insurance

On the basis of these terms and conditions and the General Terms of Contract (YL), Pohjola Insurance Ltd (hereinafter the insurance company) undertakes to cover direct material damage caused to the object of insurance by a sudden and unforeseeable loss referred to in clause ES 4.1 (Farm Insurance) or ES 4.2 (Extended Farm Insurance), and other expenses mentioned separately in the terms and conditions.

1.2 Insurance options

Depending on what is specified in the policy document, the policy is either full-value insurance or based on the sum

insured. In full-value insurance, the object of insurance is insured with no maximum limit for compensation, and the insurance premium is based on the reported land area, cubic content or total number of items. When the insurance is based on the sum insured, the object of insurance is insured to its value reported in advance, and the insurance premium is based on this value.

In both insurance options, the amount of damage providing the basis for indemnification is assessed in accordance with clause ES 7 of the assessment and indemnification regulations.

ES 2 Object of insurance

The object of insurance is property specified below which is used by the policyholder for farming and subsidiary occupations governed by agricultural taxation, as well as for other occupations specified in the insurance policy.

2.1 Buildings used for production and storage purposes

The object of insurance includes farm buildings specified in the insurance policy. The building includes structures that are permanently fixed in the building and which serve its purpose. Silage and tower silos as well as grain silos external from the dryer are considered separate buildings, even when connected to the rest of the insured building by a fixed connection.

Under the terms and conditions of our insurance policies, truck dryers and arched shelters are also classified as buildings.

2.1.1 Rental cabins including movable property

Objects of insurance include the rental cabins specified in the insurance policy and their movable property, provided cabin rental is a subsidiary occupation of the insured farm.

The rental cabins' outdoor pools, hot tubs, barbeque hut, summer kitchens, boats and jetties are only covered against fire and direct lightning.

2.2 Machinery, equipment and systems serving the building

The following items that are either part of the building or serving its use are considered to be included in the building:

- permanently fixed machines and appliances,
- oil tanks and fixed tanks used for production,
- milking systems including the pipes and cleaners,
- bulk tank, also rented,
- heating, air-conditioning and refrigeration equipment. This equipment also includes heat pumps, solar panels and solar collectors installed on the building
- extinguishing equipment
- stanchion equipment and chicken coops
- feeding and drinking machines
- dung removal equipment
- barnyards and other enclosures in connection with the building
- monitoring and alarm equipment and data transfer equipment
- column transformers, columns, electrical wires and meters, main distribution boards, protective equipment, control centres and equipment owned by the policyholder
- electrical and other cables, conductors and pipes extending as far as the connection with the municipal or other public mains.

Solar panels that are separate from the building should be insured separately.

2.3 Movable production assets

The object of insurance is movable production assets owned by the policyholder that are entered in the insurance policy, as well as third-party movable production assets which are used by the policyholder for farming, and which the policyholder is obliged to insure or carry the risk for.

2.3.1 Products and accessories (inventories)

The insurance covers the following:

- agricultural products, including the farm's own produce and produce kept at the farm under a storage agreement, seed grain, and growing crops
- agricultural and forestry equipment for the farm's own use, including fertilisers, plant protection products, purchased fodder and seeds, spare parts, firewood and timber, building materials, and fuels and lubricators including their containers
- beehives including the honey
- gametes and embryos of the production animals.

examples of agricultural products include flour milled at the farm from self-produced grain, as well as the carcasses and cuts of meat of animals bred on the farm. Products

that have been processed further are considered processed products that should be insured as the movable property of a subsidiary occupation.

Growing crops are only insured against losses caused by outbreak of fire.

2.3.2 Machinery and equipment (fixed assets)

The insurance covers the following:

- agricultural and forestry equipment moved by other than its own engine
- tools and equipment used in gainful employment related to farming
- standard working machines and tools used for property maintenance
- fences and fencing material
- spare parts for farming machinery and equipment
- feed silos as well as farming and skinning equipment for fur farms.
- telephones, computers, off-the-shelf software, and other office equipment used for farming purposes
- polytunnels used to grow vegetables and berries,
- nitrogen tanks used to store animal breeding material.

Loader arms, front and wheel weights, as well as any dual wheels of tractors and other motorised work machines, are only covered as movable property when not coupled to the work machine.

If machines are in joint ownership by farms, the object of insurance is the part that corresponds to the policyholder's share of them. If a loss occurs, the deductible subtracted from the compensation is in the same proportion as the ownership share of the machinery and equipment specified in the insurance policy.

2.3.3 Production animals

The insurance covers the animals listed by species in the insurance policy.

2.3.4 Third-party movable property used for production purposes

Third-party movable property used for production purposes also includes

any third-party property loaned by the insured which, if owned by the insured, would be considered insurable property under 2.3.1 (Products and accessories), 2.3.2 (Machinery and equipment) or 2.3.3 (Production animals).

Losses to third-party movable property used for production purposes are compensated under Farm Insurance or Extended Farm Insurance for up to 10,000 euros, unless compensation is provided by other insurance.

2.4 Property not covered by the insurance

The insurance does not apply to

- files stored on data media
- other than generally available software stored on data media or intended to be used on such
- the foundation soil of the building under the base floor and foundation slab, its reinforcement
- French drains and other soil drainage systems

- external rainwater systems
- wells located on the grounds except for wastewater system wells
- machines moved by their own engine, except ordinary working machine used for property maintenance
- skins of fur animals, or
- energy and water.
- unmanned aircraft, radio-controlled planes or other radio-controlled aircraft

ES 3 Territorial limits

3.1 Insurance location

The insurance is valid when the property is in the place specified in the insurance policy (place of insurance).

3.2 Other locations

The following objects are covered by the insurance also when they are stored, temporarily moved, under transport, or being used for their purpose elsewhere in Finland:

- products and accessories (inventories)
- machinery and equipment (fixed assets)
- production animals
- third-party movable property used for production purposes
- telephones, computers and office machines used in farming.

ES 4 Coverable losses and related restrictions

4.1 Farm Insurance

4.1.1 Coverable losses

The insurance covers direct material damage suffered by the object of insurance, and any other expenses specified elsewhere in these terms and conditions, if the material damage was caused during the validity of the insurance by a sudden and unforeseeable event specified below. Whether or not an event is sudden and unforeseeable is assessed objectively as based on the cause of the loss, not its consequences.

4.1.2 Fire or soot

The insurance covers sudden and unforeseeable loss caused by uncontained fire or by soot spreading from a fireplace or similar heating unit.

The insurance also covers any fire, soot or smoke damage caused to agricultural products in the drying house and its immediate vicinity, even if the products have been exposed to heat to dry them. We also reimburse damage caused to grain, owing to smouldering when it is being dried.

The insurance does not cover losses

- caused to other property than agricultural products being dried, even if such other property catches fire or is damaged as a result of being subjected to heat.
- caused by oil or other fuel which the manufacturer has not intended for use in the heating station equipment.

4.1.3 Lightning

The insurance covers loss caused by direct strike of lightning or by overvoltage resulting from lightning.

4.1.4 Electric phenomenon

The insurance covers loss caused to electrical equipment by an electrical phenomenon in the appliance.

A short circuit, electrical breakdown or other electrical discharge which has permanently damaged the insulation of an electrical appliance constitutes an electrical phenomenon.

The insurance does not cover losses

- caused by interruptions in electricity supply or variations in electricity quality.
- for which the supplier or some other party is responsible on the basis of an agreement, guarantee, servicing contract or similar commitment.

Loss covered otherwise under the insurance is, however, indemnified to the extent that the policyholder shows that the party found to be liable is declared bankrupt or otherwise insolvent.

4.1.5 Explosion

The insurance covers loss or damage caused by an explosion.

The insurance does not cover

- loss caused by internal stress, loosening of a seal, or fluid pressure
- loss caused by professional blasting or quarrying. Loss covered otherwise under the insurance is, however, indemnified to the extent that the policyholder shows that the party found to be liable is unable to meet his liability,
- damage to a combustion engine caused by an explosion in the engine
- damage to a closed, pressure-resistant container, equipment, pipe or tank in which there has been gas or steam, unless the reason for the breakage was exceptional overpressure arising suddenly and unforeseeably
- damage to a tyre as the result of breakdown.

4.1.6 Triggering of fire extinguishing equipment

The insurance covers loss caused when fire extinguishing equipment is triggered suddenly and unforeseeably.

4.1.7 Theft and burglary

The insurance covers damage caused by theft or burglary to movable property and the building when the building

- is broken into by means of damaging structures or otherwise using force, such as damaging the locks
- is entered by means of a key obtained through burglary or robbery.

The insurance covers damage caused to movable property by theft when the property is kept under supervision within the yard area of inhabited yard of the farmhouse. In addition, the insurance covers the loss caused by the theft of movable property when the property is temporarily stored elsewhere than in the yard of the farmhouse in connection with performing agricultural work.

The insurance does not cover losses caused by lost or forgotten property.

The insurance does not cover theft either if

- the exact time, place and circumstances of theft cannot be specified, or
- the theft is only discovered in inventory.

The insurance does not cover losses caused by theft from an unlocked vehicle, caravan or other trailer.

4.1.8 Criminal damage

The insurance covers loss caused by a wilful act of damage.

The insurance does not cover

- loss caused by scratching or other comparable damage to premises
- damage incurred by the user of the premises to furnishings and fixtures or surface coverings of the premises
- loss caused by a motor vehicle.

Damage to property in a fur farm is compensated in cases of wilful act of damage, provided the area has been broken into by breaking the fence structures.

4.1.9 Leakage, moisture and condensing water

The insurance covers loss caused by leakage of liquid, vapour or gas.

The precondition is that the said substance has escaped suddenly, unforeseeably and directly from an insured fixed structure installed in the building, such as

- water pipe, sewer or heating system or steam, gas or oil pipe, oil tank or internal rainwater sewer
- jacuzzi or swimming pool pipes, or machine or piece of equipment fitted to these, or
- a container used for storage of a substance.

The insurance also covers sudden leakage of liquid on the structures of the building, caused by an operating device. The precondition is, however, that the operating equipment is connected to the water supply network and sewage network in a fixed manner by an unbroken pressure-proof hose pipe appropriate for the use, by an approved connection and also by a cut-off valve to the water supply network. Another condition is that the leakage was caused by mechanical breakage of the operating equipment or of the connections.

The insurance does not cover loss caused by

- rainwater or melt water from roof gutters, downpipes outside the building, storm drains or from elsewhere
- condensing water
- flooding of manhole or pipe during rain, thaw or flood
- leak in the outlet pipe or valve of a bathtub or pool
- damage or blockage in a municipal or other public water or sewer line
- malfunction of a no-return valve
- moisture, such as rotting, fungal growth, decay or odour

- the flowing of liquid from a fixed network before the pipe network has been approved for use
- liquid leaking through the water insulation in the structures or through the join of pipes and structures such as between a floor gully and a raising piece
- defective design, foundation, installation or construction or any damage caused by these
- liquid leaking through an open tap, cut-off valve or shower device which is connected to the water pipe network, unless the damage was caused by mechanical breakage of the tap, cut-off valve or shower device
- damage to or non-functioning of the drainage systems referred to in clause 2.4,
- construction contrary to regulations, or damage caused to a pipe network, operating equipment or their insulation, or liquid, vapour or gas that has been lost through leakage.

4.1.10 Breakdown of the building's machinery or equipment

The insurance covers loss caused by a sudden and unforeseeable event to property referred to in clause 2.2 (ES).

The insurance does not cover

- wear and tear, rust, corrosion, deterioration, fungal growth, rotting, material fatigue or any similar gradual damage, or malfunction of the object or any of its parts
- loss caused by wear and tear or accumulation of deposits
- loss caused by flood, rise in the water level, pack ice or landslide
- loss caused by heavy seas or movement of ice
- loss caused by the weight or movement of ice or snow
- loss caused by changes in the groundwater level
- loss caused by snow or water penetrating, during a gale, into structures without breaking them
- damage caused by the forces of nature to movable property outdoors or in an uncovered building, unless the equipment in question is intended for use on such premises
- expenses caused by adjustments and maintenance, preventive or periodic servicing or the elimination of functional disturbances, or any parts replaced in connection with such work
- damage for which the supplier or some other party is responsible on the basis of an agreement, guarantee, servicing contract or similar commitment. Loss covered otherwise under the insurance is, however, indemnified to the extent that the policyholder shows that the party found to be liable is declared bankrupt or otherwise insolvent.
- damage to a computer, a data transfer, data communications, process control or surveillance device or their data media and data contained therein (files) and software caused by malfunction of hardware, operating system, software or a program, operating error, incorrect labelling, incorrect entry of data, data loss, or disappearance of data due to magnetic fields

- loss caused by the discontinuance of performance or non-performance of an individual circuit board, data storage medium or an equivalent component, unless the insured can prove that the cause is a sudden and unforeseeable event not connected with the component
- 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 such deficiency is an error in calculations or drawings, or incorrect advice or instructions
- loss caused by professional blasting or quarrying. Loss covered otherwise under the insurance is, however, indemnified to the extent that the policyholder shows that the party found to be liable is unable to meet the liability concerned.
- any reduction in value, or any loss that does not affect the usability of property.

4.1.11 Storm

The insurance covers loss caused by storm wind.

The insurance does not cover

- loss caused by snow or water penetrating, during a gale, into structures without breaking them
- loss caused by heavy seas or movement of ice
- loss caused by flood or rising water levels resulting from other than a storm
- loss caused by the weight or movement of ice or snow
- damage to a jetty
- damage to movable property outdoors, or
- damage to movable property, unless the damage is a result of other damage coverable under this clause.

However, the insurance covers damage caused by storm winds to production animals insured under this policy.

4.1.12 Wild animals

The insurance covers damage caused to a building or the movable property or animals within by a wild animal that has entered the building.

The insurance does not cover damage caused by insects, birds, rodents, rabbits and hares and microbes, nor their prevention and removal expenses.

4.1.13 Road accident or running aground by production assets

The insurance covers damage to production assets such as load when the reason for the loss is running aground or a road accident involving a motor vehicle, motorised working machine, or train. The insurance covers the loss inasmuch as compensation is not paid from any other policy.

We also compensate losses to production animals in events where a motor vehicle, motorised working machine or a train has been involved.

4.1.14 Property damage in fur farm

In addition to what is referred to in clauses 4.1.1–4.1.12, the insurance covers sudden and unforeseeable losses caused by heavy rain, melting of snow, or the weight of snow and ice to insured shade shelters and any fur farming equipment, cages, and the fur animals within them.

The insurance also covers losses to insured fur animals caused by

- a wild animal, or by the fur animal to itself or its young because of a wild animal. In this context, an escaped fur animal or other escaped farm animal or pet is considered a wild animal
- noise, owing to which the fur animal hurts itself or its young
- heat stroke.

A heat stroke is a sudden and unforeseeable rise in temperature, resulting in the fur animal's death within seven (7) days during the same heat period.

The insurance does not compensate any losses caused by animals becoming barren or losing any of their young.

4.1.15 Additional losses

The insurance also covers loss caused by

- property being stolen, disappearing or being damaged, as a result of the circumstances of a coverable loss, in connection with a loss otherwise subject to indemnification
- cold or heat, rain, or other similar reason, if the loss was a direct consequence of a coverable loss.

4.2 Extended Farm Insurance cover

4.2.1 Coverable losses

The insurance covers direct material damage suffered by the object of insurance, and any other expenses specified elsewhere in these terms and conditions if the damage was caused by a sudden and unforeseeable event during the validity of the insurance. Whether an insurance event is unforeseeable or not is subject to an objective assessment, on the basis of the cause of the loss, not on the basis of the consequence of the loss.

Freshwater and saltwater flood

The insurance indemnifies sudden and unforeseeable and exceptional flood losses to buildings and movable property inside it.

The condition for compensation to be paid is that not only has a loss been caused by freshwater or saltwater flooding or a consequent moving of ice but that the rise in water level has been significant.

By freshwater flooding, we here refer to an exceptional water level rise in a river, lake, ditch or brook caused by gale-force winds, exceptionally heavy rain, melting snow, or ice and slush dams.

By saltwater flooding, on the other hand, we refer to an exceptionally high rise of the sea level caused by gale-force winds, change in air pressure or flows in the Danish straits.

Exceptional rises in freshwater or sea level rise refer to:

- water level rise caused by gale-force winds, or
- water level rise to a height likely to occur only once every 50 years or less frequently.

A flood caused by a permanent rise in mean water line, normal variation of water level or waves is not considered exceptional.

4.2.2 Losses excluded from cover and other exclusions

4.2.2.1 Wear and tear and other gradually appearing phenomena

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

4.2.2.2 Maintenance costs

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.

4.2.2.3 Construction and installation errors

The insurance does not cover expenses caused by faulty design or manufacturing, material, construction or installation errors in the insured property, or expenses caused by failure to comply with construction regulations or instructions, or good building practice.

However, the insurance covers a sudden loss to other property included in the insurance object caused by a sudden mechanical damage or breakage of the insurance object as the result of the above error, action or neglect.

The loss caused as the result of sudden damage or breakage is only covered if the insured or the policyholder has not been, or should not have been, aware of the existence of such an error, action or neglect and the case is not of any other loss mentioned in the restrictions, remaining outside the coverage.

4.2.2.4 Fabrication flaws and work errors

The insurance does not cover loss or damage caused by a design, foundation, installation or construction error, usage or work error, deficient equipment or material, manufacturing flaws, error in calculations or drawings, or by incorrect advice.

The insurance does not cover expenses caused by the repair of a building, an object or a component that has been made deficiently or from deficient materials, even if the cause of such deficiency is an error in calculations or drawings, or incorrect advice or instructions, or damage to the building resulting from these flaws.

However, the insurance covers a sudden loss to other property included in the insurance object caused by a sudden mechanical damage or breakage of the insurance object as the result of the above error, action or neglect.

The loss caused as the result of sudden damage or breakage is only covered if the insured or the policyholder has not been, or should not have been, aware of the existence of such an error, action or neglect and the case is not of any other loss mentioned in the restrictions, remaining outside the coverage.

4.2.2.5 Agreements

The insurance does not cover loss for which the supplier, manufacturer, vendor or some other party is responsible on the basis of an agreement, guarantee, service agreement or similar commitment. Loss covered otherwise under the insurance is, however, indemnified to the extent

that the policyholder shows that the party found to be liable is declared bankrupt or otherwise insolvent.

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

4.2.2.6 Disappearance, forgetting and theft

The insurance does not provide coverage if property disappears or is left behind.

The insurance does not cover theft either if

- the exact time, place and circumstances of theft cannot be specified, or
- the theft is only discovered in inventory.

Loss caused by theft is not considered unforeseeable if the policyholder has not taken all reasonable safety precautions in view of the value of the property and the circumstances of its storage.

The insurance does not cover losses caused by theft from an unlocked vehicle, caravan or other trailer.

The insurance does not cover the theft of moveable property stored outdoors. The insurance does, however, cover the loss caused by the theft of movable property when the property concerned is stored outdoors under supervision within the yard of the farmhouse or in an unlocked building. In addition, the insurance covers the loss caused by the theft of movable property when the property is temporarily stored elsewhere than in the yard of the farmhouse in connection with performing agricultural work

4.2.2.7 Blasting

The insurance does not cover loss caused by commercial blasting or quarrying. However, loss covered otherwise under the insurance is compensated to the extent that the policyholder shows that the party found to be liable is unable to meet their liability.

4.2.2.8 Natural conditions, animals and microbes

The insurance does not cover losses

- caused by the weight or movement of ice or snow, unless such movement has been caused by saltwater or freshwater flooding
- caused by heavy seas, or flood resulting from a rise in the level of seas, lakes, or other body of water
- caused by changes in the groundwater level
- caused by natural conditions, animals or microbes to horticultural, agricultural or forestry products and accessories or garden plants
- caused by frost heaving, land subsidence, land movement, or rising damp.

4.2.2.9 Software and data errors

The insurance does not cover damage to programmable electronic equipment or to its data medium, files or software caused by malfunction of hardware or software, operating error, or by destruction or disappearance of data due to magnetic fields.

4.2.2.10 Compensation from elsewhere

The insurance does not compensate for loss or damage compensated under a specific law, guarantee or other insurance policy.

4.2.2.11 Reduction in value

The insurance does not cover

- reduction in value
- loss that does not affect the usability of property
- reduction in the quality of milk.

4.2.2.12 Roof leakage

The insurance does not cover loss or damage caused by roof leakage, unless the leakage was caused by breakage of the roofing as a result of a sudden and unforeseeable external event.

4.2.2.13 Flooding

The insurance does not cover

- damage caused to a building or its contents caused by freshwater or saltwater flooding or a consequent moving of ice if the building was constructed without a permission specified by law or contrary to a permission that was issued
- damage that is compensated from public funds
- damage caused by defective design, foundation, installation or construction.

4.2.2.14 Pests

The insurance does not cover damage caused by insects, lagomorphs (mainly rabbits and hares), or rodents, nor their prevention and removal expenses. The insurance does not cover damage caused by birds or microbes to production used for production purposes. However, the insurance does cover fire and leakage damage caused by hare and rodent bites.

4.2.2.15 Data system break-ins, malicious software or denial of service attacks

The insurance does not cover equipment malfunction caused by

- data system break-in, referring to illegal entry into an information system
- malicious software, interference with telecommunications, or other similar criminal damage affecting software, files or equipment.

4.2.2.16 Financial crime

The insurance does not cover loss caused by fraud, embezzlement or any other similar offence.

4.2.2.17 Heating station using solid fuel

The insurance does not cover loss caused by oil or other fuel which the manufacturer has not intended for use in the heating station equipment.

ES 5 Special clause concerning the period of construction and renovation

The insurance covers the buildings specified in the insurance policy also when they are under construction or renovation. The following is applied to policyholders who have insured a building to be built or renovated for their personal use

- Building materials which are being transferred to the place of insurance are covered by the insurance during the period of construction from the moment the liability for them under the terms of the sales contract passes to the policyholder. The materials must be transferred to the place of insurance within one week from the transfer of liability.
- Building materials temporarily removed from the place of insurance for a continuous period of no more than six months are objects of insurance without separate agreement.

Should the materials be removed from the place of insurance for longer than six months, insurance cover for those materials must be agreed separately.

- Site equipment, i.e. the clothing and tools of external workers performing the construction or renovation, any temporary site buildings, and rented as well as borrowed machines and equipment, are included in the insurance up to a total of 4,000 euros. Loss of or damage to site equipment is indemnified only for insurance events described in clauses 4.1.2 (Fire) and 4.1.7 (Theft) of Farm Production Insurance.

ES 6 Appraisal and indemnification regulations

The property that is the object of insurance can be insured as indicated in the insurance policy either for its full value, meaning that the object is insured without an agreed sum insured and the premium is determined by the premium basis shown in the insurance policy, or up to an agreed sum insured.

The definition provided in the RT card 120.12 published by the Building Information Foundation is used to calculate the actual cubic content of the target.

6.1 Sum insured

Property is insured for the agreed sum insured entered in the insurance policy for each object or property item. This sum, adjusted by the index entered in the insurance policy (see clause 6.9, Index clauses), is the maximum indemnity in the case of loss.

The sum insured is used as the calculation basis for the insurance premium and equals the maximum indemnity, but it does not form the basis for the amount of loss or its assessment.

The basis of the sum insured is recorded in the insurance policy. It is one of the following:

6.1.1 Replacement value

The replacement value refers to the amount of money required for acquiring new similar or equivalent property for delivery to the same location to replace the old property, including the costs of demolition and disposal of the damaged property. Replacement value is determined according to costs incurred by the use of standard and modern construction methods and materials.

Unless otherwise agreed with the insurance company, the sum insured is based on the replacement value of the property.

6.1.2 Current value

The current value refers to the amount based on the reduced value of property, as a result of age, use, technological obsolescence, decrease in usability, or similar reasons, deducted from the replacement value. When determining the current value for buildings, the fair value of the asset is also taken into account. Fair value refers to the sum that would have been obtained if the asset had been sold before the loss occurred.

The current value must be lower than the asset's replacement value.

If insured for the full current value, any compensation will be based on first loss.

6.1.3 Fair value of animals

Fair value means the amount of money the policyholder would have received for the sale of an animal immediately before the insurance event.

6.1.4 First loss

First loss refers to the sum insured agreed for the object of insurance and entered in the insurance policy. Provisions governing under-insurance shall not apply to first loss insurance (see clause 6.5.2 Under-insurance).

6.2 Deductibles

For each loss, the policyholder has a deductible. The deductible is stated in the policy document.

6.2.1 Deductible of machinery and equipment in losses due to breakage

If machinery and equipment referred to in clause 2.3.2 of property insurance are insured with Extended Farm Insurance, the deductible in breakage losses is at least 900 euros or any higher deductible entered in the insurance policy.

6.2.2 Deductible in hot work

If a coverable loss caused by an outbreak of fire (fire loss) arises from hot work (see Hot work S621 Safety regulations), the policyholder's deductible shall be ten times that entered in the insurance policy, a minimum of 2,000 euros and a maximum of 5,000 euros, or a higher deductible entered in the insurance policy.

6.2.3 Fur farm's shade shelters

Deductible in fur farm shade shelter damage caused by snow and ice

Age in years	Deductible, % of loss amount, min. 600 euros
0–10	30
11–15	40
16–	insurance cover ends in terms of snow and ice damage

6.2.4 Fur animals' heat stroke

The deductible in cases of heat stroke affecting fur animals is 20% of the loss amount, but always a minimum of 1,500 euros.

6.2.5 No deductible applies

- in losses due to theft if the building has been broken into through a door secured with a safety lock
- if approved burglary equipment has operated properly and limited the amount of loss
- if the leakage alarm equipment at the place of insurance has, through its operation, restricted the extent of the coverable loss caused by leakage
- if the fire alarm equipment at the place of insurance has limited the loss
- if a fire-safe waste shelter or underground waste container has restricted the extent of the damage.
- for the renewal or refill of fire extinguishers if they have been used for extinguishing damage covered by the insurance.

6.3 Other losses covered

6.3.1 Additional expenses resulting from regulations issued by the authorities

In the event of damage to a building, the insurance covers reasonable additional expenses arising from any imperative regulations issued by the authorities concerning repair or constructions, but no more than 20% of the total amount of the direct material damage and related expenses as defined above.

If the insurance is based on an agreed sum insured, the sum insured is the maximum limit for total compensation.

6.3.2 Expenses arising from preventing impending loss

In addition to direct material damage, the insurance covers, under the clause Obligation to prevent and limit loss or damage or salvage obligation respective to the General Terms of Contract, reasonable expenses arising from mitigating or preventing loss incurred or immediately impending and coverable under the insurance.

6.3.3 Expenses arising from damage to soil

As a result of coverable material damage to the object of insurance, the insurance covers the examination, soil remediation or replacement costs as well as waste transportation and treatment costs arising from damage to the soil on property owned or controlled by the policyholder, provided that the costs were incurred due to measures taken as a result of an imperative official regulation issued no later than within twelve months of the loss event.

The costs referred to herein are indemnified to a maximum of EUR 200,000 per loss.

6.3.4 Interruption of use of production building

The insurance covers additional expenses caused to the policyholder because the farm's production building cannot be used in part or at all, owing to coverable insurance events. The insurance does not cover losses caused by interruption of use of a holiday cottage. The maximum compensation for the expenses of interrupted use is up to 6% of the damaged building's value. Compensation will be paid for a maximum of two months of the occurrence of the loss. A deductible of 15% will be subtracted from the coverable extra costs, in addition to the deductible for material damage.

When calculating the amount of compensation, we take into account the actual costs from which the expenses that were saved have been subtracted. A deduction of 50% of the cost of centralised drying is made to account for saved expenses in respect of grain and hay dryers. Compensation will be paid even if the sum insured or the replacement value or current value that is the basis for compensation is exceeded.

If a grain dryer is used for any other purpose than drying the farm's own grain, any documented net income loss will also be compensated up to the maximum sum of 3,000 euros per insurance event.

6.3.5 Interruption in the use of an agricultural machine (working machines coupled to a tractor)

The insurance indemnifies additional costs arising because the insured agricultural machine cannot be used owing to coverable insurance events.

The insurance covers reasonable and necessary extra costs arising from work done or arranged to be done using machinery owned by another party. Machinery owned or controlled by a person living in the same household as the policyholder or that owned 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. The insurance does not cover additional costs or loss of net income caused by the insured's contract work.

Actual costs less expenses saved due to the loss will be taken into account in calculating the amount of compensation. A deduction of 20% of the cost of leased machinery and 35% of the cost incurred from using a contractor is made to account for saved expenses. Compensation will be paid for a maximum of 30 days of the occurrence of the loss.

A deductible of 15% will be subtracted from the coverable extra costs, in addition to the deductible for material damage. Additional expenses are only covered up to a maximum of 10,000 euros.

6.4 Calculation of property value and material damage

6.4.1 Amount of loss based on replacement value

The loss amount based on replacement value is calculated by deducting the value of the remaining property (residual value) from the value of the property immediately before the loss. Both values are calculated in accordance with the

replacement value. (The definitions of replacement value is given above in clause 6.1.1 and the residual value of the building below in clause 6.7.)

If the damaged property can be repaired, the resulting repair costs constitute the loss amount. However, the maximum loss amount equals the difference between the replacement value and residual value.

If, however, the value of the property item had, by the time of loss, decreased to the extent that the current value of the object was less than 50% of the replacement value immediately before the loss, the loss amount is calculated as based on the current value (see section 6.1.2).

Each damaged object is appraised separately.

6.4.2 Loss amount based on current value

The loss amount based on current value is obtained by deducting the value of the remaining property (residual value) from the current value. Both values are calculated in accordance with the current value. (The definition of current value is provided in clause 6.1.2 above)

If the damaged property can be repaired, the resulting repair costs constitute the loss amount. However, the maximum loss amount equals the difference between the current value and residual value. If the property is not rebuilt or repaired, the current value of the amount of loss cannot exceed the fair value of the property.

6.4.3 Loss amount based on first loss

If the insured and the company have agreed that the sum insured is based on first loss, and the property is repaired, the sum insured is the upper limit of indemnity. If the property is not repaired, the upper limit of the indemnity is that part of the sum insured which corresponds to the degree of the damage.

6.4.4 Age reduction in leakage damage

In the event of leakage damage as specified in clause 4.1.9 (ES) and in leakage damage under Extended Farm Insurance, age reductions are made on all repair and replacement costs, based on the age of the cables, pipes or other equipment which caused the damage, as shown below:

Age of cables, pipes or other equipment, years	Age reduction, %
11–20	10
21–30	20
31–40	40
41–50	50
over 50	60

However, the age reduction shall not exceed EUR 20,000 per loss.

The age of any cables, pipes or other equipment is calculated as of the beginning of the calendar year following the year they were installed.

6.4.5 Age reduction applied to machinery, equipment and systems in buildings

In the case of lightning and electrical phenomenon losses and breakage losses to property specified in clause 2.2

(machinery, equipment and systems serving the building), the following reductions will be applied to all repair and replacement costs, including other costs under property losses specified in clause 6.3, as of each beginning year of use from the third year onwards. The calculation of years of use starts as of the beginning of the calendar year following the installation year. The reduction is calculated by multiplying the reduction percentage with the number of years thus obtained from the second year onwards.

In the event of a fire, an age reduction schedule is now also applied to the equipment responsible for the fire.

	Reduction -%
tanks, waste water, rainwater, service and heating pipes of the building, other than those located in the ground slab	3
tanks outside the production building	3
copper and plastic pipes in the ground slab and underground	3
grain drying, transfer and processing equipment	4
pipes in the ground slab and underground made of other than copper or plastic	6
dryer ovens, central-heating equipment, heat exchangers and conveyors, boilers with tanks, tanks underground or in the ground slab, adjustment and control equipment, heating cables, electric radiators, air-conditioning and refrigeration equipment, electric motors, and electrical and automation systems	6
milking machines	6
equipment for the transfer and handling of feed and feeders	6
other permanently fixed machines and appliances	6
tilt-up doors and folding doors	6

The deductible specified in the insurance policy is not subtracted following this reduction. However, the reduction is always at least equal to the deductible.

6.4.6 Age reduction of assets included in movable property

The maximum compensation for agricultural machines and equipment is the property's current value. In the case of damage to insured objects considered as fixed assets of movable property and listed in the table, the following reductions will be applied to all repair and replacement costs, as of each beginning year of use from the second year of use onwards. In the case of damage to gauze netting, polytunnels and other plastic structures, the age reduction is applied from the first year of use onwards. Years of use are counted from the beginning of the calendar year following the year of purchase.

	Reduction -%
Gauze netting, polythene covers of plastic structures and polytunnels	50
Movable IT equipment, such as computers and their peripherals and phones	20
Household appliances	10
Motorised, electrical and battery-powered working machines and equipment	10
Fuel tanks	3

In addition to the reduction, the deductible specified in the policy document will also be subtracted.

6.4.7 Replacement of agricultural products and equipment

The maximum compensation of agricultural products and equipment that were insured without a sum insured is the amount that it would be possible to obtain for them if they were sold on normal conditions. When determining the maximum compensation, any unpaid costs, discounts and other similar savings and unpaid profit equivalent to processing work will be subtracted from the sales price. The compensation will be calculated based on the consumer price statistics of the Natural Resources Institute Finland in effect at the time of the loss. The residual value will also be taken into consideration when determining the compensation. The maximum amount of compensation of the farm's own seed grain will be the selling price of the corresponding cereals without the seed surcharge.

6.4.8 Indemnity for production animals

In production animal insurance, the maximum amount of compensation is the animal's sum insured entered in the insurance policy, or part of the sum insured calculated for the animal from the number of animals insured. When a production animal has been insured without a sum insured, the maximum amount of compensation is the animal's fair value.

The maximum compensation for a fur animal is the percentage – specified in the table in clause 6.6.1 below and determined by the time of the loss – of the average skin price of the animal species in the previous sales season.

6.4.9 Value added tax

Provisions governing value added tax are taken into account when calculating the amount of loss. Accordingly, the tax will not be paid if it is tax-deductible by the beneficiary. Value added tax will not be paid in case the insured party has the right of refund with respect to value added tax.

6.5 Amount of indemnity

6.5.1 Amount of indemnity

The amount of indemnity is the amount of loss less the deductible.

6.5.2 Under-insurance

Full value insurance

If the cubic content, area or number indicated in the insurance policy used as premium basis for the property is smaller than what it is in reality, the insurance will only

cover losses up to the proportion of the indicated and actual values.

Insurance based on the sum insured

If the sum insured is less than the property's value, the property is underinsured. In the case of loss incurred by an underinsured property, the insurance will only cover that part of the loss which corresponds to the ratio of the sum insured to the value of the property.

6.5.3 Overinsurance

On the basis of an insurance event incurred by overinsured property, the insurance will not cover more than is necessary to cover the loss.

Full value insurance

If the cubic content of the building indicated in the insurance policy is larger than its actual cubic content, the building is overinsured.

Insurance based on the sum insured

If the sum insured is higher than the property's value, the property is overinsured.

6.6 Payment of indemnity

Indemnity based on the current value is paid first. The difference between the indemnities based on the replacement

value and current value will be paid if, within two years of the loss, the damaged property has been repaired or replaced with similar property intended for the same use in the same location.

Only the policyholder or a third party in favour of whom insurance has been taken out has the right to the difference between the indemnities based on the replacement value and current value. This right is not transferable.

If construction is delayed due to action by the authorities, the delay period will be added to the two-year time limit.

6.6.1 Calculating compensation for fur animals

The animal-specific compensation for a fur animal is the percentage – specified in the table below and determined by the time of the loss – of the average skin price of the animal species in the previous sales season.

The price is the average price obtained by the policyholder.

If no price is available per producer, the price is determined by the average skin price of the species sold in Saga Furs Oyj auctions during the previous sales season.

The insurance company's maximum indemnification liability for each animal is the sum insured per animal calculated as explained above.

Compensation table for breeding animals

month	Mink		European polecat		Blue fox		Silver fox		Raccoon	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Jan	150	120	150	120	150	120	150	120	150	120
Feb	150	150	150	150	150	150	150	150	150	150
Mar	150	180	150	180	150	180	150	180	150	180
Apr	100	210	150	210	150	210	100	210	150	210
May	60	240	100	240	100	240	100	240	60	240
Jun 1-15	60	100	60	270	60	270	60	240	60	240
Jun 16-30	60	100	60	100	60	270	60	100	60	100
Jul	60	60	60	60	60	100	60	60	60	60
Aug	70	70	70	70	70	70	70	70	70	70
Sep	80	80	80	80	80	80	80	80	80	80
Oct	90	90	90	90	90	90	90	90	90	90
Nov	100	100	100	100	100	100	100	100	100	100
Dec	100	100	100	100	100	100	100	100	100	100

Compensation table for young

	Mink	Euro- pean polecat	Blue fox	Silver fox	Rac- coon
Min. 3 weeks ¹⁾	50	50	50	50	50
month					
Jul	60	60	60	60	60
Aug	70	70	70	70	70
Sep	80	80	80	80	80
Oct	90	90	90	90	90
Nov	100	100	100	100	100
Dec	100	100	100	100	100

¹⁾ The young will begin to be covered once they reach the age of three (3) weeks. The table continues beyond July, that is, from July onwards compensation is paid normally on the basis of the time of loss.

6.7 Residual value of a building

6.7.1 Indemnity for reduction in residual value

If, due to a building prohibition or construction restriction in force under the provisions of the Finnish Building Act or Road Act, the parts of the building remaining after the loss cannot be used in restoring the building, the reduction in residual value will also be indemnified.

6.7.2 Special permit

The policyholder shall prove that a building prohibition or construction restriction is in force.

If the insurance company so requests, the policyholder shall apply for a special permit to restore the building to its former condition and, if the permit is rejected, the policyholder shall appeal against the decision. At the insurance company's request, the policyholder shall authorise the insurance company to represent him in applying for the permit.

6.8 Other regulations concerning indemnity

6.8.1 Alternatives to cash indemnity

The insurance company has the right to have the lost or damaged property built, acquired or repaired in lieu of cash indemnity. The insurance company has the right to decide which builder or repairer is to be used for rebuilding or repairing the property, or to decide from which source of supply similar property is to be acquired.

6.8.2 Loss inquiry costs

The insurance company is only obliged to reimburse loss assessments it has requested itself, or other necessary investigations carried out to settle a claim or evaluate the extent of loss.

The insurance company is not obliged to reimburse other assessments or investigations, unless they have been agreed upon in advance with the insurance company.

6.8.3 Mortgageable property

The policyholder will be indemnified for property for which a mortgage can be secured only when the policyholder has ascertained that the property has not been mortgaged as security for debt, or that the mortgagees have agreed that the policyholder should be indemnified.

For real estate, no such ascertainment is required,

- provided that the policyholder proves that the damage has been repaired;
- provided that the policyholder shows a guarantee stating that the indemnity will be used to repair the damaged property;
- the amount of indemnity is small compared to the value of the property, or
- it is otherwise obvious that indemnification will not impair a creditor's prospect of payment.

6.8.4 Insurance company's right to redeem damaged property

The owner of insured property retains ownership even if the property is damaged. However, the insurance company has the right to redeem the remaining damaged property or part thereof. The redemption will be indemnified on the same grounds as damage to that object or property item (i.e. in accordance with either replacement value or current value).

6.8.5 Policyholder's obligation to return recovered property

If the policyholder recovers part of the lost property after payment of indemnity, the policyholder shall immediately surrender the property concerned to the insurance company, or refund the relevant indemnity.

6.9 Index clauses

The insurance is linked to the index indicated in the insurance policy.

The property insurance of buildings and grain dryers and drying machinery is tied to the construction cost index, whilst the policies of other property are tied to the wholesale price index.

6.9.1 Index adjustment of the insurance premium or the sum insured per insurance period

Full value insurance

The insurance premium is linked to the index indicated in the insurance policy. The insurance premium is adjusted on the first day of each insurance period. The insurance premium is adjusted by as many per cent as the adjustment index deviates from the basic index.

The basic index is the index for August in the year preceding the insurance commencement year.

The adjustment index is the index for August of the calendar year preceding the first month of the insurance period entered in the insurance policy.

Insurance based on the sum insured

The sum insured entered in the insurance policy is adjusted on the first day of each insurance period. The sum insured is adjusted by as many per cent as the adjustment index deviates from the basic index. At the same time, the amount of investments made and reported during the insurance period is added to the sum insured.

The basic index is the calendar month index five months before the first month of the first insurance period.

The adjustment index is the calendar month index five months before the first month of the insurance period entered in the insurance policy.

The insurance premiums are altered to match the adjusted sum insured.

6.9.2 Sum insured at the time of loss (not applicable to full value insurance)

The sum insured at the time of loss is as many per cent of the original sum insured entered in the insurance policy as the calendar month index five months earlier is of the basic index.

The sum insured is also increased during the insurance period by the amount of construction and machinery investments made before a loss. This increase is a maximum of 15% of the sum insured of each asset and the combined total of the amount entered in the insurance policy.

6.10 Double insurance

If the same property is insured under several insurance policies for the same loss, it is a double insurance. If the property is over-insured with the combined policies, the compensation paid from this policy cannot be greater than the amount of loss after taking into account the compensation from the other policies.

TE SUPPLEMENTARY INSURANCE FOR PRODUCTION ANIMALS

TE 1 Purpose of insurance

In accordance with these terms and conditions and the General Terms of Contract (YL), Pohjola Insurance Ltd (hereinafter the insurance company) undertakes to cover losses specified in clauses 2.3 (Animal Cover) and 3.3 (Animal Catastrophe Insurance).

TE 2 Animal Cover

This supplementary insurance is included in the policy if an entry has been made of it in the insurance policy and the object is covered by valid property insurance. Animals can be insured either for their slaughter value or fair value.

2.1 Object of insurance

The object of insurance is the group of bovines, with the number of animals indicated in the insurance policy. Bovines can be included in this policy once they are at least one month old.

2.2 Territorial limits

The insurance is valid inside the farm specified in the insurance policy and also outside the farm when an animal has been temporarily moved elsewhere in Finland or during such transportation.

2.3 Coverable losses

2.3.1 Loss of animal

The insurance covers losses when

- an insured animal dies as a result of illness or injury
- an insured animal must be emergency-slaughtered on the veterinarian's orders
- an insured animal disappears
- an insured animal's carcass or part of it is rejected in a meat inspection.

An emergency slaughter is slaughter or other means of putting down an animal on the veterinarian's orders on the basis of the Animal Welfare Act and Decree when an animal is in such a condition that keeping it alive would be obvious cruelty.

2.3.2 Other expenses

The insurance indemnifies, against receipts, direct costs of an emergency slaughter at a farm or slaughterhouse that was ordered by a veterinarian, inasmuch as this is a case of a coverable event under this insurance.

The insurance also indemnifies for the costs of statutory collection and disposal of an animal that has died or been emergency slaughtered. The insurance does not indemnify additional charges for carcasses which are of poor quality or which have been spoilt.

The insurance indemnifies, against the bill, the fee charged by a veterinarian for the purposes of investigating the insurance event, and the costs of obtaining the report of an offence.

2.4 Exclusions

The insurance does not cover

- loss caused by salmonella
- a carcass or part of it if it has been rejected or if the amount paid for the carcass has been reduced owing to salmonella having been discovered in a meat inspection at the slaughterhouse
- slaughtering of an animal due to a personality flaw
- slaughtering of an animal for financial reasons
- slaughtering or euthanizing of an animal to prevent the spread of a communicable disease
- loss or damage caused by the weight or movement of snow or ice
- loss or damage inasmuch as compensation is received from another policy, pursuant to the Animal Diseases Act or out of public funds for other reasons
- loss or damage if a lethal accident occurred or an illness began before the animal was one month old
- loss caused by an animal's death or emergency slaughter if the illness began or accident occurred before the animal arrived at the farm
- transportation costs except under clause 2.3.2
- loss of subsidies
- Losses caused by communicable diseases declared a pandemic by the World Health Organisation (WHO) are not covered by insurance policies that begin on or after 1 January 2022.

2.5 Indemnification regulations

2.5.1 Loss of animal insured at slaughter value

The principle for indemnity in the loss of an animal is its slaughter value less the money obtained from the meat. The slaughter value is calculated on the basis of the slaughter weight and the fair amount paid for the carcass at the time of loss.

The slaughter weight of an animal taken to the slaughterhouse can be obtained from the slaughterhouse's accounts. Otherwise, the animal's slaughter weight is an estimate given by a veterinarian, based on the animal's live weight. If the slaughterhouse's accounts or the veterinarian's estimate cannot be obtained, slaughter weight is determined for dairy cows, heifers and female calves from slaughter

weight Table A and for male calves and beef cattle from Table B.

Bovine slaughter weight tables

Table A: Dairy cows and dairy bulls

By cows we refer to dairy cows, heifers and female calves

Age, months	Cows, kg	Bulls, kg
1	20	30
2	31	47
3	43	65
4	54	82
5	66	100
6	77	117
7	88	134
8	100	152
9	111	169
10	123	187
11	134	204
12	145	221
13	157	239
14	168	256
15	180	274
16	191	291
17	202	308
18	214	326
19	225	343
20	237	361
21	248	378
22	259	395
23	271	413
24 or more	280	430

Table B: Beef cattle by breed

Breeds in column I: Aberdeen Angus, Hereford and dairy cross-breeds

Breeds in column II: Charolais, Simmental, Limousine and beef cattle cross-breeds

Age, months	I		II	
	Bulls, kg	Cows, kg	Bulls, kg	Cows, kg
1	30	30	34	32
2	51	40	57	43
3	72	50	79	54
4	93	61	102	66
5	114	74	124	80
6	135	88	147	93
7	156	101	169	106
8	177	117	192	122
9	198	131	214	138
10	219	147	237	154
11	240	161	259	170
12	261	177	282	186
13	282	191	304	20
14	303	207	327	218
15	324	221	349	233
16	345	236	372	250
17	366	251	394	266
18	387	266	417	283
19	408	281	439	299
20	429	296	462	316
21	450	310	484	332
22	471	323	507	349
23	492	335	529	365
24	513	346	552	382
Over 24	534	356	575	398

2.5.2 Loss of animal insured at fair value

The principle for indemnity when an animal is lost is its fair value less the money obtained from the meat. Fair value means the amount of money the policyholder would have received for the sale of an animal immediately before the insurance event.

TE 3 Animal Catastrophe Insurance

3.1 Objects of insurance

The objects of insurance are the following animal groups listed in the policy document, specified by species and number of animals:

3.1.1 Pigs

- sows with piglets (piglets aged over two weeks that have not yet been weaned)
- sows, boars and young breeding pigs
- all porkers (weaned pigs) weighing at least 25 kg in pig rearing houses and pig houses with integrated farming
- pigs weighing less than 25 kg
- breeding pigs

3.1.2 Poultry

- egg-laying hens
- breeding hens
- broilers
- chicks at least one day old
- turkeys
- ducks and geese
- turkey, duck and goose chicks
- breeding poultry

3.1.3 Sheep and goats

- rams and ewes
- lambs
- billy goats and nanny goats
- kids
- breeding sheep and goats

3.1.4 Bovines

- dairy cattle; at least 22 months
- young stock; 1–21 months
- beef cattle; at least 16 months
- beef cattle; 1–15 months
- breeding cattle

3.2 Territorial limits

The insurance is valid in the place of insurance specified in the insurance policy and temporarily elsewhere in the farm.

3.3 Coverable losses

3.3.1 Catastrophe losses

The insurance indemnifies catastrophe losses if, as a result of a single illness, injury or accident, animals are lost within 14 days through death, emergency slaughter, disappearance or because of meat inspection rejection. The compensation threshold must be exceeded in each beginning period of 14 days.

An emergency slaughter is slaughter or other means of putting down an animal on the veterinarian's orders on the basis of the Animal Welfare Act and Decree in effect when an animal is in such a condition due to illness, injury or accident that keeping it alive would constitute obvious cruelty.

The same catastrophe loss is compensated for a maximum period of 12 months from the original loss event. Losses caused by the same illness are considered a single loss unless, between the cases of illness, a veterinarian has declared the epidemic on the farm to have ended and the farm to be free of disease.

Within the 14-day period stated above, any healthy animals which were either slaughtered to prevent the spread of disease or animals which died due to an event other than a catastrophe loss will not be considered when assessing the coverable amount.

Catastrophe losses will be indemnified per animal as follows:

Pigs

Pig catastrophe losses are indemnified if at least 3% of the total number of pigs, however at least three animals, are lost from the animal group specified in the policy document. One sow, boar and young breeding pig and one porker are considered to correspond to one pig place when assessing the loss. One sow, boar or young breeding pig each correspond to 10 pigs that weigh less than 25 kg. Pigs that are stillborn, under two weeks old or die as the sow tramples them to death will be ignored when assessing the loss. When animals die in more than one animal group, one animal group must lose more than 3% of the animals in order for animals in the other animal groups to be compensated.

Poultry

A poultry catastrophe loss is compensated if at least 10% of the total number of poultry received into a building compartment are lost, but not fewer than

- 100 chickens
- 100 female broiler breeders
- 1,000 broilers
- 50 female turkey breeders or female breeder poults
- 150 turkeys for slaughter.

Sheep and goats

Sheep and goat catastrophe losses are indemnified if at least 3% of the total number of sheep and goats, however at least three animals, are lost from the animal group specified in the policy document. All of the animals must be more than one month old.

Cattle

Cattle catastrophe losses are indemnified if at least 3% of the total number of cattle, however at least 2 animals, are lost from the animal group specified in the policy document. All of the animals must be more than one month old.

When animals die in more than one animal group, at least one animal group must lose more than 3% of the animals in order for animals in the other animal groups to be compensated.

3.3.2 Other expenses

The insurance indemnifies, against receipts, direct costs of an emergency slaughter at a farm or slaughterhouse that was ordered by a veterinarian, inasmuch as this is a case of a coverable event under this insurance.

The insurance also indemnifies for the costs of statutory collection and disposal of an animal that has died or been emergency slaughtered. The insurance does not indemnify additional charges for carcasses which are of poor quality or which have been spoilt.

The insurance indemnifies, against the bill, the fee charged by a veterinarian for the purposes of investigating the insurance event, and the costs of obtaining the report of an offence.

3.4 Exclusions

The insurance does not provide compensation for

- losses caused by salmonella, African swine fever, avian influenza, or foot-and-mouth disease.
- slaughtering of animal because of a personality flaw
- slaughtering of an animal for financial reasons
- slaughtering or euthanising an animal to prevent the spread of a communicable disease
- losses that are the result of restrictions on the transport of animals due to the establishment of an exclusion or contamination zone to prevent the spread of a disease
- loss or damage caused by the weight or movement of snow or ice
- loss or damage to the extent that as compensation is received from another policy, pursuant to the Animal Diseases Act or from public funds for other reasons
- losses to the extent that the insured would, in the absence of insurance, be entitled to compensation on the basis of the Animal Diseases Act or otherwise from public funds
- loss or damage caused by animal feed
- production subsidies or production bonuses
- loss taking place during loading, transportation or unloading that is not the responsibility of the policyholder
- loss caused by an animal's death or emergency slaughter if the illness began or accident occurred before the animal arrived at the farm
- transportation costs except under clause 3.3.2
- costs caused by disease elimination
- loss of subsidies
- loss caused by a disease that
 - is a category A or B disease as defined in the Animal Diseases Act,
 - is caused by a disease which the World Health Organisation (WHO) has declared a pandemic, or
 - which occurs on at least 10 farms in Finland during a period of 12 months, after which losses caused by the disease are no longer covered on this basis for the next two full calendar years.

3.5 Indemnification regulations

3.5.1 Loss of animal

The basis for compensation will be the animal's fair value or slaughter value, depending on what has been agreed upon for each animal group.

The animal's fair value is the sum that would have been obtained from it if sold immediately before the insurance event.

By slaughter value, we refer to the amount of money that the carcass would have been worth following a normal slaughter, calculated by the slaughter weight and the fair amount paid for such an animal at the time of loss. The slaughter weight of an animal taken to the slaughterhouse can be obtained from the slaughterhouse's accounts. Oth-

erwise, the slaughter weight is an estimate given by a vet based on the animal's live weight.

3.5.2 Indemnity for pigs

The amount of loss concerning porkers is calculated by subtracting the sum obtained from the meat from the animals' slaughter value. If a porker has not been taken to the slaughterhouse, the slaughter weight is determined by the weight table below. The amount of loss concerning other pigs is calculated by subtracting the sum obtained from the meat from the animals' fair value.

The table is based on the assumption that the animal's weight increases by about 900 g per 24 hours and that the slaughter weight is an average of 74% of the live weight. The table has columns for the number of weeks since breeding began and the average slaughter weight in kilograms used as basis for compensation.

Porkers' weight table

Week(s)	kg
2	23
3	27
4	32
5	37
6	42
7	47
8	53
9	58
10	64
11	69
12	74
13	79
14	83
15	88

3.5.3 Indemnity for poultry

The amount of loss concerning broilers is calculated by subtracting the sum obtained from the meat from the animals' slaughter value.

The amount of loss concerning other poultry is calculated by subtracting the sum obtained from the meat from the animals' fair value.

3.5.4 Indemnity for sheep and goats

The amount of loss concerning sheep and goats is calculated by subtracting the sum obtained from the meat from the animals' fair value.

3.5.5 Indemnity for cattle

The amount of loss concerning cattle is calculated by subtracting the sum obtained from the meat from the animals' fair value.

3.5.6 Other expenses

Not only the costs of animal loss but also the other expenses specified in clause 3.3.2 are compensated.

TE 4 Other indemnification regulations concerning production animals' supplementary insurance

4.1 Deductible

In all insurance events, the policyholder is responsible for a certain amount of the loss, i.e. the deductible, which is specified in the insurance policy.

4.2 Reduction of indemnity owing to incorrect or incomplete information

If the number of insured animals is smaller than the actual number of animals, the amount of loss, less the deductible, will only be indemnified in the same proportion as the difference is between these two figures. For pig houses, the reduction is made in the proportion of reported and actual pig places.

4.3 Documents to be submitted

The loss report must include a veterinarian's statement on the cause of the animal's death or euthanasia and the reason for euthanasia. The slaughterhouse's accounts, whenever available, must also be submitted. When compensation is sought for the disappearance of an animal, a copy of the report of an offence provided by the police must be submitted to the company.

4.4 Value added tax

Regulations concerning value added tax specified under ES 6.4.9 in the indemnification regulations of property insurance will be applied.

KE BUSINESS INTERRUPTION INSURANCE

If separately agreed upon and specified in the insurance policy, the insurance contains business interruption insurance.

KE 1 Purpose of insurance

In accordance with these terms and conditions and the General Terms of Contract (YL), Pohjola Insurance Ltd. (hereinafter the insurance company) undertakes to cover financial loss caused to the object of insurance by damage referred to in clause KE 3 below.

KE 2 Object of insurance

The object of the insurance is the estimated gross profit of the policyholder's business operations specified in the insurance policy. Estimated gross profit is calculated by subtracting variable costs (such as materials and service expenses) from turnover for the 12-month period. If the sum insured is calculated for another period or on other grounds, this must be indicated in the insurance policy. The premium is based on net sales.

KE 3 Extent of coverage

Business interruption insurance for farms

The insurance covers loss due to business interruption which is a direct consequence of coverable material damage to property used in insured farming operations. Coverable property damage has been specified in the terms and conditions of Farm Production Insurance YH 11, clauses 4.1 Farm Insurance and 4.2 Extended Farm Insurance. The basis of indemnity for business interruption is the extent of cover taken for the insured property.

Catastrophe interruption

The insurance covers loss due to business interruption which is a direct consequence of a coverable loss to property used in insured farming operations or to animals insured under animal catastrophe insurance. Coverable losses have been specified in the terms and conditions of Farm Production Insurance YH 11, clauses 4.1 Farm Insurance or 4.2 Extended Farm Insurance and TE 3 Animal Catastrophe Insurance.

KE 4 Indemnity period and deductible

4.1 Indemnity period

The indemnity period stated in the policy document is the continuous period of time during which a business interruption loss occurred and the insurance covers such loss. The indemnity period in catastrophe insurance is a maximum of 12 months.

4.2 Deductible

The deductible to be subtracted from the loss amount is specified in the policy document.

KE 5 Losses covered by our insurance policies and limitations of liability

5.1 The insurance indemnifies for:

The insurance covers financial loss caused by interruption of business operations, provided that the loss is the direct consequence one of following that occurred during the insurance period:

- of coverable material damage sustained during the insurance period by property covered by property insurance, or
- of fire damage to property used by a supplier of goods or services or a customer who has a direct business relationship with the policyholder for business operations, provided it would be a coverable loss event under section ES 4.1.2 when sustained by an object of property insurance. The loss must have occurred during the insurance period, and the assets in question must have been at a permanent place of business of the customer or supplier at the time of the loss. The indemnity period in business interruption due to dependence is up to six (6) months

5.2 The insurance does not cover

5.2.1 Plants and crops

The insurance does not indemnify losses to growing field and garden plants or any other unharvested crop. However, the insurance indemnifies business interruption that is a direct consequence of fire damage to growing or unharvested crops.

5.2.2 Milk containing antibiotics

The insurance does not indemnify business interruptions caused by milk being unusable owing to bovine antibiotic treatment.

5.2.3. Consequences based on law or agreement

The insurance does not cover delay penalties or other similar damages or consequences which are based on law or an agreement.

5.2.4 Contingency business interruption cover

This clause applies to insurance policies of businesses or organisations that have commenced on or after 1 January 2014 and to insurance policies of consumers or equivalent policyholders that have commenced on or after 1 January 2023.

The insurance does not cover any contingency business interruption loss incurred by interruptions, slowdowns, delays or other disruptions to:

- telecommunication, telecom operator, or IT services;
- energy, gas, electricity, or water distribution; or
- waste water management or processing.

Losses are not indemnified even if the interruption, slowdown, delay, or other disruption was the result of a loss event covered by clause KE5 of the insurance terms and conditions.

KE 6 Indemnification regulations

6.1 Loss amount

The loss amount is the amount of lost estimated gross profit (see KE 2).

6.2 Expenses paid to reduce business interruption loss

The coverable loss also includes expediting costs and other additional financially justifiable expenses paid by the policyholder, which have reduced the business interruption loss by at least the same amount during the indemnity period.

6.3 Other regulations for calculating the loss amount

6.3.1 Overinsurance

The object is overinsured if the turnover calculated for the insurance period reported by the policyholder and recorded in the insurance policy is higher than the actual turnover. In such a case, the loss amount is calculated from the actual turnover.

6.3.2 Under-insurance

The object is underinsured if the turnover calculated for the insurance period reported by the policyholder and

recorded in the insurance policy is lower than the actual turnover. In such a case, a portion is paid of the loss amount that is proportionate to the portion represented by the reported turnover of the actual turnover.

6.3.3 Termination of business operations

If business operations are discontinued after a loss, the loss amount is the operating profit lost and the paid expenses included in the sum insured for the period it would have taken to resume business operations, however up to a period of one year.

6.3.4 Expansion of business operations

Any deductions due to use of part of the indemnity period for development or expansion of business operations, or for other changes, are not taken into account in calculating the reduction in net turnover.

6.3.5 Delays in repairs or replacement following material damage

Business interruption loss resulting from material damage is covered only for the time required to repair or replace the property using effective methods. This is assessed using the criteria that would be observed if the material damage were to be covered by this policy or under the material damage insurance terms and conditions appended to this policy. Delays in repairs or replacement resulting from a failure to obtain the necessary financing are not covered as business interruption losses.

6.3.6 Indemnity amount

The indemnity amount consists of the loss amount calculated in accordance with the above rules, less

- any amount saved during the indemnity period because there has been no need to pay an expense item included in the lost estimated gross profit (see clause KE 2 Object of insurance) as a result of material damage or because it has been reduced, indemnified from another insurance or otherwise saved
- the amount by which the operating profit of the policyholder, a company in the same group of companies or other party acting for the policyholder increased during the indemnity period owing to the loss, and
- any estimated gross profit included in an indemnity received for material damage.

The maximum amount of business interruption compensation for a single insurance period is the total of profits, variable payroll costs and social expenses for 12 months from the beginning of the insurance period, increased by 50%.

KE 7 Other provisions

In the event of loss, the policyholder must promptly report to the insurance company and take measures to mitigate any resulting business interruption loss. Any expenses incurred by the policyholder owing to such measures will be indemnified in accordance with the principles applicable to business interruption loss.

The insurance company is discharged from any liability if the policyholder's accounting has not been performed as required by the Finnish Accounting Act and Ordinance.

VA COMMERCIAL GENERAL LIABILITY COVER

VA 1 Purpose of insurance

On the basis of these terms and conditions and the General Terms of Contract (YL), Pohjola Insurance Ltd (hereinafter referred to as the insurance company) undertakes to

- cover the losses referred to under clause 3.1 and the other expenses referred to separately in these terms and conditions,
- investigate the grounds for and amount of the damages,
- negotiate with the claimant, and
- handle court proceedings or pay legal expenses if the indemnity issue is subjected to legal proceedings.

The insurance covers the policyholder's business activities that were reported to the insurance company when the insurance was taken out and which are recorded in the insurance policy (insured activity).

VA 2 Territorial limits

The insurance is valid in Finland, unless otherwise agreed and recorded in the insurance policy.

The insurance is valid throughout the world with regard to losses occurring during a sales or purchase trip, or when taking part in a conference or trade fair.

VA 3 Coverable losses and related restrictions

3.1 Coverable losses

The insurance covers bodily injury or material damage caused to a third party in the insured operations and within the territorial limits of the insurance, provided that

- such injury or damage is discovered during the insurance period, and
- the policyholder is liable for it under legislation in force.

The insurance also covers a purely financial loss, caused to another as specified in the Finnish act on data protection or EU's General Data Protection Regulation, which was the result of illegal processing of personal data in the insured activity during the policy's validity and which the insured person is liable for in the capacity of a controller.

3.2 Restrictions

3.2.1 Loss or damage sustained by the policyholder

The insurance does not cover any loss sustained by the policyholder.

3.2.2 Property in use

The insurance does not cover any damage to property that was in the possession of, at the personal disposal of, or borrowed by the policyholder at the time of the act or omission causing the loss.

Additional cover for a leased real estate unit or flat

The additional cover compensates for loss or damage caused to real property or an apartment rented by the

insured if the loss or damage is not compensable under property insurance or such insurance has not been taken out. Hence, the additional cover is always secondary in relation to the property insurance. The above-mentioned additional cover does not extend the insurance coverage to road accidents (see clause 3.2.18)

Moreover, the additional cover does not cover damage

- to a leased object caused by wear and tear, rusting, corrosion, smell, spoiling, moulding, rotting, the spread of fungus, material fatigue, aging, or other equivalent gradual phenomenon,
- arising from the policyholder's similar recurring negligence
- caused by design, foundation, installation or construction error or neglected maintenance repairs or maintenance.
- caused to property in accordance with the insurance cover as a result of factors, acts or circumstances on the basis of which the damage to the property has been foreseeable, or
- which is environmental damage referred to in clause 3.2.9 of the terms and conditions.

The insured must observe the safety regulations given in the insurance policy, insurance terms and conditions, or other instructions in writing. If the insured fails to comply with the safety regulations, any compensation payable may be reduced or disallowed under clause 6.3 of the General Terms of Contract.

In other respects, the insurance terms and conditions and the insurance policy of the Commercial General Liability Insurance (VA 01) shall apply.

The sum insured for the losses covered by this additional cover is EUR 250,000 per loss and in total during the insurance period. This sum insured is included in the sum insured of the Commercial General Liability Insurance.

Additional cover for a working machine or piece of equipment borrowed on a temporary basis

Additional cover compensates loss or damage to a piece of machinery or equipment borrowed for the insured operations on a temporary basis and without payment.

The additional cover does not cover damage

- caused to property comparable to fixed assets that has been leased by or is otherwise at the disposal of the insured party,
- caused to property in accordance with the insurance cover as a result of factors, acts or circumstances on the basis of which the damage to the property has been foreseeable, or
- caused by loss of property or property being left behind.

The sum insured for the losses covered by this additional cover is EUR 20,000 per loss and EUR 40,000 in total during the insurance period. This sum insured is included in the sum insured of the Commercial General Liability Insurance.

3.2.3 Damage caused to property being handled by or in the care of the insured party

The insurance does not cover any damage to property which, at the time of the act or omission causing the loss, was caused by the insured party or a third party working for the insured party

- being manufactured, installed, repaired, processed or otherwise worked on by the policyholder or a third party on behalf of the policyholder
- stored
- subject to the safety or prevention obligation in view of the nature and immediate sphere of influence of the insured party's operations or of the work causing the loss, or
- otherwise in their care.

3.2.4 Product liability

The insurance does not cover any loss caused by a product delivered to a third party.

3.2.5 Products sold or handed over

The insurance does not cover any damage to

- damage to products handed over when the loss is caused by a characteristic of the product or by errors or deficiencies in the products or in information or instructions given concerning the products, or
- damage to products sold but not yet handed over.

3.2.6 Expenses incurred due to work performed

The insurance does not cover expenses caused by rectifying or redoing work incorrectly performed, even if this work is performed by a party other than the policyholder.

3.2.7 Contractual liability

The insurance does not cover any loss insofar as the liability is based on a contract, guarantee or other obligation, unless the liability is incurred even without such an obligation being in force.

3.2.8 Loss caused by plans, advice or instructions

The insurance does not cover any loss caused by errors or shortcomings in plans, research or measurement results, calculations, drawings, work specifications or reports or advice or instructions pertaining to a product and given to a third party.

3.2.9 Environmental damage, various discharges or disturbances

The insurance does not cover any damage to

- pollution of water, air or soil
- smoke, soot, dust, steam, gas
- noise, vibration, radiation, light, heat or smell or
- other similar disturbance.

However, such a loss may be covered if the policyholder can be held legally liable for the loss, and the cause of the loss and the loss itself were both sudden and unforeseeable and took place quickly, and are not based on either slow gradual influence or a repeated act or omission, or otherwise recurring events.

A further precondition for the payment of indemnity is that the policyholder became aware of the pollution, emission/dischARGE or another disturbance no later than fourteen days after its onset, and has filed a written claim with the insurer within sixty days of the date when such pollution, emission or another disturbance began.

For measures to be taken to prevent environmental damage and for indemnification of expenses incurred due to such measures, see clause Prevention costs.

3.2.10 Costs incurred by the authorities in cases of environmental damage

The insurance does not cover costs arising from preventive and rehabilitation measures taken by the authorities under section 6, subsection 1(2) of the Act on Compensation for Environmental Damage (737/1994).

3.2.11 Loss caused by moisture and flooding

The insurance does not cover any damage to

- moisture or
- flooding caused by rainwater or thaw, waste water, rivers, lakes and seas.

The insurance does, however, cover sudden loss caused by a random or single error or omission or by a fault or defect in a building, plant or piece of equipment appearing suddenly or unforeseeably as a result of an eventuality constituting liability for the policyholder. An additional condition is that the loss sustained for a reason fulfilling the above conditions took place suddenly, unforeseeably and quickly, and is not based on either slow, gradual influence or a repeated act or omission / otherwise recurring events.

However, the insurance does not cover any loss incurred due to flooding caused by a planning, measurement or construction defect in water pipes or sewers.

If the damage was caused by the policyholder's faulty installation, a further precondition for compensation for moisture damage is that the damage is discovered within 12 months of the installation. This extension does not apply to any other damage than that caused by moisture.

3.2.12 Groundwater

The insurance does not cover any loss caused by a change in the groundwater level.

3.2.13 Ownership and possession of real estate

The insurance does not cover any loss arising from the ownership, possession or maintenance of real estate.

The insurance does, however, cover the loss if

- the greater part of such real estate is used by the policyholder for purposes relating to the insured operations or
- liability insurance concerning the real estate has been agreed separately and this has been entered in the insurance policy.

3.2.14 Loss caused by use of watercraft or aircraft

The insurance does not cover any damage to

- use of craft or vessel subject to registration, unless the use is connected with work performed by the policyholder for the policyholder's own benefit or

- use of an aircraft for aviation when the policyholder is held liable in the capacity of owner, possessor or user of the aircraft, in the capacity of someone carrying out a task or duty aboard the aircraft or in the capacity of the employer of the above.

3.2.15 Loss caused by quarrying and blasting

The insurance does not cover a loss caused by quarrying or blasting or by any consequential land subsidence or landslide.

3.2.16 Financial loss

The insurance does not cover any financial loss that is not connected with bodily injury or material damage.

The insurance does, however, cover financial loss under the Data Protection Act or EU General Data Protection Regulation (see clause 3.1).

3.2.17 Pharmaceutical or patient injury, occupational accident, work-related exposure or occupational disease

The insurance does not cover

- patient injuries referred to in the Patient Insurance Act
- losses that relate to healthcare or medical care provided outside Finland
- personal injury caused by medication
- personal injury inasmuch as it is covered by the insured person's policy referred to in the Workers' Compensation Act, or
- loss or injury caused by occupational disease or other work-related exposure.

3.2.18 Road accident

The insurance does not cover any loss caused by use of a motor vehicle in traffic under the provisions of the Motor Liability Insurance Act or corresponding foreign legislation.

However, the insurance compensates road accidents in Finland that were not compensated by motor liability insurance as specified in section 40(2) of the Motor Liability Insurance Act, causing damage to the owner's or keeper's property that was not in the vehicle.

The insurance also compensates for road accidents not covered by motor liability insurance as specified in section 42 of the Motor Liability Insurance Act when the accident is caused during loading, unloading or other work performance

- while the vehicle is stationary, to vehicle's owner, driver or other person performing the work specified here.
- with regard to the property subject to the work performance or with regard to another vehicle engaged in the work performance, or
- in the case of property damage caused by excavating as specified in section 42, subsection 2.

The insurance does not, however, cover

- damage to the insured party's property that was being hoisted, towed or transported.
- damage to the insured party's property or property specified in clause 3.2.2.

- personal injury to the extent that it is covered by a policy referred to in the Workers' Compensation Act (see clause 3.2.17).
- damage caused to property specified in clause 3.2.3 in the event of property damage caused by excavating.

If the country where the loss occurs has no law which corresponds to the Finnish Motor Liability Insurance Act, the insurance does not cover loss caused by use of a motor vehicle in traffic.

3.2.19 Chemical products or equivalent

The insurance does not cover any loss or damage caused either directly or indirectly by

- asbestos
- lead or lead paint
- polychlorinated biphenyl (PCB)
- chlorinated hydrocarbons
- ureaformaldehyde
- diethylstilbestrol (DES)
- electromagnetic fields (EMF)
- welding fumes
- silica or silica-related dust
- genetically modified organisms (GMO)
- nanotechnology elements in products
- fungi, mould or bacteria on or within a building or other structure.
- creosote.
- perfluorinated alkyl substances and other PFAS compounds.

3.2.20 Tobacco

The insurance does not cover any loss caused by tobacco, tobacco products or tobacco smoke.

3.2.21 Nuclear accident

The insurance does not cover any loss caused by a nuclear accident referred to in the Nuclear Liability Act or corresponding foreign legislation.

3.2.22 Loss caused wilfully or through gross negligence

The insurance does not cover any loss caused wilfully or through gross negligence (see clause 7 of the General Terms of Contract, YL).

A loss can be considered to have been caused wilfully or through gross negligence if, for example, the act, operating method or neglect has involved a considerable risk for the loss to take place.

However, the insurance covers loss caused wilfully or through gross negligence if the policyholder in the capacity as employer is held liable for loss caused by an employee in the course of work and is able to show that the policyholder or its supervisory staff was not, and did not have to be, aware of the employee's action.

3.2.23 Loss caused by defamation of character or invasion of privacy

The insurance does not cover any loss caused by attacks on the policyholders' honour or invasion of their privacy.

3.2.24 Fines

The insurance does not cover fines or other similar sanctions.

3.2.25 Known risk of loss or damage

The insurance does not cover any loss caused by an error, deficiency or other grounds for liability of which the policyholder was or should have been aware at the inception of the insurance cover.

3.2.26 Loss caused by costs of repairing and remedying environmental damage as referred to in the EU Environmental Liability Directive

The insurance does not cover costs based on the EU Environmental Liability Directive (2004/35/CE) or corresponding legislation concerning the remedying or restoration of environmental damage, nor any other costs or compensation related to such damage.

Additional cover for costs of remedying environmental damage

However, the additional cover does cover the costs of remedial measures pursuant to the EU Environmental Liability Directive arising from environmental damage subject to compensation in accordance with clause 3.2.9.

The additional cover is in effect within the EU. With regard to damage that occurs outside Finland, only the costs in accordance with the minimum requirements of the EU Environmental Liability Directive shall be compensated at the maximum.

The additional cover covers the costs of the damage limitation or preventive measures required by a competent authority as well as primary, complementary or compensatory remedial measures as defined in the EU Environmental Liability Directive.

The costs of remedial measures will not be covered unless the insurance company has approved them in advance. In other respects, the insurance terms and conditions and the insurance policy of the Commercial General Liability Insurance (VA 01) shall apply.

The sum insured for the losses covered by this additional cover is EUR 500,000 per loss and in total during the insurance period. This sum insured is included in the sum insured of the Commercial General Liability Insurance.

3.2.27 Other liability insurance

The insurance does not cover any loss to the extent that the loss is covered by another liability insurance policy taken out by the policyholder.

VA 4 Safety regulations

The policyholder shall comply with the safety regulations given below, recorded in the insurance policy or otherwise issued in writing (see General Terms of Contract (YL), clause 6.1).

4.1 Hot work

This condition concerns such work (hot work) that creates sparks or which uses a flame or other heat causing a fire hazard (with regard to the deductible, see clause 7.7).

Hot work must be performed in a regular or temporary place designated for such work as defined in the safety regulations for hot work included in the insurance policy. A written permit is required to perform hot work in a temporary place. Anyone who performs hot work must be able to produce a valid hot-work card or a hot-work card for roofing hot work.

The policyholder must comply with the provisions of the safety regulations for hot work included in the insurance policy, and the tools and equipment used for the work must be in compliance with regulations.

4.2 Waterproofing

This clause refers to construction and renovation work which does not incorporate rainwater or thaw insulation or in which such insulation is being constructed, replaced or repaired (for deductible, see clause 7.7).

The risk of loss or damage posed by rainwater or thaw must be investigated in advance, and a protection plan must be drawn up by the contractor.

The work area must be waterproofed. Any valuable or damage-prone property on premises below the work area must be removed or separately protected. The users of such premises must be informed of the work.

4.3 Excavation and earthmoving

This clause refers to all excavation and earthmoving work (for deductible, see clause 7.7)

Before the work begins, the policyholder must obtain information on the location of any cables and pipes in the work area from their owner and take this location into account in performing the work.

In the event of loss involving a subterranean cable, the insurance company must be provided with a written certificate from the owner of the cable or pipe proving that a map had been supplied or the cable or pipe locations had been shown on site before the work began.

4.4 Additional cover for a leased real estate unit or flat

This clause applies to the additional cover for a leased real estate unit or flat specified above in clause 3.2.2 Property in use.

Oil tanks and related oil pipelines of a building must be checked for the first time in their tenth year of use, and after this steel tanks must be checked every five years and other tanks every ten years. Heating oil must be removed from tanks which are no longer in use, the equipment must be neutralised and the feed connection must be removed before the beginning of the subsequent heating period.

When using water pipes and sewers, the user must keep a constant watch to ensure that the water flows into the sewer and there are no sewer blockages.

VA 5 Claims settlement

5.1 Insurance Company's obligations

The insurance company must investigate whether the policyholder is liable to pay damages for any reported loss

covered under the insurance, for the part exceeding the deductible, and negotiate with the claimant.

If the policyholder covers the loss, makes an agreement concerning it or accepts the claim, this will not be binding on the insurance company unless the amount of and grounds for the damages are manifestly correct.

If the insurance company has reached a compensation agreement with the party who has suffered a loss coverable under the insurance, and the policyholder does not agree to this, the insurance company will not be held liable for any subsequent expenses or for more than it would have indemnified on the basis of the aforementioned agreement. The insurance company will also not be required to conduct any further investigations into the matter.

5.2 The policyholder's obligations

The policyholder must

- participate in the investigation into the loss at their own expense
- provide the insurance company with all information, documents and other material in their possession that are relevant to the claim settlement
- obtain or prepare any necessary clarifications and studies available to the policyholder at reasonable expense and
- provide the insurance company with the opportunity to participate in bringing about an amicable settlement.

VA 6 Legal proceedings

If a claim for damages, based on grounds which constitute a loss coverable under the insurance, is submitted to the court, the policyholder must immediately notify the insurance company thereof as soon as the policyholder has been informed of such legal proceedings.

If a claim for damages concerns a loss or damage that, as to its amount and grounds, is coverable under the insurance, the insurance company will pay the resulting reasonable and necessary legal expenses, provided that

- the loss report has been submitted before the statement of defence is given and
- the insurance company has approved the attorney being used.

If the legal proceedings also concern other issues, the insurance shall only cover the share of expenses arising from the claim for damages covered by the insurance.

The insurance company always retains the right to assume control of the legal proceedings.

VA 7 Indemnification regulations

7.1 Damages

The insurance covers the damages for which the policyholder is liable. The amount of compensation is calculated according to compensation regulations and legal practice.

Legal provisions on value added tax will be taken into account when calculating the loss amount. The portion accounted for by the tax will not be paid if it is deductible in the insured party's or beneficiary's taxation.

Value added tax will not be compensated in the event that the insured party or beneficiary has the right of refund with respect to value added tax.

If several parties are jointly liable for the same loss, the insurance will only cover that share of the loss which corresponds to the policyholder's share of the indemnification liability. If no other grounds exist, the indemnity is paid per capita.

7.2 Loss prevention costs

7.2.1 Costs incurred due to preventing risk of an impending loss

The insured is under obligation to prevent or limit the loss from an impending or actual insurance event (see General Terms of Contract (YL), clause 6.2). This obligation only concerns measures that eliminate the immediate threat of liability for a loss caused to a third party; but not any further measures after the event, unless these measures are separately agreed on with the insurance company. Costs arising from such necessary measures are coverable under the insurance.

7.2.2 Supplementary conditions for indemnification of costs incurred due to prevention of environmental damage to property owned by or in the possession of the insured party

If the policyholder causes environmental damage to property owned by or in the possession of the policyholder, such as soil, the following shall apply, in addition to clause 7.2.1 above.

No indemnity is paid for damage caused to property in the ownership or possession of the insured party.

Prevention costs will be covered only if there is imminent risk of damage to the property of a third party, for example when environmental pollutants pass through the ground-water or soil beyond the boundary of the policyholder's land.

Only such measures are coverable that are necessary to eliminate an impending threat of coverable damage to the property of a third party.

After the occurrence of environmental damage, more extensive measures than merely the prevention of imminent danger may be necessary to remedy the situation completely. These may include the transportation of polluted soil and the disposal or neutralisation of the hazardous waste. Costs arising from these measures are not coverable as loss prevention costs under the general liability insurance, even in the event that the measures are mandatory under official regulations.

7.2.3 Measures in the event of environmental damage

The policyholder must inform the insurance company without delay of any impending or actual occurrence of environmental damage (see clause 3.2.9 above) in order to confirm which prevention measures are coverable under the general liability insurance policy (see clauses 7.2.1 and 7.2.2 above).

7.2.4 Loss prevention costs due to key-related losses

The insurance covers expenses for rekeying or renewing locks arising from the loss of key to premises used by others only when all the following conditions are fulfilled:

- an employee of the policyholder or a member of a governing body has caused the loss of the key through any fault or neglect,
- there is an actual and imminent risk of the key coming into the possession of a person who is not authorised to access it, resulting in an imminent risk of theft to the property kept on the premises;
- the policyholder would be liable for loss caused by theft using the key; and
- the property owner has immediately, and within three weeks at the latest, taken tangible loss prevention measures.

The insurance only covers costs incurred by loss prevention measures related to the immediate risk of loss. Because an emergency temporary rekeying is generally sufficient for loss prevention, the insurance always primarily covers rekeying costs. However, if an emergency temporary rekeying cannot be carried out for technical reasons, and the locks must be rekeyed or changed entirely, the insurance covers costs incurred from the procedures after deducting the amount of quality improvement or other benefit. Quality improvement or other benefits are deducted according to the following table:

Age of locks	Deduction from upgrade costs
Under 3 years	0%
3–5 years	25%
5–10 years	50%
11–20 years	75%
Over 20 years	100%

The policyholder's deductible is deducted from the compensation. The deductible amounts to 20% of the coverable loss prevention costs, but no less than the amount of the deductible entered in the insurance policy.

7.3 Investigation and legal expenses

The insurance also covers any reasonable and necessary expenses arising from the investigation of a loss, but not those investigation expenses which are the liability of the policyholder under the insurance terms and conditions, or which have not been separately agreed upon with the insurance company.

Legal expenses are compensated in the manner described in section 6.

7.4 Maximum indemnity

The aggregate maximum amount of all indemnities for a single loss, including any investigation, negotiation, interest and legal expenses, is the sum insured as specified in the insurance policy. Loss prevention costs are coverable in accordance with clause 6.2 of the General Terms of Contract, YL.

The maximum compensation for a single financial loss, as specified in the Finnish act on data protection and EU's General Data Protection Regulation, is 50,000 euros during one insurance period.

The special terms and conditions may specify different sums insured.

7.5 Serial loss

Losses caused by the same event or circumstance will be considered a single loss regardless of whether they are discovered during one or more insurance periods. If such losses are discovered during different insurance periods, they will be attributed to the insurance period in which the first loss was discovered.

7.6 Deductibles

For each and every loss, the insured party's deductible specified in the insurance policy will be subtracted from the total amount of damages, prevention costs and expenses arising from investigations, consultations, interest rates and legal proceedings.

In case of losses referred to in VA 4, the special deductible under clause 7.7 is applied.

7.7 Special deductibles

In cases of loss resulting from hot work and waterproofing and vibration, the policyholder's deductible accounts for 10% of the loss amount but no less than EUR 3,000 and no more than EUR 20,000, or a greater amount of deductible specified in the insurance policy.

Leaks and flooding resulting from public-utility water supply pipes and sewers

Special deductibles as shown in the table below are applied to any losses incurred from leaks or flooding resulting from public-utility water supply pipes, drainage, sewerage or heating systems or similar pipelines.

Age of pipes	Deductible, %
20–30 years	20%
Over 30 years	40%

The age of any pipelines, pipes or other equipment is calculated as of the beginning of the calendar year following the year they were installed or renewed.

The policyholder's deductible for each insured event is always at least equal to the deductible specified in the policy document.

VA 8 Calculating the insurance premium

If, due to the nature of the policyholder's business, the insurance premium can only be estimated in advance, the final premium will be determined after the expiry of the insurance period, when the difference between the final premium and the advance premium must be paid immediately by or to the policyholder.

If the policyholder does not, within one month, provide the insurance company with the information it has requested for the purpose of calculating the final insurance premium, the company will be entitled to setting the final premium at an amount it considers reasonable.

Measures to be taken after a liability loss

As soon as a loss has become known or a claim has been submitted, the insurance company must be informed of the loss. No special form of notification is required. The main concern is that the report is filed at the earliest opportunity. Loss report forms are also available from our offices. As the process proceeds, the insurance company must be provided with further information whenever relevant factors emerge.

Information, minutes, reports and any other available documentation must be provided in the greatest possible detail on the cause of the loss and the loss itself. The names and addresses of the person(s) suffering loss must be collected for contact purposes.

In addition to the above guidelines, please see clauses 6.2, 10.2 and 10.3 of the General Terms of Contract, YL.

VA PRODUCT LIABILITY INSURANCE

VA 1 Purpose of insurance

On the basis of these terms and conditions and the General Terms of Contract (YL), Pohjola Insurance Ltd (hereinafter referred to as the insurance company) undertakes to

- cover the losses referred to under clause 3.1 and the other expenses referred to separately in these terms and conditions,
- investigate the grounds for and amount of the damages,
- negotiate with the claimant, and
- handle court proceedings or pay legal expenses if the indemnity issue is subjected to legal proceedings.

The insurance covers the policyholder's business activities that were reported to the insurance company when the insurance was taken out and which are recorded in the insurance policy (insured activity).

VA 2 Territorial limits

The insurance is valid in Finland, unless otherwise agreed and recorded in the insurance policy.

VA 3 Coverable losses and related restrictions

3.1 Coverable losses

The insurance covers bodily injury or material damage caused by a product delivered to a third party in the insured operations and within the territorial limits of the insurance, provided that

- such injury or damage is discovered during the insurance period, and
- the policyholder is liable for it under legislation in force.

Another prerequisite is that the claim is presented within the territorial limits of the insurance and is based on the tort law in force in said territory.

3.2 Restrictions

3.2.1 Loss or damage sustained by the policyholder

The insurance does not cover any loss sustained by the policyholder.

3.2.2 Products sold or handed over

The insurance does not cover any damage to

- damage to products sold or delivered
- damage to property other than the product itself in cases where the damage may be rectified by repairing or replacing the product delivered.

The insurance does not cover any expenses arising from complaints regarding a product, or from returning, repairing, replacing or withdrawing from sale of a product.

3.2.3 Contractual liability

The insurance does not cover any loss insofar as the liability is based on a contract, guarantee or other obligation, unless the liability would exist even without such an obligation being in force.

The insurance does not cover any loss caused by the failure of a chemical substance or pharmaceutical product to have the promised effect or performance.

The insurance does not cover any loss or part thereof insofar as some other party has agreed to indemnify for it on behalf of the insured party.

3.2.4 Financial loss

The insurance does not cover any financial loss that is not connected with bodily injury or material damage.

3.2.5 Pharmaceutical or patient injury, occupational accident or work-related exposure or occupational disease

The insurance does not cover

- patient injuries referred to in the Patient Insurance Act
- losses that relate to healthcare or medical care provided outside Finland
- personal injury caused by medication
- personal injury inasmuch as it is covered by the insured person's policy referred to in the Workers' Compensation Act, or
- loss or injury caused by occupational disease or other work-related exposure.

3.2.6 Chemical products or equivalent

The insurance does not cover any loss or damage caused directly or indirectly by

- asbestos
- lead or lead paint
- polychlorinated biphenyl (PCB)
- chlorinated hydrocarbons
- ureaformaldehyde
- diethylstilbestrol (DES)
- electromagnetic fields (EMF)
- welding fumes
- silica or silica-related dust

- genetically modified organisms (GMO)
- nanotechnology elements in products
- fungi, mould or bacteria on or within a building or other structure
- perfluorinated alkyl substances and other PFAS compounds.

3.2.7 Tobacco

The insurance does not cover any loss caused by tobacco, tobacco products or tobacco smoke.

3.2.8 Nuclear accident

The insurance does not cover any loss caused by a nuclear accident referred to in the Nuclear Liability Act or corresponding foreign legislation.

3.2.9 Loss caused wilfully or through gross negligence

The insurance does not cover any loss caused wilfully or through gross negligence (see clause 7 of the General Terms of Contract, YL).

A loss can be considered to have been caused wilfully or through gross negligence if, for example, the act, operating method or neglect has involved a considerable risk for the loss to take place.

However, the insurance covers loss caused wilfully or through gross negligence if the policyholder in the capacity as employer is held liable for loss caused by an employee in the course of work and is able to show that the policyholder or its supervisory staff was not, and did not have to be, aware of the employee's action.

3.2.10 Action violating product safety regulations

The insurance does not cover any loss caused by an action in violation of laws, decrees or mandatory official product safety regulations or instructions, if the policyholder was, or should have been, aware of such action.

3.2.11 Fines

The insurance does not cover fines or other similar sanctions.

3.2.12 Known risk of loss or damage

The insurance does not cover any loss caused by an error, deficiency or other grounds for liability of which the policyholder was or should have been aware at the inception of the insurance cover.

3.2.13 Other liability insurance

The insurance does not cover any loss to the extent that the loss is covered by another liability insurance policy taken out by the policyholder.

VA 4 Safety regulations

The policyholder shall comply with the safety regulations given below, recorded in the insurance policy or otherwise issued in writing (see General Terms of Contract (YL), clause 6.1).

VA 5 Claims settlement

5.1 Insurance Company's obligations

The insurance company must investigate whether the policyholder is liable to pay damages for any reported loss covered under the insurance, for the part exceeding the deductible, and negotiate with the claimant.

If the policyholder covers the loss, makes an agreement concerning it or accepts the claim, this will not be binding on the insurance company unless the amount of and grounds for the damages are manifestly correct.

If the Insurance Company has reached an agreement on compensation with the party who has sustained a loss, and the policyholder does not agree to this, the insurance company will not be held liable for any subsequent expenses or for more than it would have indemnified on the basis of the aforementioned agreement. The insurance company will also not be required to conduct any further investigations into the matter.

5.2 The policyholder's obligations

The policyholder must

- participate in the investigation into the loss at their own expense
- provide the insurance company with all information, documents and other material in their possession that are relevant to the claim settlement
- obtain or prepare any necessary clarifications and studies available to the policyholder at reasonable expense and
- provide the insurance company with the opportunity to participate in bringing about an amicable settlement.

VA 6 Legal proceedings

If a claim for damages, based on grounds which constitute a loss coverable under the insurance, is submitted to the court, the policyholder must immediately notify the insurance company thereof as soon as the policyholder has been informed of such legal proceedings.

If a claim for damages concerns a loss or damage that, as to its amount and grounds, is coverable under the insurance, the insurance company will pay the resulting reasonable and necessary legal expenses, provided that

- the loss report has been submitted before the statement of defence is given and
- the insurance company has approved the attorney being used.

If the legal proceedings also concern other issues, the insurance shall only cover the share of expenses arising from the claim for damages covered by the insurance.

The insurance company always retains the right to assume control of the legal proceedings.

VA 7 Indemnification regulations

7.1 Damages

The insurance covers the damages for which the policyholder is liable. The amount of compensation is calculated according to compensation regulations and legal practice. Legal provisions on value added tax will be taken into account when calculating the loss amount. The portion accounted for by the tax will not be paid if it is deductible in the insured party's or beneficiary's taxation.

Value added tax will not be compensated in the event that the insured party or beneficiary has the right of refund with respect to value added tax.

If several parties are jointly liable for the same loss, the insurance will only cover that share of the loss which corresponds to the policyholder's share of the indemnification liability. If no other grounds exist, the indemnity is paid per capita.

7.2 Costs incurred due to preventing risk of an impending loss

The insured is under obligation to prevent or limit the loss from an impending or actual insurance event (see General Terms of Contract (YL), clause 6.2). This obligation only concerns measures that eliminate the immediate threat of liability for a loss caused to a third party; but not any further measures after the event, unless these measures are separately agreed on with the insurance company. Costs arising from such necessary measures are coverable under the insurance.

7.3 Investigation and legal expenses

The insurance also covers any reasonable and necessary expenses arising from the investigation of a loss, but not those investigation expenses which are the liability of the policyholder under the insurance terms and conditions, or which have not been separately agreed upon with the insurance company.

Legal expenses are compensated in the manner described in section 6.

7.4 Maximum indemnity

The aggregate maximum amount of all indemnities for a single loss, including any investigation, negotiation, interest and legal expenses, is the sum insured as specified in the insurance policy. Loss prevention costs are coverable in accordance with clause 6.2 of the General Terms of Contract, YL.

The maximum indemnity paid for losses discovered during a single insurance period equals double the sum insured specified in the insurance policy.

The special terms and conditions may specify different sums insured.

7.5 Serial loss

Losses caused by the same event or circumstance will be considered a single loss regardless of whether they are discovered during one or more insurance periods or whether the products are delivered at different times. If such losses are discovered during different insurance periods, they will

be attributed to the insurance period in which the first loss was discovered.

7.6 Deductibles

For each and every loss, the insured party's deductible specified in the insurance policy will be subtracted from the total amount of damages, prevention costs and expenses arising from investigations, consultations, interest rates and legal proceedings.

In losses that are caused by traces of antibiotics or other drugs, the deductible is 20% of the loss amount, but no less than the amount recorded in the insurance policy.

7.7 Special deductibles

The insurance policy or the special terms and conditions may specify deductibles that differ from those stated above.

VA 8 Calculating the insurance premium

If, due to the nature of the policyholder's business, the insurance premium can only be estimated in advance, the final premium will be determined after the expiry of the insurance period, when the difference between the final premium and the advance premium must be paid immediately by or to the policyholder.

If the policyholder does not, within one month, provide the insurance company with the information it has requested for the purpose of calculating the final insurance premium, the company will be entitled to setting the final premium at an amount it considers reasonable.

Measures to be taken after a liability loss

As soon as a loss has become known or a claim has been submitted, the insurance company must be informed of the loss. No special form of notification is required. The main concern is that the report is filed at the earliest opportunity. Loss report forms are also available from our offices. As the process proceeds, the insurance company must be provided with further information whenever relevant factors emerge.

Information, minutes, reports and any other available documentation must be provided in the greatest possible detail on the cause of the loss and the loss itself.

In cases of product liability loss, the product that caused the loss must be carefully retained for investigation purposes.

The names and addresses of the person(s) suffering loss must be collected for contact purposes.

In addition to the above guidelines, please see clauses 6.2, 10.2 and 10.3 of the General Terms of Contract, YL.

OI LEGAL EXPENSES INSURANCE

OI 1 Purpose of insurance

The purpose of this insurance is to indemnify for any necessary and reasonable legal expenses incurred by the insured as a result of resorting to legal counsel in a

disputed civil or criminal case or non-contentious civil case concerning an insurance event referred to under clause 4.

The insurance covers the business activities recorded in the insurance policy.

OI 2 Those insured

Those insured are

- the company recorded as the policyholder in the insurance policy
- the policyholder's employees
- persons who receive no remuneration for their work or who work on a temporary basis, provided that the policyholder, under effective legislation, is liable to make good any loss or damage caused by such persons
- independent entrepreneurs comparable to the policyholder's employees, provided that the policyholder, under effective legislation, is liable to make good any loss or damage caused by such entrepreneurs
- a general partner or shareholder of the policyholder company in a case concerning legal action or commitment in the name, on behalf or in favour of the policyholder, or when the general partner or shareholder is faced with a claim jointly and severally with the policyholder.

OI 3 Courts of law and territorial limits

The insured may use the insurance in cases which have been brought before a district court in Finland or which are subject to arbitration proceedings in Finland. If the case concerns a disputed civil case settled out of court, the insurance can be used if the case could have immediately been brought before a district court in Finland.

The insurance does not cover expenses in cases handled by the administrative authorities or special courts, such as an administrative court, the Insurance Court, the Labour Court, the Market Court or the Supreme Administrative Court. Nor does the insurance cover expenses in cases handled by the European Court of Justice.

OI 4 Coverable insurance events

4.1 Definition of an insurance event

In disputed and non-contentious civil cases, an insurance event refers to a dispute. A 'dispute' refers to a claim specified as to its grounds and amount and which has been demonstrably and specifically disputed as to its grounds or amount.

In a criminal case, an insurance event refers

- to charges pressed by the insured person as the complainant
- to a complainant's charges against the insured brought and pursued after a public prosecutor has decided to waive or withdraw charges for the same action, or the pre-trial investigation authority or prosecutor has decided that a pre-trial investigation is not carried out or is suspended or terminated. Insurance events also refer

to situations where the complainant brings charges after the pre-trial investigation is postponed by decision of the officer in charge.

The charges are considered to have been brought when the complainant's application for a summons has arrived at the office of a district court. The charges are considered pursued when the complainant has notified the court in writing of pursuing the charges after the public prosecutor has withdrawn the charges. The insurance indemnifies insurance events that occur during the validity of the insurance. If, however, this policy has been valid for less than two years at the time of the insurance event, the matters on which the dispute, claim, denial, notice of work relationship termination, charge or suspected crime is based must also have taken place during the validity period of the insurance.

The validity period is defined as the period that this policy alone or consecutively with other terminated legal expenses insurance policies with equivalent content has been continuously valid for the benefit of the insured. However, if, on the occurrence of an insurance event, the insured has several effective legal expenses insurance policies, only this policy will be taken into account when determining the validity period of the insurance.

If the policy's coverage has been extended and the extension had been valid for less than two years when the insurance event occurred, the extension will only be applied if the factors upon which a dispute, demand, denial, notification of termination of employment contract, prosecution or suspected crime is based arose after the extension had entered into force. By extension of the policy's coverage we mean a higher sum insured, broader territorial limits, or the adverse party's expenses being included in the policy.

4.2 Single insurance event

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

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

Ol 5 Restrictions relating to insurance events

The insurance does not cover expenses incurred by the insured in a case

1. where the claim has not been demonstrably disputed
2. which is related to other than the activities recorded in the insurance policy
3. which is related to the transfer of the insured company, shares entitling to the ownership of the company, or partnership interest, or the full or partial transfer of a business
4. of minor importance to the insured

5. in which those insured under this insurance represent opposing parties; the insurance does, however, cover expenses incurred by the policyholder
6. which concerns a claim or receivable transferred to the insured, unless, at the time the dispute arises, two years have elapsed since the transfer
7. in which the insured is being prosecuted by the public prosecutor or in which the complainant has filed a civil claim against the insured while such prosecution is pending
8. which relates to a civil claim against the insured on account of which the insured has been sentenced or, on the basis of the relevant special provisions, the charges or sentence against the insured have been waived; however, the insurance covers the policyholder's expenses if the case, as regards the policyholder, concerns the employer's liability to pay damages
9. in which the insured has submitted a civil claim on account of which the insured has been sentenced or, on the basis of the relevant special provisions, the charges or sentence against the insured have been waived
10. which concerns a legal person's liability to pay fines
11. in which the insured is involved as the owner, possessor or driver of a motor vehicle or watercraft or in which expenses incurred by the insured are covered under liability insurance
12. which concerns a bankruptcy
13. which relates to a distraint, execution dispute or the execution of distraint
14. which relates to proceedings carried out in accordance with legislation on company restructuring or the debt adjustment of private individuals, or the voluntary debt adjustment of farmers in accordance with the Rural Industries Act
15. which demand clarification of whether the expenses incurred from the insurance event reported by the insured are fully or partly coverable under the legal expenses insurance
16. which is dealt with as a class action and in which the insured is a claimant or a member of the group
17. which concerns a patent or other intellectual property right.
18. which relates to a tenancy relationship, except in the case of a lease in which the insured company is the lessee, and the leased apartment or real estate unit is in commercial use by and in the possession of the insured company.

Ol 6 Measures to be taken on the occurrence of an insurance event

6.1 If the insured wishes to use the insurance, the insured must inform the insurance company of this in advance in writing. The insurance company will then send the insured a written claim settlement decision.

6.2 The insured must be represented by a third-party attorney-at-law, a public legal aid counsel or other such lawyer who has the right to act as an attorney or a legal counsel.

No indemnity will be paid if the insured decides not to use a third-party representative or chooses to use a repre-

sentative who is not a Finnish Master of Laws or does not have equivalent foreign qualifications.

6.3 In cases that go to the main hearing, the insured must require the opposing party to reimburse the insured's legal expenses in full. However, in matters processed in court according to the procedure prescribed in the Act on Court-annexed Mediation (663/2005), no such demand is required for the mediation expenses.

If the insured has presented to the adverse party a legal expenses demand which has been partly or fully rejected by a court order, an appeal must be lodged against the decision if the insurance company so requires. If the insured fails to lodge such demand, waives the right to do so, or refuses to appeal the court decision, the insurance compensation may be lowered or altogether denied.

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

Any payment by the insured to the representative for legal fees and expenses is not binding on the insurance company in its evaluation of reasonable litigation costs.

Ol 7 Indemnification regulations

7.1 Sum insured

The sum insured recorded in the insurance policy is the upper limit of the insurance company's liability in each insurance event.

7.1.1 However, the sum the insurer is obliged to pay for expenses prior to a main hearing at a district court or the commencement of mediation in a court of law, or for expenses in a matter resolved without a trial, is only up to 50% of the sum insured specified in the insurance policy.

7.1.2 If the monetary value of a disputed benefit is assessable, the insurance covers, in a disputed or non-contentious civil case and when the insured party is a complainant in a criminal case, up to double the amount of the disputed benefit. When assessing the amount of benefit, no claims for interest, legal or litigation expenses are taken into account. 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.

7.1.3 During one insurance period, the maximum amount of indemnity paid for insurance events is double the sum insured.

7.2 Deductible

The deductible specified in the policy document is subtracted from the coverable expenses.

7.3 Coverable expenses

The insurance covers necessary and reasonable legal expenses incurred by the insured as a result of the insurance event as follows:

7.3.1 Disputed and non-contentious civil cases

Expenses incurred by the insured for 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 case can be brought before a district court.

If the matter has been handled as a conciliation case by a court of law, the insurance will also cover the insured person's portion of the fee and expenses for an assistant to the conciliator calculated per capita of the parties to the dispute.

If a dispute between the insured and an entrepreneur or legal person as adverse party has been handled as a voluntary conciliation case other than that by a court of law, the insurance will also cover the insured person's portion of the conciliator's fee calculated per capita of the parties to the dispute. Compensating this fee requires that the conciliator is an attorney or other legal counsel.

7.3.2 Criminal cases

7.3.2.1 The insured as the complainant

Legal expenses incurred by the insured for use of legal counsel and presentation of evidence insofar as the court proceedings involved a civil claim made by the insured for other than legal expenses on the basis of a crime.

7.3.2.2 The insured as the defendant

Legal expenses incurred by the insured for use of legal counsel and presentation of evidence if the case involves charges raised by the complainant against the insured when the public prosecutor has waived or withdrawn charges for the same action.

7.3.3 Appealing to a Court of Appeal and the Supreme Court

If a permit is required to appeal to the Court of Appeal or the Supreme Court, the costs incurred from the appeal will be indemnified under the insurance only if the permit or leave has been granted.

Costs incurred in the use of extraordinary channels of appeal are indemnified only if the Supreme Court has approved the appeal for nullification, reversed the judgement, or reinstituted a time limit forfeited.

7.3.4 Common interest

If the case involves an interest essentially other than that of the insured or 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.

7.4 Amount and calculation of indemnity and value added tax

The legal expenses indemnified under the insurance are determined in accordance with the relevant provisions of the Code of Judicial Procedure and the Criminal Procedure Act.

If, owing to the admission by interested parties or some other reason, the court of law has not mentioned legal expenses in its decision, or if the matter has been settled out of court, the coverable expenses are determined also by taking into account the expenses normally paid or

ordered by a court to be paid in 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 incurred expenses, in part or in full, to the insured's detriment.

For the use of a legal counsel, the insurance covers a reasonable fee charged by the counsel for services rendered and necessary expenses. The value of the disputed benefit, the difficulty and extent of the case and the quantity and quality of the work involved are taken into account in the determination of a reasonable sum for the fees and expenses. Coverable expenses are, however, a maximum of the amount of the expenses claimed by the insured person's opposing party.

If the insured, under the Value Added Tax Act, has the right to deduct or reclaim the tax included in the legal expenses invoice, the indemnity will be reduced by the value added tax included in the invoice.

7.5 Expenses not covered by the insurance

The insurance does not cover

- costs incurred due to measures taken before the insurance event, the preliminary investigation of a case or the investigation or handling of such a disputed case as a result of which the insured justifiably waives his claims against the adverse party. The insured is also considered to waive the claims if the indemnity received through settlement is below the minimum deductible of the insurance.
- any legal expenses of the adverse party which the insured has been ordered or has agreed to pay, unless agreed upon separately and entered in the insurance policy
- expenses arising from the enforcement of a ruling or decision
- the insured person's wasted time, own work, loss of income or earnings, travel or accommodation costs or any additional costs arising from a change of representative or from any conduct on the part of the insured which has increased costs unnecessarily
- costs of acquiring expert legal opinion
- expenses for acquiring other than expert legal opinion, if such opinion does not support the insured person's claims or denial of the adverse party's claims
- costs incurred from reporting a criminal offence or making a request for investigation, or from pre-trial investigation of a criminal case
- costs incurred due to matters and evidence which the court of law will not take into account
- costs caused by the insured or the insured's legal counsel by failing to appear in court, by disregarding court orders, or by entering a plea which they knew or should have known to be unfounded, or costs which they have caused by prolonging the litigation wilfully or through negligence

- costs for litigation which the insured or the legal counsel initiated without the adverse party giving any cause, or if they have in some other way caused unnecessary litigation wilfully or through negligence
- arbitral tribunal fees, travel expenses and other similar expenses
- the administrative fee of the Arbitration Institute or other expenses incurred by the Institute by the arbitration.

7.6 Other regulations concerning indemnity

7.6.1 The insurance company indemnifies for the insured's legal expenses after a legal ruling has been issued or a settlement has been reached.

7.6.2 If, under the Value Added Tax Act, the insured is entitled to deduct the tax included in the invoice for legal expenses, the insurance company will pay the indemnity to the insured against the invoice paid by the insured for legal expenses.

7.6.3 The insurance company's liability to pay indemnity will be reduced by any expenses compensation which the insured's adverse party has been ordered by the court or has undertaken to pay to the insured, provided that it has been possible to collect this sum from the party liable for payment.

7.6.4 If the opposing party has been ordered by the court or has undertaken to pay expenses compensation to the insured and this remains unpaid at the time the indemnity is paid, the insured is obliged, before the indemnity is paid, to transfer the right to the said compensation to the insurance company, up to the sum indemnified under the insurance.

If the insured has had to pay a proportion of the costs because they exceeded the maximum indemnity under clause 7.1, the insured shall be obliged to transfer, to the insurance company, that part of the expenses compensation collected from the adverse party which is in excess of the part paid by the insured.

7.6.5 If the expenses compensation that the opposing party has been ordered or has agreed to pay has been paid to the insured or it has otherwise been taken into consideration in the insured person's favour, the insured must return the expenses compensation with interest to the insurance company, up to the amount of compensation paid out of the insurance.

7.7 Indemnification of opposing party's legal expenses

The insurance indemnifies legal expenses payable by the insured, provided this has been separately agreed and entered in the insurance policy.

The compensation for legal expenses payable by the insured can be no more than half of the sum insured, and in the cases referred to in clause 7.1.3, no more than the sum of the insured person's own legal expenses to be indemnified.

The insurance will indemnify the insured person's opposing party's necessary and reasonable legal expenses which the insured is forced to pay in the matter, provided the insured

person's own legal expenses are indemnified from this legal expenses insurance.

7.8 Expenses not covered by the insurance

The insurance does not cover expenses to the insured person's adverse party

- if the ruling is based on an agreement on the expenses or
- which have been caused to the adverse party as a result of the action of the insured or their representative that increased expenses unnecessarily.

If the ruling is based on an amount accepted to be correct by the insured, the insurance company has the right to assess the adverse party's legal expenses to be indemnified in accordance with the relevant provisions of the Code of Judicial Procedure and the Act on Criminal Proceedings.

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